

Country Group Holdings Public Company Limited
and its subsidiaries
Report and consolidated financial statements
31 December 2023

Independent Auditor's Report

To the Shareholders of Country Group Holdings Public Company Limited

Opinion

I have audited the accompanying consolidated financial statements of Country Group Holdings Public Company Limited and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2023, and the related consolidated statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, and have also audited the separate financial statements of Country Group Holdings 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 Country Group Holdings Public Company Limited and its subsidiaries and of Country Group Holdings Public Company Limited as at 31 December 2023, and their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the 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.

Key Audit Matter

Key audit matter is this matter that, in my professional judgement, was of most significance in my audit of the financial statements of the current period. This matter was 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 this matter.

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 this matter. 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 matter below, provide the basis for my audit opinion on the accompanying financial statements as a whole.

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

Existence of and right to control digital assets

As at 31 December 2023, the Group had a balance of digital assets, including cryptocurrencies and digital tokens, totaling Baht 131 million. These assets were stored in both overseas and local digital asset exchanges, as well as in the Group's private digital asset wallet. Moreover, the Group had a balance of the right to acquire digital assets of Baht 42 million through a purchase agreement with a company. Since these digital assets are electronic data units built on an electronic system or network, they are vulnerable to loss or unauthorised relocation.

I have gained an understanding of the Group's investment policy regarding digital assets and tested the password management and storage security for digital asset transactions through overseas and local digital asset exchanges by inquiring about and observing the login process prior to executing such transactions. In addition, I have proven the existence and right to control digital assets stored in the private digital asset wallet of the Group and in digital asset exchanges as at 31 December 2023 by inquiring about and observing digital asset transactions, as well as reconciling their balances with the Group's report and transactions occurring on the blockchain including controls over the private key. I sent a confirmation letter to digital asset exchanges and engaged blockchain technology experts to assess the credibility of the data sources and verify transactions occurring on the blockchain. Furthermore, I read the digital assets purchase agreement, submitted a letter to a company to confirm the Group's right to acquire digital assets as at 31 December 2023, and reconciled the balances with the amount recorded in the Group's report.

I have exercised the professional judgment in determining the nature and extent of audit evidence required, particularly in relation to the assessment of existence of and right to control the digital assets. In addition, I have evaluated the sufficiency and appropriateness of audit evidence obtained by assessing the results of procedures performed over the digital assets.

Other Information

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

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

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

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

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Thai Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error

and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Thai Standards on Auditing, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

- 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. (if any)

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.

Poonnard Paocharoen
Certified Public Accountant (Thailand) No. 5238

EY Office Limited
Bangkok: 28 February 2024

Country Group Holdings Public Company Limited and its subsidiaries

Statement of financial position

As at 31 December 2023

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2023	2022	2023	2022
Assets					
Current assets					
Cash and cash equivalents	6	1,271,822,710	1,090,846,074	241,244,974	254,759,516
Trade and other receivables	7	231,717,860	205,807,248	93,531,745	96,555,596
Receivables from Clearing House and broker - dealers	8	252,078,878	225,305,609	-	-
Securities and derivatives business receivables	9	1,586,161,852	1,499,612,549	-	-
Derivative assets	10	-	1,344,300	-	-
Short-term loans to subsidiaries	43	-	-	395,896,513	447,329,058
Current portion of long-term loans to other company	13	34,350,105	37,350,105	-	-
Inventories - digital assets	11	131,345,340	53,616,291	-	-
Other current financial assets	12	1,313,949,924	1,506,974,440	757,755,208	522,941,290
Total current assets		4,821,426,669	4,620,856,616	1,488,428,440	1,321,585,460
Non-current assets					
Other non-current financial assets	12	632,450,541	750,121,905	195,659,297	262,268,398
Investments in subsidiaries	15	-	-	2,674,277,877	2,674,277,877
Investments in associates	16	2,642,242,291	2,626,163,124	2,067,448,120	2,067,448,120
Investment in venture capital	17	56,489,373	29,999,900	56,489,373	29,999,900
Investment properties	18	34,177,558	35,265,091	-	-
Property, plant and equipment	19	136,651,483	138,075,892	500,766	438,568
Right-of-use assets	28	82,009,188	90,726,918	8,317,745	14,556,053
Intangible assets	20	291,890,725	221,246,177	-	-
Deferred tax assets	40	338,820,716	295,984,238	157,002,856	160,785,120
Other non-current assets	21	208,221,790	198,780,026	3,274,413	2,828,218
Total non-current assets		4,422,953,665	4,386,363,271	5,162,970,447	5,212,602,254
Total assets		9,244,380,334	9,007,219,887	6,651,398,887	6,534,187,714

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

Director

(Mr. Tommy Taechaubol)

Country Group Holdings Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 31 December 2023

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022
Liabilities and shareholders' equity					
Current liabilities					
Short-term borrowings from financial institutions	22	600,000,000	500,000,000	-	-
Securities sold under sell and buy back agreements	23	690,940,497	648,885,345	-	-
Trade and other payables	24	334,051,458	366,207,058	178,274,201	218,567,617
Payables to Clearing House and broker - dealers	25	48,933,859	45,717	-	-
Securities and derivatives business payables	26	645,249,676	766,107,882	-	-
Derivative liabilities	10	2,143,722	-	-	-
Current portion of long-term debentures	27	533,165,258	142,327,205	532,740,467	-
Current portion of lease liabilities	28	51,040,544	40,722,223	6,439,698	6,132,667
Income tax payables		-	6,488,298	-	-
Total current liabilities		2,905,525,014	2,470,783,728	717,454,366	224,700,284
Non-current liabilities					
Long-term debentures - net of current portion	27	315,140,280	660,651,775	378,430,631	658,863,810
Lease liabilities - net of current portion	28	33,735,667	51,622,896	2,217,430	8,657,128
Provision for long-term employee benefits	29	52,996,653	53,770,173	8,676,527	7,782,463
Other non-current liabilities		8,064,133	1,170,833	-	-
Total non-current liabilities		409,936,733	767,215,677	389,324,588	675,303,401
Total liabilities		3,315,461,747	3,237,999,405	1,106,778,954	900,003,685

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

Director

(Mr. Tommy Taechaubol)

Country Group Holdings Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 31 December 2023

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022
Shareholders' equity					
Share capital	30				
Registered					
6,452,549,062 ordinary shares of Baht 1 each		6,452,549,062	6,452,549,062	6,452,549,062	6,452,549,062
Issued and fully paid					
4,005,547,487 ordinary shares of Baht 1 each		4,005,547,487	4,005,547,487	4,005,547,487	4,005,547,487
Ordinary shares held by subsidiary		(9,850)	(9,850)	-	-
Premium on ordinary shares		741,713,759	741,713,759	1,494,376,403	1,494,376,403
Share-based payment reserve	31	2,350,770	-	-	-
Retained earnings					
Appropriated - statutory reserve	32	175,084,055	175,084,055	60,806,193	60,806,193
Unappropriated		1,168,883,988	1,349,872,678	464,981,691	514,502,863
Other components of shareholders' equity		(526,785,192)	(516,986,561)	(481,091,841)	(441,048,917)
Equity attributable to owners of the Company		5,566,785,017	5,755,221,568	5,544,619,933	5,634,184,029
Non-controlling interests of the subsidiaries		362,133,570	13,998,914	-	-
Total shareholders' equity		5,928,918,587	5,769,220,482	5,544,619,933	5,634,184,029
Total liabilities and shareholders' equity		9,244,380,334	9,007,219,887	6,651,398,887	6,534,187,714
		-	-	-	-

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

Director

(Mr. Tommy Taechaubol)

Country Group Holdings Public Company Limited and its subsidiaries

Statement of comprehensive income

For the year ended 31 December 2023

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022
Profit or loss:					
Revenues					
Brokerage fees	34	1,010,446,200	1,176,969,120	-	-
Fees and service income	35	93,246,203	98,467,525	-	-
Interest revenue calculated using the effective interest method	36	200,912,672	139,296,106	48,560,043	37,187,297
Gains and return on financial instruments	37	71,503,081	68,944,885	80,349,485	101,067,180
Other income		39,860,604	42,574,604	89,104	19,461,686
Total revenues		1,415,968,760	1,526,252,240	128,998,632	157,716,163
Expenses					
Employee benefits expenses		985,236,651	875,234,340	51,887,332	53,393,848
Fees and service expenses		266,629,607	269,575,585	3,815,945	2,821,861
Impairment loss on financial assets (reversal)	14, 43	6,405,775	(3,198,388)	22,932,545	1,258,320
Other expenses		341,579,777	287,296,059	22,893,767	19,563,214
Total expenses		1,599,851,810	1,428,907,596	101,529,589	77,037,243
Profit (loss) from operating activities		(183,883,050)	97,344,644	27,469,043	80,678,920
Finance costs	39	(125,320,644)	(123,632,443)	(66,180,154)	(72,660,148)
Share of profit (loss) from investments in associates	16	70,815,910	(40,930,122)	-	-
Profit (loss) before income tax expenses		(238,387,784)	(67,217,921)	(38,711,111)	8,018,772
Income tax revenue (expenses)	40	44,115,412	(53,561,001)	(13,870,661)	(17,959,640)
Loss for the year		(194,272,372)	(120,778,922)	(52,581,772)	(9,940,868)

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

Director

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(Mr. Tommy Taechaubol)

Country Group Holdings Public Company Limited and its subsidiaries

Statement of comprehensive income (continued)

For the year ended 31 December 2023

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2023	2022	2023	2022
Other comprehensive income:					
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods:</i>					
Share of other comprehensive income from investments in associates - net of income tax	16	1,744,748	(98,955)	-	-
Other comprehensive income to be reclassified to profit or loss in subsequent periods - net of income tax		1,744,748	(98,955)	-	-
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods:</i>					
Actuarial gain (loss) - net of income tax	29	8,905,218	-	(196,262)	-
Gain (loss) on change in value of investment in equity securities designed at fair value through other comprehensive income - net of income tax		1,114,456	(73,431,743)	(36,786,062)	(77,938,526)
Share of other comprehensive income from investments in associates - net of income tax	16	(9,444,715)	(49,960,545)	-	-
Other comprehensive income not to be reclassified to profit or loss in subsequent periods - net of income tax		574,959	(123,392,288)	(36,982,324)	(77,938,526)
Other comprehensive income for the year		2,319,707	(123,491,243)	(36,982,324)	(77,938,526)
Total comprehensive income for the year		(191,952,665)	(244,270,165)	(89,564,096)	(87,879,394)
Profit (loss) attributable to:					
Equity holders of the Company		(193,088,599)	(120,983,805)	(52,581,772)	(9,940,868)
Non-controlling interests of the subsidiaries		(1,183,773)	204,883	-	-
		(194,272,372)	(120,778,922)		
Total comprehensive income attributable to:					
Equity holders of the Company		(190,787,322)	(244,469,037)	(89,564,096)	(87,879,394)
Non-controlling interests of the subsidiaries		(1,165,343)	198,872	-	-
		(191,952,665)	(244,270,165)		
Earnings (losses) per share					
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Basic earnings (losses) per share - attributable to equity holders of the Company (Baht)		(0.0482)	(0.0302)	(0.0131)	(0.0025)
Diluted earnings (losses) per share - attributable to equity holders of the Company (Baht)		(0.0482)	(0.0302)	(0.0131)	(0.0025)

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

Director

(Mr. Tommy Taechaubol)

Country Group Holdings Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity

For the year ended 31 December 2023

(Unit: Baht)

Consolidated financial statements

Equity attributable to owners of the Company											
	Note	Issued and paid-up share capital	Premium on ordinary shares	Share-based payment reserve	Retained earnings		Other components of equity		Total equity attributable to owners of the Company	Equity attributable to non-controlling interests of the subsidiaries	Total shareholders' equity
					Appropriated	Unappropriated	Fair value reserve	Share of other comprehensive income from associates			
Balance as at 1 January 2022		4,005,537,637	741,713,759	-	172,988,468	1,501,749,614	(417,244,947)	(5,039,512)	5,999,705,019	13,785,569	6,013,490,588
Profit for the year		-	-	-	-	(120,983,805)	-	-	(120,983,805)	204,883	(120,778,922)
Other comprehensive income for the year		-	-	-	-	-	(73,425,733)	(50,059,500)	(123,485,233)	(6,011)	(123,491,244)
Total comprehensive income for the year		-	-	-	-	(120,983,805)	(73,425,733)	(50,059,500)	(244,469,038)	198,872	(244,270,166)
Non-controlling increase interest		-	-	-	-	-	-	-	-	60	60
Loss on disposals of equity securities at fair value											
through other comprehensive income		-	-	-	-	(28,783,131)	28,783,131	-	-	-	-
Transfer to statutory reserve	32	-	-	-	2,095,587	(2,110,000)	-	-	(14,413)	14,413	-
Balance as at 31 December 2022		4,005,537,637	741,713,759	-	175,084,055	1,349,872,678	(461,887,549)	(55,099,012)	5,755,221,568	13,998,914	5,769,220,482
Balance as at 1 January 2023		4,005,537,637	741,713,759	-	175,084,055	1,349,872,678	(461,887,549)	(55,099,012)	5,755,221,568	13,998,914	5,769,220,482
Loss for the year		-	-	-	-	(193,088,599)	-	-	(193,088,599)	(1,183,773)	(194,272,372)
Other comprehensive income for the year		-	-	-	-	8,843,047	1,158,198	(7,699,967)	2,301,278	18,429	2,319,707
Total comprehensive income for the year		-	-	-	-	(184,245,552)	1,158,198	(7,699,967)	(190,787,321)	(1,165,344)	(191,952,665)
Non-controlling increase interest	33	-	-	-	-	-	-	-	-	349,300,000	349,300,000
Gain on disposals of equity securities at fair value											
through other comprehensive income		-	-	-	-	3,256,862	(3,256,862)	-	-	-	-
Share-based payment	31	-	-	2,350,770	-	-	-	-	2,350,770	-	2,350,770
Balance as at 31 December 2023		4,005,537,637	741,713,759	2,350,770	175,084,055	1,168,883,988	(463,986,213)	(62,798,979)	5,566,785,017	362,133,570	5,928,918,587
The accompanying notes are an integral part of the financial statements.											
		-	-	-	-	-	-	-	-	-	-
		-	-	-	-	-	-	-	-	-	-

Director

(Mr. Tommy Taechaubol)

Country Group Holdings Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity (continued)

For the year ended 31 December 2023

(Unit: Baht)

Separate financial statements						
			Retained earnings		Other components of equity	Total
	Issued and paid-up	Premium on			Other comprehensive income	shareholders'
Note	share capital	ordinary shares	Appropriated	Unappropriated	Fair value reserve	equity
Balance as at 1 January 2022	4,005,547,487	1,494,376,403	60,806,193	552,642,079	(391,308,739)	5,722,063,423
Loss for the year	-	-	-	(9,940,868)	-	(9,940,868)
Other comprehensive income for the year	-	-	-	-	(77,938,526)	(77,938,526)
Total comprehensive income for the year	-	-	-	(9,940,868)	(77,938,526)	(87,879,394)
Loss on disposals of equity securities at fair value through other comprehensive income	-	-	-	(28,198,348)	28,198,348	-
Balance as at 31 December 2022	4,005,547,487	1,494,376,403	60,806,193	514,502,863	(441,048,917)	5,634,184,029
Balance as at 1 January 2023	4,005,547,487	1,494,376,403	60,806,193	514,502,863	(441,048,917)	5,634,184,029
Loss for the year	-	-	-	(52,581,772)	-	(52,581,772)
Other comprehensive income for the year	-	-	-	(196,262)	(36,786,062)	(36,982,324)
Total comprehensive income for the year	-	-	-	(52,778,034)	(36,786,062)	(89,564,096)
Gain on disposals of equity securities at fair value through other comprehensive income	-	-	-	3,256,862	(3,256,862)	-
Balance as at 31 December 2023	4,005,547,487	1,494,376,403	60,806,193	464,981,691	(481,091,841)	5,544,619,933

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

-	-	-	-	-	-
-	-	-	-	-	-

Director

(Mr. Tommy Taechaubol)

Country Group Holdings Public Company Limited and its subsidiaries

Cash flows statement

For the year ended 31 December 2023

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Cash flows from operating activities				
Profit (loss) before tax	(238,387,784)	(67,217,921)	(38,711,111)	8,018,772
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:				
Depreciation and amortisation	116,182,739	83,002,474	6,515,761	6,756,525
Expected credit loss (reversal)/ Impairment loss on financial assets (reversal)	6,405,775	(3,198,388)	22,932,545	1,258,320
(Gain) loss on changes in fair value of derivatives	2,734,000	(3,141,735)	2,734,000	(3,141,735)
Loss on diminution in value of inventories - digital assets (reversal)	(753,151)	2,908,337	-	(11,867,871)
(Gain) loss on changes in fair value of investments	59,075,048	23,313,476	(25,689,342)	6,010,981
Loss on disposals and write-off of equipment and intangible assets	661,617	3,344,443	-	-
Gain on disposals of investments	(31,472,445)	(8,899,536)	(9,284,192)	(35,389,198)
Share of (profit) loss from investments in associates	(70,815,910)	40,930,122	-	-
Amortisation of deferred debentures issuing cost	4,698,815	6,617,421	6,461,824	8,422,501
Long-term employee benefit expenses	12,722,009	11,136,729	648,737	848,429
Benefit expense in relation to share-based payments	2,350,770	-	-	-
Finance costs	120,621,829	117,015,022	59,718,330	64,237,647
Interest income	(200,912,672)	(139,296,106)	(48,560,043)	(37,187,297)
Dividend income	(10,919,681)	(9,432,664)	(47,967,399)	(68,547,228)
Profit (loss) from operating activities before changes in operating assets and liabilities	(227,809,041)	57,081,674	(71,200,890)	(60,580,154)
Operating assets (increase) decrease				
Trade and other receivables	140,217,165	(46,531,188)	13,848,074	285,972,935
Receivables from Clearing House and broker - dealers	(26,773,269)	96,599,683	-	-
Securities and derivatives business receivables	(90,997,074)	274,814,833	-	-
Derivatives assets	1,344,300	(1,344,300)	-	-
Inventories - digital assets	(76,975,898)	52,109,105	-	120,501,604
Investments at fair value through profit or loss	23,753,936	100,626,637	10,484,324	104,555,629
Other non-current assets	(4,289,378)	(19,894,312)	-	-
Operating liabilities increase (decrease)				
Securities sold under sell and buy back agreements	42,055,152	342,185,676	-	-
Trade and other payables	(52,549,196)	(11,375,918)	(42,688,035)	(2,843,129)
Payables to Clearing House and broker - dealers	48,888,142	45,717	-	-
Securities and derivatives business payables	(120,619,931)	(450,580,296)	-	-
Derivative liabilities	2,143,722	(3,438,531)	-	-
Provision for long-term employee benefits	(2,364,006)	(6,042,336)	-	(2,163,000)
Other non-current liabilities	6,893,300	(609,373)	-	-
Cash from (paid for) operating activities	(337,082,076)	383,647,071	(89,556,527)	445,443,885
Interest paid	(70,316,204)	(60,119,883)	(12,838,228)	(11,694,743)
Interest received	163,022,853	139,966,705	44,842,340	23,402,936
Cash paid for income tax	(14,481,164)	(33,159,835)	(446,197)	(229,202)
Net cash flows from (used in) operating activities	(258,856,591)	430,334,058	(57,998,612)	456,922,876

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

Director

(Mr. Tommy Taechaubol)

Country Group Holdings Public Company Limited and its subsidiaries

Cash flows statement (continued)

For the year ended 31 December 2023

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Cash flows from investing activities				
Cash paid for purchase of investments at fair value through profit or loss	(67,250,867)	(64,998,304)	(67,451,186)	-
Cash received from disposal of investments at fair value through profit or loss	109,009,141	56,283,630	109,009,141	56,283,630
Cash paid for purchase of investment at fair value through other comprehensive income	(30,626,984)	(278,985,235)	(27,075,486)	(67,349,406)
Cash received from disposal of investments at fair value through other comprehensive income	91,933,748	55,710,601	3,646,538	61,547,136
Cash paid for purchase of securities at amortised cost	-	-	(2,295,000,000)	(1,650,000,000)
Cash received from disposal of securities at amortised cost	-	-	2,050,000,000	1,800,000,000
Cash received from common stock of the subsidiaries from non-controlling interests	-	60	-	-
Cash paid for purchase of investment in subsidiaries	-	-	-	(178,749,940)
Cash paid for purchase of investment in venture capital	-	(15,000,000)	-	(15,000,000)
Cash received from (paid for) short-term loans to subsidiaries	-	-	28,500,000	(337,296,408)
Cash received from long-term loan to other company	3,000,000	2,839,758	-	-
Cash paid for purchase of equipment and intangible assets	(135,604,985)	(111,830,825)	(339,650)	(304,466)
Proceed from disposal of equipment and intangible assets	43,171	1,869,626	-	-
Dividend income from investments in securities	10,543,842	9,432,664	930,624	1,127,851
Dividend income from investment in associate	47,036,775	67,419,378	47,036,775	67,419,378
Net cash flows from (used in) investing activities	28,083,841	(277,258,647)	(150,743,244)	(262,322,225)
Cash flows from financing activities				
Net cash received from short-term borrowings from financial institutions	100,000,000	195,000,000	-	-
Cash receipt of share subscription from non-controlling interest	349,300,000	-	-	-
Cash paid for debt securities - debentures	(142,600,000)	(727,500,000)	-	(727,500,000)
Cash received from debt securities - debentures	183,227,743	658,323,259	245,845,463	655,669,659
Repayment of liabilities under lease agreements	(52,221,744)	(44,559,429)	(6,720,270)	(7,030,270)
Interest paid	(25,956,613)	(50,642,961)	(43,897,879)	(50,041,381)
Net cash flows from (used in) financing activities	411,749,386	30,620,869	195,227,314	(128,901,992)
Net increase (decrease) in cash and cash equivalents	180,976,636	183,696,280	(13,514,542)	65,698,659
Cash and cash equivalents at beginning of year	1,090,846,074	907,149,794	254,759,516	189,060,857
Cash and cash equivalents at end of year	1,271,822,710	1,090,846,074	241,244,974	254,759,516
	-	-	-	-
Supplemental cash flows information				
Non-cash transactions:				
Loss on changes in value of investments at fair value through other comprehensive income	3,520,823	55,713,542	50,896,470	62,175,222
Increase in right-of-use assets and lease liabilities	40,070,850	112,243,979	-	18,714,925
Increase in payables from acquisitions of equipment and intangible assets	626,568	4,606,575	-	-
Dividend receivable	375,840	-	-	-
Benefit expenses in relation to share-based payments	2,350,770	-	-	-

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

..... Director
(Mr. Tommy Taechaubol)

Country Group Holdings Public Company Limited and its subsidiaries

Notes to consolidated financial statements

For the year ended 31 December 2023

1. General information

1.1 Corporate information

Country Group Holdings Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. The Company is principally engaged in investment in potential securities. The registered address of the Company is at 132, Sindhorn Tower 3, 20th Floor, Wireless Road, Lumpini, Pathumwan, Bangkok 10330.

1.2 Information of Pi Securities Public Company Limited (Formerly known as “Country Group Securities Public Company Limited”)

Pi Securities Public Company Limited (Formerly known as “Country Group Securities Public Company Limited” (“the Subsidiary”), which is the significant subsidiary of the Company, is a public company incorporated and domiciled in Thailand. The head office of the Subsidiary is at 132, Sindhorn Tower 1, 2nd Floor and 3rd Floor and Sindhorn Tower 3, 17th Floor, 18th Floor, 20th Floor, Wireless Road, Lumpini, Pathumwan, Bangkok 10330. The Subsidiary has 11 branches.

On 22 October 2008, the Ministry of Finance had approved securities business license type Kor No. Lor Kor-0002-01 for the Subsidiary and cancelled the old license No. 51/2517 and No.18/2547. The license type Kor is the license that undertake the following securities business.

1. Securities brokerage
2. Securities trading
3. Underwriting
4. Investment advisory
5. Mutual fund management
6. Private Fund management
7. Securities borrowing and lending
8. Venture capital management

On 13 August 2008, the Subsidiary was granted a license No. 0007/2551 to undertake the derivatives agent from the Office of the Securities and Exchange Commission, which has been effective since 31 July 2008.

On 12 July 2010, the Subsidiary was granted a permission to operate securities borrowing and lending business as a principal from The Office of the Securities and Exchange Commission.

On 8 June 2017, the Subsidiary was granted a license to undertake the private fund (excluding provident fund) from The Office of the Securities and Exchange Commission.

The mutual fund management and venture capital management shall be commenced only after, the Subsidiary is granted the approval from the Office of the Securities and Exchange Commission.

On 6 November 2018, the Subsidiary was granted a license to undertake the derivatives dealer from the Office of the Securities and Exchange Commission.

The Office of the Securities and Exchange Commission approved the Subsidiary to act as a financial advisor from 21 March 2022 to 20 March 2027.

The Office of the Securities and Exchange Commission has approved Pi Advisory Company Limited to act as a financial advisor from 16 April 2020 to 15 April 2025.

On 26 May 2023, Genki Power One Company Limited, an indirect subsidiary of the Company, is engaged in real estate agent registered the change of its name with the Department of Business Development, the Ministry of Commerce to “Pi Pinnacle Assets Company Limited”.

On 26 June 2023, Genki Capital Company Limited, a subsidiary of the Company, is engaged in other lending services registered the change of its name with the Department of Business Development, the Ministry of Commerce to “Pi Capital Solutions Company Limited”.

2. Basis for the preparation

- 2.1 The financial statements have been prepared in accordance with Thai Financial Reporting Standards enunciated under the Accounting Professions Act B.E. 2547 and their presentation has been made in compliance with the stipulations of the Notification of the Department of Business Development, issued under the Accounting Act B.E. 2543.

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 include the financial statements of Country Group Holding Public Company Limited (“the Company”) and the following subsidiary company (“the Subsidiary”) (collectively as “the Group”):

Company	Nature of business	Country of incorporation	Percentage of shareholding	
			2023	2022
			(%)	(%)
<u>Subsidiaries</u>				
Pi Securities Public Company Limited	Securities business	Thailand	99.3	99.3
Pi Capital Solution Company Limited	Pawnbroking	Thailand	100.0	100.0
Pi Ventures Company Limited	Investing in securities or digital assets	Thailand	99.9	99.9
Pi Digital Company Limited	Digital assets brokerage	Thailand	99.9	99.9
<u>Indirect subsidiaries</u>				
Pi Advisory Company Limited	Advisory and investment banking	Thailand	99.9	99.9
Pi Pinnacle Assets Company Limited	Real estate agents and brokers	Thailand	100.0	100.0

- 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) A subsidiary is fully consolidated, being the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases.
 - d) The financial statements of the Subsidiary are prepared using the same significant accounting policies as the Company.
 - e) Material balances and transactions between the Group have been eliminated from the consolidated financial statements.
 - f) Non-controlling interests represent the portion of profit or loss and net assets of the Subsidiary that is not held by the Company and are presented separately in the consolidated profit or loss and within equity in the consolidated statement of financial position.
- 2.3 The separate financial statements present investment in subsidiaries and associates under the cost method and investment in venture capital under the fair value method.

3. New financial reporting standards

3.1 Financial reporting standards that became effective in the current year

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

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

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

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

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

4. Significant accounting policies

4.1 Revenue and expense recognition

Brokerage fees

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

Fees and service income

Underwriting fee income and fund arranging fee income

Revenues from underwriting and fund arrangement services are recognised at a point in time when the relevant placing, underwriting, sub-underwriting or arrangement services activities are completed.

Financial advisory fee income

Financial advisory fee income is recognised over time when the Group has satisfied its performance obligation in providing the promised service to a customer and recognised based on contractual rate agreed with a customer.

Private fund management fee income

Private fund management fee income is recognised as a performance obligation satisfied over time which is charged at a percentage of the net asset value of the funds, on the basis stipulated in each fund's agreements.

Selling agent fee

Selling agent fee is comprised of commission income from front end fee and back end fee which are recognised on completion of the transaction, and retaining fee income which is recognised when service rendered over the period of time.

Interest income

Interest income is calculated using the effective interest method and recognised on an accrual basis. The effective interest rate is applied to the gross carrying amount of a financial asset, unless the financial asset subsequently become credit-impaired when it is applied to the net carrying amount of the financial asset (net of the expected credit loss allowance).

Gain (loss) and return on financial instruments

Gain (loss) on investments and derivatives trading

Gain (loss) on investments and derivatives trading are recognised as income or expense on the trading dates.

Dividend income

Dividends from investments are recognised when the right to receive the dividends is established.

Fee and service expenses

Fee and service expenses are recognised on an accrual basis.

Finance cost

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

4.2 Recognition of customer deposits

Cash which customers have placed with the Group in term of cash accounts, cash balances and credit balances for securities trading and derivatives instruments is recorded as the asset and liability of the Group.

As at the statement of financial position date, the Group has written these amounts off from both assets and liabilities and presents only assets and liabilities which are belong to the Group.

4.3 Cash and cash equivalents

Cash and cash equivalents consist of cash in hand and at banks, and all highly liquid investments with an original maturity of three months or less and not subject to withdrawal restrictions.

4.4 Receivables from payables to Clearing House and broker - dealers

Receivables from or payables to Clearing House and broker - dealers comprise the net balances of receivables and payables incurred from settlement of securities and derivatives trading each day through the clearing house and depository companies and net balances of receivables or payables included from settlement of foreign securities trading each day through foreign securities companies, are presented as net balance receivables from or payables to Clearing House and broker - dealers.

4.5 Securities and derivatives business receivables

Securities and derivatives business receivables comprise the net securities and derivatives business receivables and 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, guaranteed deposit receivables, which comprise cash placed as guarantee from borrowers of securities, and other receivables such as overdue cash customer accounts and receivables which are subject to legal proceedings, are undergoing restructuring or are setting in installments, etc.

4.6 Borrowing and lending of securities

The Group is engaged in securities borrowing and lending, whereby the Group acts as a principal of the borrowers and lenders of securities.

The Group records its obligations to return borrowed securities which it has lent as "Payables under securities borrowing and lending business" in the statement of financial position. At the end of the reporting period, the balance of payables 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. Gain or loss arising from such adjustments are included in profit or loss in the statement of comprehensive income. In addition, the Group records collateralised cash as "Guaranteed deposit receivables".

Fees from borrowing and lending are recognised on an accrual basis over the term of the lending.

4.7 Securities sold under repurchase agreements

Securities sold under repurchase agreements are made with certain dates in the future at a fixed purchasing price. Securities sold under repurchase agreements are presented as liabilities in the statement of financial position at the amount received from such transaction. The difference between the purchase and sale considerations is recognised on accrual basis through the transaction period, which present as interest expenses. Such securities are considered as collateral.

4.8 Securities and derivatives business payables

Securities and derivatives business payables are obligations of the Group in respect to securities and derivatives business with outside parties, such as a net payable of cash accounts, an obligation to deliver securities as a result of short sales or securities borrowing and an obligation to return assets held by the Group as customers' collateral for securities lending, etc.

4.9 Inventories - digital assets

Digital assets are valued at the lower of cost (under weighted-average method) and net realisable value. The cost of digital assets comprised the cost of digital assets and purchasing expenses.

The net realisable value of digital assets is calculated from quote prices in the active exchange market the Group has determined as its principal market for the digital asset exchange (Level 1 input) deducted by selling expenses.

4.10 Structured notes

Structured notes are debentures which the Group offered to customers, who are institutional investors or high net worth investors. The notes are issued under conditions approved by the Office of the Securities and Exchange Commission, and the underlying assets are securities listed on the Stock Exchange of Thailand.

The notes are recorded at amortised cost, adjusted by the discount on the notes. The discount is amortised by the effective rate method with the amortised amount presented as interest expenses in profit or loss.

Embedded derivatives are recorded as derivative assets liabilities at fair value and the changes in fair value are recorded in profit or loss. The fair value is determined by using a valuation technique and theoretical model. The input to these models is taken from observable markets, and includes consideration of liquidity, dividend, interest rate, underlying price and volatility of underlying asset.

4.11 Derivatives

The Group initially recognised derivatives at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. The subsequent changes are recognised in profit or loss. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Derivatives are presented as non-current assets or non-current liabilities if the remaining maturity of the instrument is more than 12 months and it is not due to be realised or settled within 12 months. Other derivatives are presented as current assets or current liabilities.

4.12 Financial instruments

The Group initially measure 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, receivables that do not contain a significant financing component are measured at the transaction price as disclosed in the accounting policy relating to revenue recognition.

Classification and measurement of financial assets

Financial assets are classified, at initial recognition, as to be subsequently measured at amortised cost, fair value through other comprehensive income (FVOCI), or fair value through profit or loss (FVTPL). The classification of financial assets at initial recognition is driven by the Group's business model for managing the financial assets and the contractual cash flows characteristics of the financial assets.

Financial assets measured at amortised cost

The Group measures financial assets at amortised cost if the financial asset is held in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gain and loss are recognised in profit or loss when the asset is derecognised, modified or impaired.

Financial assets designated at fair value through other comprehensive income (FVOCI) (equity instruments)

Upon initial recognition, the Group can elect to irrevocably classify its equity investments which are not held for trading as equity instruments designated at FVOCI. The classification is determined on an instrument-by-instrument basis.

Gain and loss recognised in other comprehensive income on these financial assets are never recycled to profit or loss.

Dividends are recognised as other income in profit or loss, except the dividends clearly represent a recovery of part of the cost of the financial asset, in which case, such gains are recorded in other comprehensive income.

Moreover, equity instruments designated at FVOCI are not subject to impairment assessment.

Financial assets designated at fair value through profit or loss (FVTPL)

Financial assets designated at FVTPL are carried in the statement of financial position at fair value with net changes in fair value recognised in the profit or loss.

These financial assets include derivatives, securities investments held for trading, equity investments which the Group had not irrevocably elected to classify at FVOCI, and financial assets with cash flows that are not solely payments of principal and interest.

Dividends on listed equity investments are recognised as other income in profit or loss.

Classification and measurement of financial liabilities

Except for derivative liabilities at initial recognition, the Group's financial liabilities are recognised at fair value net of transaction costs and classified as liabilities to be subsequently measured at amortised cost using the EIR method. Gain and loss are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. In determining amortised cost, the Group takes into account any discounts or premiums on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as interest expenses in profit or loss.

Derecognition of financial instruments

A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired or have been transferred and either the Group has transferred substantially all the risks and rewards of the asset, or the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

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.

Impairment of financial assets

The Group recognises an allowance for expected credit losses (ECLs) for all debt instruments not designated at FVTPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

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

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

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

4.13 Investments in subsidiaries

Investments in subsidiaries are accounted for in the separate financial statements using the cost method.

Losses on impairment, if any of investments in subsidiaries, are recognised in profit or loss.

4.14 Investments in associates

Investments in associates are accounted for in the consolidated financial statements and the separate financial statements using the equity method and cost method, respectively.

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

Any excess of the cost of an acquisition over the fair value of the net assets, which are identifiable assets, liabilities and contingent liabilities, at the date of acquisition is recognised as goodwill, which is included in the carrying amount of the investment. However, if the cost of acquisition is less than the fair value of the net assets acquired at the date of acquisition, the difference is recognised as share of profit from investments in associates.

Losses on impairment, if any of investments in associates are recognised in profit or loss.

4.15 Investment in venture capital

The investment in venture capital which are accounted for the consolidated and separate financial statements at FVTPL. The fair value is based on the latest transaction price or the agreed trading price of market participants or estimate using valuation techniques.

4.16 Investment properties and depreciation

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and allowance for loss on impairment (if any).

Depreciation of investment properties is calculated by reference to their costs on the straight-line basis over useful lives of 5 years and 20 years while no depreciation is provided on land. Depreciation of the investment properties is included in determining income.

On disposal of investment properties, the difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period when the asset is derecognised.

4.17 Property, plant and equipment and depreciation

Land is stated at cost. Buildings and equipment are stated at cost less accumulated depreciation and allowance for loss on impairment of assets (if any).

Depreciation of buildings equipment is calculated by reference to their costs on the straight-line basis over the following useful lives:

Buildings	20 Years
Buildings/leasehold improvement	5 Years
Furniture, fixtures and office equipment	3 - 5 Years
Motor vehicles	5 Years

Depreciation is included in determining income.

No depreciation is provided on land, assets under installation and construction in progress.

An item of property, plant 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.

4.18 Intangible assets and amortisation

The intangible assets are carried at cost less accumulated amortisation and accumulated impairment loss (if any).

Intangible assets with finite lives are amortised on the straight-line basis over the economic useful life 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.

Derivative business membership	10 Years
Securities license	10 Years
Computer software	3 - 10 Years

No amortisation is provided on computer software under installation.

4.19 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 as a lessee

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 loss, 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 less any lease incentives received.

Depreciation of right-of-use assets are calculated by reference to their costs, on the straight-line basis over the shorter of their useful lives and the lease terms.

Buildings and building improvement	1 - 3 years
Motor vehicles	2 - 4 Years

If ownership of the leased asset is transferred to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the 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.

The Group as a lessor

A lease that transfers substantially all the risks and rewards incidental to ownership of an underlying asset to a lessee is classified as finance leases. As at the commencement date, an asset held under a finance lease is recognised as a receivable at an amount equal to the net investment in the lease or the present value of the lease payments receivable and any unguaranteed residual value. Subsequently, finance income is recognised over the lease term to reflect a constant periodic rate of return on the net investment in the lease.

A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset to a lessee. Lease receivables from operating leases is recognised as income in profit or loss on a straight-line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying assets and recognised as an expense over the lease term on the same basis as the lease income.

4.20 Impairment of non-financial assets

At the end of each reporting period, the Group performs impairment reviews in respect of the property, plant and equipment, including right-of-use assets, investment properties and intangible assets whenever events or changes in circumstances indicate that an asset may be impaired. The Group also carries out annual impairment reviews in respect of intangible assets with indefinite useful lives. 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.

In the assessment of asset impairment, if there is any indication that previously recognised impairment losses may no longer exist or may have decreased, the Group estimates the asset's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The increased carrying amount of the asset attributable to a reversal of an impairment loss shall not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior periods. Such reversal is recognised in profit or loss.

4.21 Employee benefits

Short-term employee benefits

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

Post-employment benefits

Defined contribution plans

The Group and its 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 the Group's contributions are recognised as expenses when incurred.

Defined benefit plans

The Group have obligations in respect of the severance payments it must make to employees upon retirement under labor law. The Group treats 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 post-employment benefits are recognised immediately in other comprehensive income.

4.22 Provisions

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

4.23 Equity- settled share-based payments

The Subsidiary recognises equity-settled share-based payment transactions when services are rendered by employees, based on the fair value of the share options as at the date of granting. The expenses, together with a corresponding increase in “Share-based payment reserve” in shareholders’ equity, are recognised over the vesting period, subject to the conditions specified in the plan. At the end of each reporting period, the amount of recognised expenses is adjusted to reflect the actual number of share options that are expected to meet the related service and non-market vesting conditions

4.24 Income tax

Income tax represents 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 it recognise deferred tax assets for all deductible temporary differences and tax losses carried forward to the extent that it is probable that future taxable profit will be available against which such deductible temporary differences and tax losses carried forward can be utilised.

At each reporting date, the Group reviews and reduces 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 asset to be utilised.

The Group records deferred tax directly to owners’ equity if the tax relates to items that are recorded directly to owners’ equity.

4.25 Treasury shares

The Group’s own equity instruments that have been reacquired (treasury shares) are recognised at cost and deducted from equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Group’s own equity instruments. Any difference between the carrying amount and the consideration received, if reissued, is recognised in share premium.

4.26 Related party transactions

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

They also include associates, and individuals or enterprises which directly or indirectly own a voting interest in the Company that gives them significant influence over the Company, key management personnel, directors, and officers with authority in the planning and direction of the Company’s operations.

4.27 Foreign currencies

The financial statements are presented in Baht, which is also the Group's functional currency.

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

Gain and loss on exchange are included in determining income.

4.28 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 applies 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 measures fair value using valuation technique 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 categorise 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 determines 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 judgments and estimates

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

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 judgment, 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 factors could affect the fair value recognised in the statement of financial position and disclosures of fair value hierarchy.

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 estimate future taxable profits.

Allowances for expected credit losses of financial assets

The management is required to use judgement 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.

Post-employment benefits 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 increase rate, mortality rate and staff turnover rate.

6. Cash and cash equivalents

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Cash, short-term deposit, and promissory notes with maturities not later than 3 months from acquisition date	2,215,501	3,656,739	241,245	254,760
Less: Deposits for customers' account of the subsidiary *	(943,678)	(2,565,893)	-	-
Total	1,271,823	1,090,846	241,245	254,760

* Deposits for the customers account were not shown as assets and liabilities in the financial statements according to the Notification of the Office of the Securities and Exchange Commission.

7. Trade and other receivables

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Collaterals pledged for digital asset trading *	50,283	168	63,033	67,152
Receivables from sales of securities and derivatives	-	-	-	2,734
Advance for right to acquire digital assets	42,576	107,478	-	-
Prepaid expenses	46,478	43,769	768	695
Accrued income	8,616	16,430	-	-
Accrued interest	57,271	20,669	29,031	25,306
Collateral receivables	10,792	20,197	-	-
Others	19,711	3,691	1,958	1,927
Less: Allowance for expected credit losses	(4,009)	(6,595)	(1,258)	(1,258)
Total	231,718	205,807	93,532	96,556

* Collaterals pledged for digital asset trading is an amount in USD currency stored in an electronic wallet of an overseas digital asset exchange, which will be used for trading of digital assets.

8. Receivables from Clearing House and broker - dealers

	(Unit: Thousand Baht)	
	Consolidated	
	financial statements	
	2023	2022
Receivables from Clearing House	1,174,799	1,255,240
Receivables from foreign securities brokers	-	5,153
Less: Receivables from Clearing House for customers' account of the Subsidiary *	(922,720)	(1,035,087)
Total	252,079	225,306

* Receivables from Clearing House for customers' account are not shown as assets and liabilities in the financial statements according to the Notification of the Office of the Securities and Exchange Commission.

9. Securities and derivatives business receivables

(Unit: Thousand Baht)

	Consolidated financial statements	
	2023	2022
<u>Securities business receivables</u>		
Customers' cash accounts	489,681	609,029
Margin loans	1,008,098	847,648
Collaterals pledged deposit receivables	63,142	19,785
Securities borrowing and lending receivables	4,089	-
Other receivables		
Receivables under litigation	387,522	387,522
Other receivables	6,514	624
Total securities business receivables	1,959,046	1,864,608
Less: Allowance for expected credit losses	(372,884)	(366,995)
Securities business receivables	1,586,162	1,497,613
<u>Derivatives business receivables</u>		
Receivables under litigation	-	11,743
Other receivables	905	7,259
Total derivatives business receivables	905	19,002
Less: Allowance for expected credit losses	(905)	(17,002)
Derivatives business receivables	-	2,000
Total	1,586,162	1,499,613

As at 31 December 2023 and 2022 the Group classified securities and derivatives business receivables in accordance with the Thai Financial Reporting Standard 9 as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		
	2023		
	Securities and derivatives business receivables and interest receivables	Exposure at default	Allowance for expected credit losses
<u>Securities business receivables</u>			
Performing receivables	1,565,010	1,565,010	-
Receivables with significant increase in credit risk	-	-	-
Non-performing receivables	394,035	372,884	(372,884)
Total	1,959,045	1,937,894	(372,884)

(Unit: Thousand Baht)

Consolidated financial statements			
2023			
	Securities and derivatives business receivables and interest receivables	Exposure at default	Allowance for expected credit losses
<u>Derivatives business receivables</u>			
Performing receivables	-	12,836,320	-
Receivables with significant increase in credit risk	-	-	-
Non-performing receivables	905	905	(905)
Total derivatives business receivables	905	12,837,225	(905)
Total	1,959,950	14,775,119	(373,789)

(Unit: Thousand Baht)

Consolidated financial statements			
2022			
	Securities and derivatives business receivables and interest receivables	Exposure at default	Allowance for expected credit losses
<u>Securities business receivables</u>			
Performing receivables	1,476,462	1,476,462	-
Receivables with significant increase in credit risk	-	-	-
Non-performing receivables	388,146	366,995	(366,995)
Total	1,864,608	1,843,457	(366,995)
<u>Derivatives business receivables</u>			
Performing receivables	-	17,768,231	-
Receivables with significant increase in credit risk	-	-	-
Non-performing receivables	19,002	19,002	(17,002)
Total derivatives business receivables	19,002	17,787,233	(17,002)
Total	1,883,610	19,630,690	(383,997)

10. Derivative assets and liabilities

10.1 Details of derivative assets and liabilities

(Unit: Thousand Baht)

Consolidated financial statements				
2023				
Assets		Liabilities		
	Notional		Notional	
Fair value	amounts	Fair value	amounts	
Underlying assets				
Equity price	-	-	2,144	300,589
SET50 index	-	-	-	-
Total	-	-	2,144	300,589

(Unit: Thousand Baht)

Consolidated financial statements				
2022				
Assets		Liabilities		
	Notional		Notional	
Fair value	amounts	Fair value	amounts	
Underlying assets				
Equity price	1,366	357,647	-	-
SET50 index	(22)	7,857	-	-
Total	1,344	365,504	-	-

10.2 Proportion of derivative transactions classified by type of counterparties

As at 31 December 2023 and 2022, details of counterparties for derivatives assets and liabilities are as follows:

Consolidated financial statements				
Assets		Liabilities		
2023	2022	2023	2022	
(%)	(%)	(%)	(%)	
Counterparties				
Clearing House	-	100	100	-
Total	-	100	100	-

11. Inventories - digital assets

As at 31 December 2023 and 2022, details of balances of inventories - digital assets are as follows.

Consolidated financial statements				
2023				
Digital asset type	Reduce cost to net realisable			
	Cost	value	Book value	Fair value
	(Thousand Baht)	(Thousand Baht)	(Thousand Baht)	(Thousand Baht)
Cryptocurrencies/Digital tokens	148,168	(16,823)	131,345	137,526
Total	148,168	(16,823)	131,345	137,526

Consolidated financial statements				
2022				
Digital asset type	Reduce cost to net realisable			
	Cost	value	Book value	Fair value
	(Thousand Baht)	(Thousand Baht)	(Thousand Baht)	(Thousand Baht)
Cryptocurrencies/Digital tokens	71,192	(17,576)	53,616	53,660
Total	71,192	(17,576)	53,616	53,660

12. Other financial assets

12.1 Book value and fair value

	Consolidated financial statements			Separate financial statements		
	2023			2023		
	Non-collateralised investments	Collateralised investments	Total	Non-collateralised investments	Collateralised investments	Total
Other current financial assets:						
Investments at FVTPL						
Equity instruments:						
- Listed securities	249,437	-	249,437	25,475	-	25,475
- Unit trust	30,487	-	30,487	30,487	-	30,487
Total equity instruments	279,924	-	279,924	55,962	-	55,962
Debt instruments:						
- Debentures	190,597	-	190,597	-	-	-
- Securities sold under sell and buy back agreements	-	646,426	646,426	-	-	-
Total debt instruments	190,597	646,426	837,023	-	-	-
Total	470,521	646,426	1,116,947	55,962	-	55,962

(Unit: Thousand Baht)

	Consolidated financial statements			Separate financial statements		
	2023			2023		
	Non-collateralised investments	Collateralised investments	Total	Non-collateralised investments	Collateralised investments	Total
Investments at FVOCI						
Equity instruments:						
- Listed securities	106,793	-	106,793	106,793	-	106,793
Total	106,793	-	106,793	106,793	-	106,793
Investments at amortised cost						
Debt instruments:						
- Debentures	-	-	-	595,000	-	595,000
- Bills of exchange	139,000	-	139,000	-	-	-
Less: Allowance for expected credit losses	(139,000)	-	(139,000)	-	-	-
Total debt instruments	-	-	-	595,000	-	595,000
Deposits at financial institutions:						
- Fixed deposits	4,703,741	90,010	4,793,751	-	-	-
Less: Deposit in customers' account of the Subsidiary *	(4,703,541)	-	(4,703,541)	-	-	-
Total deposits at financial institutions	200	90,010	90,210	-	-	-
Total	200	90,010	90,210	595,000	-	595,000
Total other current financial assets	577,514	736,436	1,313,950	757,755	-	757,755

* Deposits in customers' account are not required to present as assets and liabilities in the financial statements according to the Notifications of the Office of the Securities and Exchange Commission.

(Unit: Thousand Baht)

	Consolidated financial statements			Separate financial statements		
	2023			2023		
	Non-collateralised investments	Collateralised investments	Total	Non-collateralised investments	Collateralised investments	Total
Other non-current financial assets						
Investments at FVTPL						
Debt instruments:						
- Debentures	180,883	-	180,883	1,592	-	1,592
- Convertible instruments	50,329	-	50,329	-	-	-
Total	231,212	-	231,212	1,592	-	1,592
Investments at FVOCI						
Equity instruments:						
- Equity securities	73,426	-	73,426	-	-	-
- Listed securities	212,817	-	212,817	194,067	-	194,067
- Unit trust	156,826	-	156,826	-	-	-
Less: Allowance for impairment loss on investments	(41,830)	-	(41,830)	-	-	-
Total	401,239	-	401,239	194,067	-	194,067
Total other non-current financial assets	632,451	-	632,451	195,659	-	195,659

(Unit: Thousand Baht)

	Consolidated financial statements			Separate financial statements		
	2022			2022		
	Non-collateralised investments	Collateralised investments	Total	Non-collateralised investments	Collateralised investments	Total
Other current financial assets:						
Investments at FVTPL						
Equity instruments:						
- Listed securities	369,052	-	369,052	8,789	-	8,789
Total equity instruments	369,052	-	369,052	8,789	-	8,789
Debt instruments:						
- Debentures	339,766	-	339,766	89,587	-	89,587
- Securities sold under sell and buy back agreements	-	633,381	633,381	-	-	-
Total debt instruments	339,766	633,381	973,147	89,587	-	89,587
Total	708,818	633,381	1,342,199	98,376	-	98,376
Investments at FVOCI						
Equity instruments:						
- Listed securities	74,565	-	74,565	74,565	-	74,565
Total	74,565	-	74,565	74,565	-	74,565
Investments at amortised cost						
Debt instruments:						
- Debentures	-	-	-	350,000	-	350,000
- Bills of exchange	139,000	-	139,000	-	-	-
Less: Allowance for expected credit losses	(139,000)	-	(139,000)	-	-	-
Total debt instruments	-	-	-	350,000	-	350,000
Deposits at financial institutions:						
- Fixed deposits	3,900,206	90,010	3,990,216	-	-	-
Less: Deposit in customers' account of the Subsidiary *	(3,900,006)	-	(3,900,006)	-	-	-
Total deposits at financial institutions	200	90,010	90,210	-	-	-
Total	200	90,010	90,210	350,000	-	350,000
Total other current financial assets	783,583	723,391	1,506,974	522,941	-	522,941

* Deposits in customers' account are not required to present as assets and liabilities in the financial statements according to the Notifications of the Office of the Securities and Exchange Commission.

(Unit: Thousand Baht)						
	Consolidated financial statements			Separate financial statements		
	2022			2022		
	Non-collateralised investments	Collateralised investments	Total	Non-collateralised investments	Collateralised investments	Total
Other non-current financial assets						
Investments at FVTPL						
Debt instruments:						
- Debentures	166,093	-	166,093	1,462	-	1,462
- Convertible instruments	98,416	-	98,416	-	-	-
Total	264,509	-	264,509	1,462	-	1,462
Investments at FVOCI						
Equity instruments:						
- Equity securities	47,986	-	47,986	-	-	-
- Listed securities	286,306	-	286,306	260,806	-	260,806
- Unit trust	193,151	-	193,151	-	-	-
Less: Allowance for impairment loss on investments	(41,830)	-	(41,830)	-	-	-
Total	485,613	-	485,613	260,806	-	260,806
Total other non-current financial assets	750,122	-	750,122	262,268	-	262,268

12.2 Fair value of investments in debt instruments and equity instruments under obligation classified by transaction type.

(Unit Thousand Baht)		
	Consolidated financial statements	
	2023	2022
Borrowed securities	83,579	-
Securities pledged as collateral	90,010	90,010
Securities sold under sell and buy back agreements	646,426	633,381
Total collateralised securities	820,015	723,391

12.3 Collateral

Deposits at financial institutions of the Subsidiary have been pledged as collateral to financial institutions as follows:

(Unit: Thousand Baht)		
	Consolidated financial statements	
	2023	2022
Guarantees for overdraft and loans	90,000	90,000
Others	10	10
Total	90,010	90,010

13. Loans to other company

As at 31 December 2023 and 2022, loans to other company are collateralised loans which are guaranteed by fixed assets or other securities. Interest rates are specified in agreements.

(Unit: Thousand Baht)

	Consolidated financial statements	
	2023	2022
Net book value as at 1 January 2023	37,350	40,190
Decrease during the year	(3,000)	(2,840)
Net book value as at 31 December 2023	34,350	37,350

14. Allowance for expected credit loss

(Unit: Thousand Baht)

	Consolidated financial statements			
	Allowance for performing financial assets	Allowance for under-performing financial assets	Allowance for non-performing financial assets	Total
<u>Securities business receivables</u>				
As at 1 January 2022	-	-	366,995	366,995
As at 31 December 2022	-	-	366,995	366,995
Change in ECL	-	-	5,889	5,889
As at 31 December 2023	-	-	372,884	372,884
<u>Derivatives business receivables</u>				
As at 1 January 2022	-	-	42,054	42,054
Change in ECL	-	-	(2,000)	(2,000)
Amount refund	-	-	(23,052)	(23,052)
As at 31 December 2022	-	-	17,002	17,002
Change in ECL	-	-	646	646
Write-off	-	-	(11,743)	(11,743)
Amount refund	-	-	(5,000)	(5,000)
As at 31 December 2023	-	-	905	905
<u>Investments in debt instruments</u>				
As at 1 January 2022	-	-	139,000	139,000
As at 31 December 2022	-	-	139,000	139,000
As at 31 December 2023	-	-	139,000	139,000
<u>Other assets</u>				
As at 1 January 2022	-	-	19,902	19,902
Change in ECL	-	-	21,974	21,974
Amount refund	-	-	(120)	(120)
As at 31 December 2022	-	-	41,756	41,756
Change in ECL	-	-	(129)	(129)
As at 31 December 2023	-	-	41,627	41,627

(Unit: Thousand Baht)

	Separate financial statements			Total
	Allowance for performing financial assets	Allowance for under-performing financial assets	Allowance for non-performing financial assets	
<u>Other assets</u>				
As at 1 January 2022	-	-	-	-
Change in ECL	-	-	1,258	1,258
As at 31 December 2022	-	-	1,258	1,258
Change in ECL	-	-	-	-
As at 31 December 2023	-	-	1,258	1,258

15. Investments in subsidiaries

Investments in subsidiaries in the separate financial statements are as follows:

(Unit: Million Baht)

Company	Paid-up share capital		Shareholding percentage		Cost	
	2023	2022	2023	2022	2023	2022
			(%)	(%)		
Pi Securities Public Company Limited	1,589.7	1,589.7	99.3	99.3	2,471	2,471
Pi Ventures Company Limited	128.8	128.8	99.9	99.9	128	128
Pi Digital Company Limited	50.0	50.0	99.9	99.9	50	50
Pi Capital Company Limited	25.0	25.0	100.0	100.0	25	25
Total					2,674	2,674

During the years ended 2023 and 2022, the Company did not receive dividends from subsidiaries.

Pi Ventures Company Limited

On 13 January 2022, a meeting of the Company's Board of Directors passed a resolution for the Company to invest in Pi Ventures Company Limited which is incorporated in Thailand, through a share purchase amounting to Baht 5 million, representing 99.99% of the registered share capital. That company is principally engaged in investment in securities or digital assets.

Subsequently, on 7 February 2022, a meeting of the Company's Board of Directors passed a resolution for the Company to invest in the additional shares of its subsidiary amounting to Baht 124 million. The Company made the fully payment for the additional share capital.

Pi Digital Company Limited

On 15 August 2022, a meeting of the Company's Board of Directors passed a resolution for the Company to invest in Pi Digital Company Limited which is incorporated in Thailand, through a share purchase amounting to Baht 5 million, representing 99.99% of the registered share capital. On 7 September 2022, the Company made the payment for share capital amounting to Baht 1 million. The subsidiary is principally engaged in digital assets brokerage.

Subsequently, on 27 September 2022, a meeting of the Company's Board of Directors passed a resolution for the Company to pay for the remaining share capital payable amounting to Baht 4 million and to invest in the additional shares of its subsidiary amounting to Baht 45 million. The Company made the fully payment for the additional share capital.

As at 31 December 2023 and 2022, the Company pledged 702 million ordinary shares of subsidiary, representing 44 percent of its shareholding in the Subsidiary (2022: 513 million ordinary share representing 33 percent), to secure long-term debentures as described in Note 27.

16. Investments in associates

16.1 Details of associates

Investments in associates presented under equity method in consolidated financial statements and cost method in separate financial statements as follows.

(Unit: Million Baht)

Company	Nature of business	Country of incorporation	Shareholding percentage		Equity method		Cost method	
			2023	2022	2023	2022	2023	2022
			(%)	(%)				
MFC Asset Management Plc.	Asset management	Thailand	24.96	24.96	514	524	675	675
Bound and Beyond Plc.	Hotel	Thailand	39.12	39.12	2,128	2,102	1,392	1,392
Total					2,642	2,626	2,067	2,067

16.2 Share of comprehensive income and dividend income

During the years, the Company has recognised its share of profit (loss) from investments in associates in the consolidated financial statements and dividend income in the separate financial statements as follows:

(Unit: Thousand Baht)

Company	Consolidated financial statements				Separate financial statements	
	Share of profit (loss)		Share of other comprehensive income		Dividend income	
	2023	2022	2023	2022	2023	2022
MFC Asset Management Plc.	47,179	55,190	(9,379)	(12,691)	47,037	67,419
Bound and Beyond Plc.	23,637	(96,120)	1,679	(37,369)	-	-
Total	70,816	(40,930)	(7,700)	(50,060)	47,037	67,419

16.3 Fair value of investments in listed associates

In respect of investments in associates that are listed companies on the Stock Exchange of Thailand, their fair values are as follows:

Associates	(Unit: Million Baht)	
	Fair values as at 31 December	
	2023	2022
MFC Asset Management Plc.	627	718
Bound and Beyond Plc.	1,322	1,367
Total	1,949	2,085

16.4 Financial information of associates

Summarised information about financial position

	(Unit: Million Baht)			
	MFC Asset Management Plc.		Bound and Beyond Plc.	
	2023	2022	2023	2022
Assets	1,683	1,563	13,615	13,346
Liabilities	494	337	7,315	7,243
Net assets	1,189	1,226	6,300	6,103
Shareholding percentage (%)	24.96	24.96	39.12	39.12
Share of net assets	297	306	2,465	2,387
Elimination entries	217	218	(337)	(285)
Carrying amounts of associates based on equity method	514	524	2,128	2,102

Summarised information about comprehensive income

	(Unit: Million Baht)			
	MFC Asset Management Plc.		Bound and Beyond Plc.	
	2023	2022	2023	2022
Revenue	1,133	1,096	3,315	2,285
Profit (loss)	189	221	158	(342)
Other comprehensive income	(38)	(51)	28	32
Total comprehensive income	151	170	186	(310)

17. Investment in venture capital

As at 31 December 2023 and 2022, investment in venture capital is as follows.

Company	Nature of business	Country of incorporation	(Unit: Thousand Baht)					
			Shareholding percentage		Fair Value		Cost	
			2023	2022	2023	2022	2023	2022
			(%)	(%)				
Cryptomind Group Holdings Co., Ltd.	Money market and capital market management	Thailand	25.0	25.0	56,489	30,000	30,000	30,000
Total					56,489	30,000	30,000	30,000

A reconciliation of the net book value of investment in venture capital for the years ended 31 December 2023 and 2022 is presented below.

	(Unit: Thousand Baht)	
	Consolidated/Separate financial statements	
	2023	2022
Net book value at beginning of year	30,000	15,000
Acquisition of investment	-	15,000
Changes in fair values	26,489	-
Net book value at end of year	56,489	30,000

On 5 January 2022, the Company invested in such a company with 500 ordinary shares and purchased 32,125 ordinary shares from the existing shareholders, totaling Baht 15 million. The additional investment resulted in the increase of shareholding percentage from 12.5% to 25.0%.

18. Investment properties

The net book value of investment properties as at 31 December 2023 and 2022 is presented below.

	(Unit: Thousand Baht)			
	Consolidated financial statements			
	Building			Total
	Land	Buildings	improvement	
As at 31 December 2023:				
Cost	33,084	15,110	4,861	53,055
Less: Accumulated depreciation	-	(15,110)	(3,768)	(18,878)
Net book value	33,084	-	1,093	34,177
As at 31 December 2022:				
Cost	33,084	15,110	4,861	53,055
Less: Accumulated depreciation	-	(14,994)	(2,796)	(17,790)
Net book value	33,084	116	2,065	35,265

A reconciliation of the net book value of investment properties for the years 2023 and 2022 is presented below.

	(Unit: Thousand Baht)	
	Consolidated financial statements	
	2023	2022
Net book value at beginning of year	35,265	36,357
Depreciation charged	(1,088)	(1,092)
Net book value at end of year	34,177	35,265

Additional information of the investment properties as at 31 December 2023 and 2022 is as below:

(Unit: Thousand Baht)

	Consolidated financial statements	
	2023	2022
Fair value	103,491	103,491

The fair value of the above investment properties has been determined based on valuation performed by an accredited independent valuer using the Market Approach.

The Group has mortgaged the investment properties amounting to Baht 33 million (2022: Baht 33 million) as collateral against credit facilities received from a commercial bank as described in Note 22.

19. Property, plant and equipment

(Unit: Thousand Baht)

	Consolidated financial statements					
	Land	Buildings and building/leasehold improvement	Furniture, fixtures and office equipment	Motor vehicles	Assets under installation and construction in progress	Total
Cost						
1 January 2022	69,160	128,588	165,449	16,273	11,558	391,028
Additions	-	813	14,932	2,657	3,683	22,085
Transfers in (out)	-	15,001	240	-	(15,241)	-
Disposals/write-off	-	-	(21)	(3,904)	-	(3,925)
31 December 2022	69,160	144,402	180,600	15,026	-	409,188
Additions	-	1,473	23,869	-	4,638	29,980
Transfers in (out)	-	4,441	186	-	(4,627)	-
Disposals/write-off	-	(10,929)	(22,438)	(9)	-	(33,376)
As at 31 December 2023	69,160	139,387	182,217	15,017	11	405,792
Accumulated depreciation						
As at 1 January 2022	-	100,736	133,085	12,148	-	245,969
Depreciation for the year	-	11,589	13,947	1,343	-	26,879
Depreciation on disposals/write-off	-	-	(14)	(2,234)	-	(2,248)
As at 31 December 2022	-	112,325	147,018	11,257	-	270,600
Depreciation for the year	-	11,773	17,743	1,183	-	30,699
Depreciation on disposals/write-off	-	(10,238)	(22,420)	(9)	-	(32,667)
As at 31 December 2023	-	113,860	142,341	12,431	-	268,632
Allowance for impairment loss						
As at 1 January 2022	-	509	3	-	-	512
As at 31 December 2022	-	509	3	-	-	512
Decrease during the year	-	-	(3)	-	-	(3)
As at 31 December 2023	-	509	-	-	-	509

(Unit: Thousand Baht)

Consolidated financial statements

	Land	Buildings and building/ leasehold improvement	Furniture, fixtures and office equipment	Motor vehicles	Assets under installation and construction in progress	Total
Net book value						
As at 31 December 2022	69,160	31,568	33,579	3,769	-	138,076
As at 31 December 2023	69,160	25,018	39,876	2,586	11	136,651
Depreciation included in other expenses for the year						
2022						26,879
2023						30,699

(Unit: Thousand Baht)

Separate financial statements

	Buildings and building/ leasehold improvement	Furniture, fixtures and office equipment	Total
Cost			
As at 1 January 2022	12,986	7,184	20,170
Additions	-	305	305
As at 31 December 2022	12,986	7,489	20,475
Additions	-	339	339
As at 31 December 2023	12,986	7,828	20,814
Accumulated depreciation			
As at 1 January 2022	12,986	6,850	19,836
Depreciation for the year	-	200	200
As at 31 December 2022	12,986	7,050	20,036
Depreciation for the year	-	277	277
As at 31 December 2023	12,986	7,327	20,313
Net book value			
As at 31 December 2022	-	439	439
As at 31 December 2023	-	501	501
Depreciation included in other expenses for the year			
2022			200
2023			277

As at 31 December 2023, the Group had certain items of building/leasehold improvement, equipment and motor vehicles were fully depreciated but are still in use. The gross carrying amount before deducting accumulated depreciation and allowance for impairment loss of those assets amounted to approximately Baht 202 million (2022: Baht 205 million) (the Company only: Baht 20 million, 2022: Baht 20 million).

20. Intangible assets

(Unit: Thousand Baht)

Consolidated financial statements						
	Using	Computer	Securities	Derivative	Computer	
	derivatives	software	license	business	software	
	business fee	software	license	membership	under	Total
					installation	
Cost						
As at 1 January 2022	1,541	107,585	2,658	15,945	29,529	157,258
Additions	-	8,621	-	-	85,732	94,353
Write-off	-	-	-	-	(3,537)	(3,537)
Transfers in (out)	-	36,089	-	-	(36,089)	-
As at 31 December 2022	1,541	152,295	2,658	15,945	75,635	248,074
Additions	-	26,489	-	-	79,762	106,251
Transfers in (out)	-	82,424	-	-	(82,424)	-
As at 31 December 2023	1,541	261,208	2,658	15,945	72,973	354,325
Accumulated amortisation						
As at 1 January 2022	1,541	11,940	-	-	-	13,481
Amortisation for the year	-	12,410	134	803	-	13,347
As at 31 December 2022	1,541	24,350	134	803	-	26,828
Amortisation for the year	-	33,747	265	1,594	-	35,606
As at 31 December 2023	1,541	58,097	399	2,397	-	62,434
Net book value						
As at 31 December 2022	-	127,945	2,524	15,142	75,635	221,246
As at 31 December 2023	-	203,111	2,259	13,548	72,973	291,891
Amortisation included in other expenses during the year						
2022						13,347
2023						35,606

As at 31 December 2023, certain items of intangible assets were fully amortised but are still in use. The gross carrying amount before deducting accumulated amortisation and allowance for impairment loss of those assets amounted to approximately Baht 8 million (2022: Baht 7 million).

21. Other non-current assets

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Clearing fund	139,514	130,054	-	-
Deposits	22,399	19,968	2,240	2,240
Withholding tax	1,311	616	1,034	588
Accrued income	37,286	35,223	-	-
Prepaid expenses	30,687	36,515	-	-
Others	14,643	11,565	-	-
Less: Allowance for expected credit losses	(37,618)	(35,161)	-	-
Total	208,222	198,780	3,274	2,828

22. Short-term borrowings from financial institutions

	Consolidated financial statements			
	2023			
	Interest rate	Remaining periods to maturity		
	per annum	Within 1 year	1 - 5 years	Total
	(%)	(Thousand Baht)	(Thousand Baht)	(Thousand Baht)
<u>Borrowings from financial institutions</u>				
Promissory notes	3.0 - 4.2	600,000	-	600,000

	Consolidated financial statements			
	2022			
	Interest rate	Remaining periods to maturity		
	per annum	Within 1 year	1 - 5 years	Total
	(%)	(Thousand Baht)	(Thousand Baht)	(Thousand Baht)
<u>Borrowings from financial institutions</u>				
Promissory notes	2.3 - 3.5	500,000	-	500,000

The loan agreements contain covenants which, among other things, require the Group to maintain deposits with banks at all times when drawdown is required.

As at 31 December 2023, the borrowings from financial institutions with book value amounted to Baht 400 million (2022: Baht 300 million) are secured by the pledge of investment properties of the Group as described in Note 18. The Group must maintain a collateral value greater or equal to 120% of the total face value.

23. Securities sold under sell and buy back agreements

(Unit: Thousand Baht)

	Consolidated financial statements	
	2023	2022
Private sector debt securities	690,940	648,885
Total	690,940	648,885

24. Trade and other payables

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Securities payables	157,919	199,581	157,919	199,581
Accrued expenses	153,181	155,621	19,973	18,567
Others	22,951	11,005	382	420
Total	334,051	366,207	178,274	218,568

25. Payables to Clearing House and broker-dealers

(Unit: Thousand Baht)

	Consolidated financial statements	
	2023	2022
Payables to Clearing House	30,471	46
Payables to foreign securities companies	18,463	-
Total	48,934	46

26. Securities and derivatives business payables

(Unit: Thousand Baht)

	Consolidated financial statements	
	2023	2022
Payables under cash account	561,670	766,108
Payables under securities borrowing and lending business	83,580	-
Total	645,250	766,108

27. Long-term debentures

As at 31 December 2023 and 2022 detail of outstanding long-term debentures are as follows.

(Unit: Thousand Baht)

Series	Maturity date	No. of units (Thousand units)	Par value (Baht)	Interest rate (% p.a.)	Term of interest payment	Carrying amount			
						Consolidated		Separated	
						financial statements	financial statements	financial statements	financial statements
						2023	2022	2023	2022
1	Entirely redeemed on 14 May 2023 (2 years)	143	1,000	5.25	Every 3 months	-	142,600	-	-
2	Entirely redeemed on 11 March 2024 (2 years)	534	1,000	5.50	Every 3 months	534,200	534,000	534,200	534,200
3	Entirely redeemed on 11 May 2025 (3 years)	132	1,000	5.75	Every 3 months	132,200	132,300	132,300	132,300
4	Entirely redeemed on 28 April 2025 (2 years)	133	1,000	5.25	Every 3 months	132,500	-	132,500	-
5	Entirely redeemed on 28 April 2026 (3 years)	119	1,000	5.75	Every 3 months	53,508	-	118,700	-
Less: Deferred debentures issuing costs						(4,102)	(5,921)	(6,529)	(7,636)
Total						848,306	802,979	911,171	658,864
Less: Portion due within one year						(533,165)	(142,327)	(532,740)	-
Long-term debentures, net of current portion						315,141	660,652	378,431	658,864

As at 31 December 2023, long-term debentures were unsubordinated debentures denominated in THB, carrying interest at a fixed rate, with fair value of Baht 919 million (2022: Baht 810 million). The book value of debentures is Baht 911 million (2022: Baht 659 million), which were secured by the pledge of the Subsidiary's ordinary shares as described in Note 15.

The debenture agreements contain covenants which, among other things, require the Company to maintain the certain value of ordinary shares pledged under the collateral agreements against unredeemed principal of debts and the Subsidiary to maintain debt-to-equity ratio at the rate not over 3 times.

Movements of long-term debentures for the year ended 31 December 2023 and 2022 are summarised below.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Net book value at beginning of year	802,979	865,539	658,864	722,272
Additions	183,228	658,323	245,845	655,670
Repayments	(142,600)	(727,500)	-	(727,500)
Amortisation of deferred long-term debentures issuing cost	4,699	6,617	6,462	8,422
Net book value at end of year	848,306	802,979	911,171	658,864

On 28 April 2023, the Company issued Baht 251 million of unsubordinated and secured debentures with debenture holders' representatives in order to pay the Company's maturing debentures, fund investment and for use as working capital of the business. Details of the debentures are as follows.

The Series#1 debentures bear interest at a fixed rate of 5.25 percent per annum, payable for every 3 months, and mature on 28 April 2025.

The Series#2 debentures bear interest at a fixed rate of 5.75 percent per annum, payable for every 3 months, and mature on 28 April 2026.

28. Leases

The Group has leased contracts for various items used in its operations. Leases generally have lease terms between 1 years and 4 years.

28.1 Right-of-use assets

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

	(Unit: Thousand Baht)		
	Consolidated financial statements		
	Buildings	Motor vehicles	Total
1 January 2022	17,390	2,778	20,168
Additions	109,336	2,908	112,244
Depreciation for the year	(39,637)	(2,048)	(41,685)
31 December 2022	87,089	3,638	90,727
Additions	38,723	1,348	40,071
Depreciation for the year	(47,144)	(1,645)	(48,789)
31 December 2023	78,668	3,341	82,009

(Unit: Thousand Baht)

	Separate financial statements		
	Buildings	Motor vehicles	Total
1 January 2022	2,104	294	2,398
Additions	18,715	-	18,715
Depreciation for the year	(6,263)	(294)	(6,557)
31 December 2022	14,556	-	14,556
Depreciation for the year	(6,238)	-	(6,238)
31 December 2023	8,318	-	8,318

28.2 Lease liabilities

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Lease payments	89,150	97,663	8,960	15,681
Less: Deferred interest expenses	(4,374)	(5,318)	(303)	(891)
Total	84,776	92,345	8,657	14,790
Less: Portion due within one year	(51,040)	(40,722)	(6,440)	(6,133)
Lease liabilities - net of current portion	33,736	51,623	2,217	8,657

Movements of the lease liability account during the years ended 31 December 2023 and 2022 are summarised below:

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Balance at beginning of year	92,345	20,834	14,790	2,525
Additions	40,071	112,244	-	18,715
Accretion of interest	4,581	3,826	588	580
Repayments	(52,222)	(44,559)	(6,720)	(7,030)
Balance at end of year	84,776	92,345	8,657	14,790

A maturity analysis of lease payments is disclosed in Note 46.1 under the liquidity risk.

28.3 Expenses relating to leases that are recognised in profit or loss

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Depreciation expense of right-of-use assets	48,789	41,685	6,238	6,557
Interest expense on lease liabilities	4,581	3,826	587	580
Expense relating to short-term leases	2,454	5,874	-	-

28.4 Others

The Group had total cash outflows for leases for the year ended 31 December 2023 of Baht 55 million (2022: Baht 50 million) (the Company only: Baht 7 million, 2022: Baht 7 million), including the cash outflow related to short-term lease and leases of low-value assets.

29. Provision for long-term employee benefits

Provision for long-term employee benefits, which represents compensation payable to employees after they retire, were as follows:

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Provision for long-term employee benefits				
at beginning of year	53,770	48,676	7,782	9,097
Included in profit or loss:				
Current service cost	11,578	10,361	453	763
Interest cost	1,144	775	196	85
Included in other comprehensive income:				
Actuarial (gain) loss arising from				
Demographic assumptions changes	(5,219)	-	246	-
Financial assumptions changes	4,725	-	-	-
Experience adjustments	(10,637)	-	-	-
Benefits paid during the years	(2,364)	(6,042)	-	(2,163)
Provision for long-term employee benefits				
at end of year	<u>52,997</u>	<u>53,770</u>	<u>8,677</u>	<u>7,782</u>

The Group expects to pay Baht 2 million (2022: Baht 6 million) of long-term employee benefits during the next year (the Company only: None, 2022: None).

As at 31 December 2023, the weighted average duration of the liabilities for long-term employee benefit is 19 - 21 years (2022: 18 - 20 years) (the Company only: 19 years, 2022: 18 years).

Significant actuarial assumptions are summarised below:

(Unit: percent per annum)

	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Discount rate	2.4 - 2.7	0.9 - 1.5	2.4	0.9
Salary increase rate	5	2.5 - 4.5	5	4.5
Employee turnover rate	0.0 - 27.0	0.0 - 22.0	0.0 - 27.0	0.0 - 20.0

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

(Unit: Thousand Baht)

	2023			
	Consolidated financial statements		Separate financial statements	
	Increase 1%	Decrease 1%	Increase 1%	Decrease 1%
Discount rate	(3,634)	4,240	(40)	45
Salary increase rate	4,073	(3,570)	43	(39)
Employee turnover rate	(3,991)	2,857	(46)	28

(Unit: Thousand Baht)

	2022			
	Consolidated financial statements		Separate financial statements	
	Increase 1%	Decrease 1%	Increase 1%	Decrease 1%
Discount rate	(3,909)	4,459	(113)	119
Salary increase rate	4,967	(4,427)	218	(205)
Employee turnover rate	(4,163)	1,279	(125)	60

30. Share capital

Ordinary shares of the Company for the years ended 31 December 2023 and 2022 are as below.

(Unit: Share)

	Consolidated/ Separate financial statements	
	Registered share capital	Paid-up share capital
Ordinary shares as at 31 December 2022	6,452,549,062	4,005,547,487
Ordinary shares as at 31 December 2023	6,452,549,062	4,005,547,487

Warrant (CGH-W4)

The issuance and offering of the warrants have been approved by the Securities and Exchange Commission on 31 May 2021.

Type of Warrants	:	Warrants purchasing ordinary shares of Country Group Holdings Public Company Limited No. 4 (CGH-W4) allocate to existing shareholders at the ratio of 4 ordinary shares per 1 unit of warrant
Type	:	Specified warrant's holder and transferable.
Term of Warrants	:	3 years from the issuing date of warrants.
Number of Warrants	:	not exceeding 1,001,373,122 units
Offering Price	:	0 Baht per unit
Exercise Ratio	:	1 warrant to 1 ordinary shares
Exercise Price	:	Baht 1.25
First Exercise Date	:	30 November 2021
Last Exercise Date	:	30 May 2024

During the year 2023 and 2022, there was no exercised CGH-W4 warrants.

31. Reserve for share-based payment

On 16 March 2023, the Company's Board of Directors' Meeting resolved to approve the grant of rights to receive cash with value based on the share price of a subsidiary (Phantom Options) to its directors and advisors, not exceeding 50 million units. The allocation of these options will be extended to directors and advisors in a subsequent phase and will take the form of a continuous program, according to the allocation period for the rights to purchase newly issued ordinary shares of the subsidiary (ESOP Options). The recipients of the allocation will be able to exercise these rights based on the conditions specified in the subsidiary's ESOP plan.

Subsequently, on 21 April 2023, the 2023 Annual General Meeting of Shareholders of subsidiary company resolved to increase registered capital from Baht 1,589,743,484 to Baht 1,748,717,832 by issuing 158,974,348 new ordinary shares with a par value of Baht 1 each to facilitate the implementation of the subsidiary company's ESOP plan. The subsidiary company registered the capital increase with the Ministry of Commerce on 28 April 2023.

The subsidiary company allocated newly issued shares as options to its directors and employees of subsidiary company in accordance with the resolutions passed by the subsidiary company's Annual General Meeting of Shareholders on 21 April 2023 and the Annual General Meeting of Shareholders of the Company on 26 April 2023. The details are as follows:

Number of options issued and allotted:	Not exceeding 158,974,348 units
Number of reserved shares:	158,974,348 shares
Term of the continuous plan:	A period of 5 years from the date of approval by shareholders' meeting of the subsidiary company which approves the subsidiary company to grant the ESOP Options under the Plan
Exercise prices:	ESOP Options will be granted at Baht 0 The eligible Participants may exercise their rights to purchase the newly issued ordinary shares at the higher price to be determined by the following formula. (1) 90 percent of the fair price of ordinary shares of the subsidiary company appraised when an exercise event under the ESOP Options has occurred by a financial advisor under the approval list of the Office of the Securities and Exchange Commission; (2) The book value of ordinary shares of the subsidiary company determined when an exercise event under the ESOP Options has occurred, based on the latest financial statements of the subsidiary which have been audited or reviewed.
Exercise ratio:	1 option: 1 ordinary share
Vesting condition:	Employees of subsidiary company must remain in service at the grant date and upon satisfaction of the conditions set out in the Plan.
Exercise period:	The option shall be exercisable if there is an "Event".
Lapse of Option:	On the 10 th anniversary of the date on which it was granted.

There were no modifications to the share-based payment arrangement during the year.

The following table illustrates movements in the number of warrants during the year:

	2023
	Number
	(Units)
Outstanding at 1 January	-
Granted	99,000,000
Outstanding at 31 December	99,000,000

The remaining warrants as at 31 December 2023 have a remaining weighted average contractual life of 9 - 10 years. (2022: Nil)

The fair value of warrants granted at the grant date was Baht 0.26 per unit, calculated using the Black-Scholes model and the following key assumptions:

Weighted average share price	Baht 2.40 per share
Exercise price	Baht 4.02 per share
Expected dividend yield	0 %
Expected volatility	15.71 %
Risk-free interest rate	2.57 %
Expected life of warrants	10 years

The expected volatility of the share price is determined, based on historical volatility of the company's share price in the past, and may not necessarily match actual outcomes in the future.

During 2023, The Group recorded equity-settled share-based payment transactions amounting to Baht 2.35 million (2022: Nil) as expenses in profit or loss.

32. Legal reserves

The Company is required to set aside a legal reserve at least 5% of its net income after deducting accumulated deficit brought forward (if any) until the reserve reaches 10% of the authorized share capital according to the Public Limited Companies Act B.E. 2535, section 116. The legal reserve could not be used for dividend payment.

33. Share capital prepayment

On 4 December 2023, the Company's Board of Directors Meeting passed a resolution approving the issuance of additional ordinary shares to be offered through private placement to a foreign company. The company received advance received for shares amounting to Baht 349 million on 18 December 2023 and recorded the advance received for shares under non-controlling interests of the subsidiaries in the statement of financial position.

34. Brokerage fees

(Unit: Thousand Baht)

	Consolidated financial statements	
	2023	2022
Brokerage fees from securities business	409,736	636,022
Brokerage fees from derivatives business	600,710	540,947
Total	1,010,446	1,176,969

35. Fees and service income

(Unit: Thousand Baht)

	Consolidated financial statements	
	2023	2022
Underwriting fee	39,576	30,629
Financial advisory fee	24,265	38,192
Others	29,405	29,647
Total	93,246	98,468

36. Interest income calculated using the effective interest method

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Interest on margin loans	59,727	44,517	-	-
Interest income	141,185	94,779	48,560	37,187
Total	200,913	139,296	48,560	37,187

37. Gain and return on financial instruments

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Gain (loss) on investments	(64,546)	(44,712)	25,276	(985)
Gain on derivatives	125,129	104,224	7,106	33,505
Dividend income	10,920	9,433	47,967	68,547
Total	71,503	68,945	80,349	101,067

38. Provident fund

The Group and its employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. Both employees and the Group contribute to the fund monthly at the rate of between 0 and 5 percent of basic salary. The fund, which is managed by MFC Asset Management Plc., will be paid to employees upon termination in accordance with the fund rules.

The contributions for the year were recognised as expenses as follows:

(Unit: Million Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Contributions to provident funds	17	14	2	2

39. Finance cost

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Interest expenses on borrowings	93,311	92,989	52,814	60,254
Interest expenses on lease liabilities	4,582	3,826	588	580
Interest paid from securities payables	20,444	20,404	12,778	11,826
Interest paid from derivatives business	6,984	6,413	-	-
Total	125,321	123,632	66,180	72,660

40. Income tax

40.1 Deferred tax assets

The components of deferred tax assets and deferred tax liabilities are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Deferred tax assets				
Allowance for expected credit losses	90,266	71,198	252	252
Allowance for impairment on investments	30,800	30,800	-	-
Lease liabilities	546	314	68	47
Provision for long-term employee benefits	11,843	10,243	1,735	1,556
Deficit on re-measuring of value of investments	154,315	146,821	122,559	110,676
Unused tax losses	69,713	50,423	35,856	50,423
Others	11,960	6,791	4,446	-
Total	369,443	316,590	164,916	162,954
Deferred tax liabilities				
Surplus on re-measuring of value of investments	19,079	4,145	6,607	642
Amortisation of intangible assets	10,238	14,879	-	-
Others	1,306	1,582	1,306	1,527
Total	30,623	20,606	7,913	2,169
Deferred tax assets - net	338,820	295,984	157,003	160,785

As at 31 December 2023, the Group has deductible temporary differences and unused tax losses totaling Baht 254 million (2022: Baht 153 million) (the Company only: Baht 165 million, 2022, Baht 112 million), on which deferred tax assets have not been recognised as the Group believes future taxable profits may not be sufficient to allow utilisation of the temporary differences and unused tax losses.

The unused tax losses amounting to Baht 254 million (the Company only: Baht 165 million) will expire by 2024 - 2028 (the Company only: 2025 - 2026).

40.2 Income tax expenses

Income tax expenses for the years ended 31 December 2023 and 2022 are summarised as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Current income tax:				
Current income tax charge	(426)	(27,506)	-	-
Adjustment in respect of income tax of previous year	44	66	-	-
Deferred tax:				
Relating to origination and reversal of temporary differences	39,856	(11,242)	(13,871)	(17,960)
Tax expense relating to change in useful lives of intangible assets	4,641	(14,879)	-	-
Income tax expenses reported in profit or loss	44,115	(53,561)	(13,871)	(17,960)

The reconciliation between accounting profit and income tax revenues (expenses) is shown below.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Accounting profit (loss) before tax	(238,388)	(67,218)	(38,711)	8,019
Applicable tax rate	(20%)	(20%)		(20%)
Accounting profit (loss) before tax multiplied by income tax rate	47,678	13,444	7,742	(1,604)
Adjustment in respect of income tax of previous year	44	66	-	-
Tax expense relating to change in useful lives of intangible assets	-	(14,879)	-	-
Share of profit (loss) from investments in associates	14,163	(8,186)	-	-
Effects of eliminated transactions	12,710	(13,569)	-	-
Tax losses for the year for which deferred tax assets were not recognised	(34,054)	(35,264)	(30,872)	(29,411)
Effects of:				
Non-deductible expenses (reversal)	(5,466)	(8,815)	(198)	(443)
Tax exempted revenue	9,490	13,642	9,457	13,498
Total	4,024	4,827	9,259	13,055
Income tax expenses reported in profit or loss	44,115	(53,561)	(13,871)	(17,960)

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

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Deferred tax on loss from the change in value of financial assets measured at FVOCI	565	18,115	10,040	19,485
Deferred tax on actuarial (gain) loss	(2,226)	-	49	-
Income tax revenues (expenses) reported in other comprehensive income	<u>(1,661)</u>	<u>18,115</u>	<u>10,089</u>	<u>19,485</u>

41. Earnings (losses) per share

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

Diluted earnings (loss) per share is calculated by dividing profit for the years attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the years plus the weighted average number of ordinary shares which would need to be issued to convert all dilutive potential ordinary shares into ordinary shares. The calculation assumes that the conversion took place either at the beginning of the years or on the date the potential ordinary shares were issued.

The following table sets forth the computation of basic and diluted earnings (losses) per share.

	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Basic losses per share				
Losses attributable to equity holders of the Company (Thousand Baht)	(193,089)	(120,964)	(52,582)	(9,941)
Weighted average number of ordinary shares (Thousand shares)	<u>4,005,537</u>	<u>4,005,537</u>	<u>4,005,547</u>	<u>4,005,547</u>
Basic losses per share (Baht)	<u>(0.0482)</u>	<u>(0.0302)</u>	<u>(0.0131)</u>	<u>(0.0025)</u>
Diluted losses per share				
Losses attributable to equity holders of the Company (Thousand Baht)	(193,089)	(120,964)	(52,582)	(9,941)
Weighted average number of ordinary shares used in calculation of basic earnings (losses) per share (Thousand shares)	<u>4,005,537</u>	<u>4,005,537</u>	<u>4,005,547</u>	<u>4,005,547</u>
Weighted average number of ordinary shares used in the calculation of diluted earnings (losses) per share (Thousand shares)	<u>4,005,537</u>	<u>4,005,537</u>	<u>4,005,547</u>	<u>4,005,547</u>
Diluted losses per share (Baht)	<u>(0.0482)</u>	<u>(0.0302)</u>	<u>(0.0131)</u>	<u>(0.0025)</u>

There was no calculation of diluted earnings per share for warrants to purchase ordinary shares for the years ended 31 December 2023 and 2022 since the exercise price was in excess of the weighted average fair value of the Company's ordinary shares.

42. Commitments

42.1 Capital commitments

As at 31 December 2023, the Group had capital commitments of approximately Baht 6 million (2022: Baht 23 million), relating to software development agreements and leasehold improvements of the Subsidiary.

42.2 Long-term service commitments

- a) The Subsidiary has commitments to pay fees related to its securities business to the Stock Exchange of Thailand, Thailand Clearing House Company Limited, and Thailand Securities Depository Company Limited, at a monthly fixed amount and/or a percentage of trading volume and/or a percentage of net settlements each month.
- b) The Subsidiary has commitments to pay the fees related to its derivatives business to Thailand Futures Exchange Public Company Limited, Thailand Clearing House Company Limited, and Thailand Securities Depository Company Limited, at a monthly fixed amount and/or at the fixed payment for each purchase or sale of a derivative contract transaction and/or other fees specified in the agreements.
- c) Subsidiaries have commitments to pay fees to the Office of the Securities and Exchange Commission in relation to licenses for securities brokerage, securities trading, securities underwriting, securities borrowing and lending, derivatives brokerage, derivatives dealer, mutual fund and private fund management, financial advisory, and other licenses. The fees are charged at certain rates from the aforesaid businesses.

43. Related party transactions

During the years, the Group had significant business transactions with related parties. Such transactions, which are summarised below, arose in the ordinary course of business and were concluded on commercial terms and bases agreed upon between the Group and those related parties.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements		
	2023	2022	2023	2022	Transfer pricing policy
Transactions with subsidiaries					
(Eliminated from consolidated financial statements)					
Sale of investments	-	-	-	33,738	Contract rates
Interest income	-	-	46,533	28,662	Normal rate charged to customers
Fee and service expenses	-	-	11	124	Normal rate charged to customers
Finance cost	-	-	2,036	2,702	Contract rates
Transactions with associates					
Brokerage fee from securities					
and derivatives business	46,051	61,455	-	-	Normal rate charged to customers

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements		
	2023	2022	2023	2022	Transfer pricing policy
Brokerage fee from unit trust	3,555	3,681	-	-	Normal rate charged to customers
Fees and service income	436	5,529	-	-	Normal rate charged to customers
Dividend income		-	47,037	67,419	As declared
Fees and services expenses	289	219	16	16	Normal rate charged to customers
Transactions with related companies					
Fees and service income	531	600	-	-	Normal rate charged to customers
Services expenses	-	2,441	-	2,243	Normal rate charged to customers
Other expenses	1,366	1,366	-	-	Contract price
Transactions with related persons					
Brokerage fees from securities and derivatives business	166	701	-	-	Normal rate charged to customers
Interest income	5,013	7,401	-	-	Normal rate charged to customers
Finance cost	12	14	-	-	Contract rates

The balances of accounts as at 31 December 2023 and 2022 between the Group and those related parties are as follows.

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Deposit for customers' account				
Related companies	6	6	-	-
Related persons	6,775	10,341	-	-
Total	6,781	10,347	-	-
Trade and other receivables				
Subsidiaries	-	-	42,375	95,246
Associates	516	621	-	-
Total	516	621	42,375	95,246
Securities and derivative business receivables				
Associates	58,073	16,565	-	-
Related persons	70,122	153,091	-	-
Total	128,195	169,656	-	-
Other current financial assets				
Subsidiaries	-	-	595,000	350,000
Associates	110,258	159,823	-	-
Related companies	27,304	378,823	-	-
Total	137,562	538,646	595,000	350,000

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Other non-current financial assets				
Associate	5,483	6,941	-	203
Related companies	193,937	260,603	193,937	260,603
Total	199,420	267,544	193,937	260,806
Securities sold under sell and buy back agreements				
Associates	109,947	154,149	-	-
Related companies	27,200	241,443	-	-
Total	137,147	395,592	-	-
Trade and other payables				
Subsidiaries	-	-	20	37
Associates	210	474	-	1
Related companies	339	944	-	295
Total	549	1,418	20	333
Securities and derivatives business payables				
Associates	-	5,153	-	-
Total	-	5,153	-	-
Long-term debentures				
Subsidiaries	-	-	65,292	200
Total	-	-	65,292	200

Short-term loans to subsidiaries

As at 31 December 2023 and 2022, the balances of short-term loans to subsidiaries and the movement in loans are as follows:

(Unit: Thousand Baht)

	Interest rate	Separate financial statements				
		Balance as at 31 December 2022	Increase during the year	Decrease During the year	Allowance for Impairment loss	Balance as at 31 December 2023
Loans to	(%)					
Pi Pinnacle Assets Company Limited	5.5, 6.2	69,133	22,000	-	-	91,133
Pi Capital Solutions Company Limited	6.3	37,900	-	(500)	(22,932)	14,468
Pi Ventures Company Limited	5.3	340,296	-	(50,000)	-	290,296
Total		447,329	22,000	(50,500)	(22,932)	395,897

As at 31 December 2023 and 2022, short-term loans to subsidiaries are unsecured and are repayable on call.

Directors and management's benefits

During the years ended 31 December 2023 and 2022 the Group had employee benefits payable to its directors and management as below.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Short-term employee benefits	133,021	148,270	20,447	21,421
Post-employment benefits	2,976	2,607	448	408
Benefit expenses in relation to				
share-base payments	2,351	-	-	-
Total	138,348	150,877	20,895	21,829

44. 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 is organised into business units based on its products and services and have three reportable segments as follows:

- Securities and derivatives brokerage segment, which provides brokering services for both local and foreign investors.
- Securities and derivatives trading segment, comprising the Group's investment segments, i.e. securities and derivatives trading segment, debt instrument investing segment, equity derivatives segment and Wealth Plus segment.
- Investment banking segment, which provided financial advisory services and underwriting services.

The Group has aggregated the operating segments of back office segment, treasury segment and venture capital segment and presented them as the reportable segment of other segment.

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 total assets and on a basis consistent with that used to measure operating profit or loss and total assets in the financial statements.

The basis of accounting for any transactions between reportable segments is consistent with that for third party transactions.

The following tables present revenue and profit information regarding the Group's operating segments for the years ended 31 December 2023 and 2022.

(Unit: Thousand Baht)

Consolidated financial statements					
2023					
	Securities and derivatives brokerage segment	Securities trading	Investment banking segment	Others segment	Total
Revenues					
Brokerage fees					
- At a point in time	1,010,446	-	-	-	1,010,446
Fees and services income					
- At a point in time	4,804	61,465	9,672	-	75,941
- Over time	-	-	17,305	-	17,305
Interest income	59,727	56,165	-	85,021	200,913
Gain (loss) and return on financial instruments	(26,011)	97,514	-	-	71,503
Other income	1,893	2,080	-	35,888	39,861
Total revenues	1,050,859	217,224	26,977	120,909	1,415,969
Total expenses					(1,725,173)
Share of profit from investments in associates					70,816
Loss before income tax expenses					(238,388)
Income tax revenue					44,116
Loss for the year					(194,272)

(Unit: Thousand Baht)

Consolidated financial statements					
2022					
	Securities and derivatives brokerage segment	Securities trading	Investment banking segment	Others segment	Total
Revenues					
Brokerage fees					
- At a point in time	1,176,969	-	-	-	1,176,969
Fees and services income					
- At a point in time	5,180	52,884	22,965	-	81,029
- Over time	-	-	17,438	-	17,438
Interest income	44,517	60,488	-	34,291	139,296
Gain (loss) and return on financial instruments	(5,210)	74,282	-	(127)	68,945
Other income	2,048	437	5,792	34,298	42,575
Total revenues	1,223,504	188,091	46,195	68,462	1,526,252
Total expenses					(1,552,540)
Share of loss from investments in associates					(40,930)
Loss before income tax expenses					(67,218)
Income tax expenses					(53,561)
Loss for the year					(120,779)

The following tables present total assets of the Group's operating segments as at 31 December 2023 and 2022:

(Unit: Thousand Baht)

	Consolidated financial statements					
	Securities					
	and					
	derivatives		Investment	Total		
	brokerage	Securities	banking	operating	Unallocated	
	segment	trading	segment	segment	assets	Total
Segment total assets						
As at 31 December 2023	2,205,727	2,588,668	44,571	4,838,966	4,405,414	9,244,380
As at 31 December 2022	2,085,646	2,441,339	52,136	4,579,121	4,428,099	9,007,220

Geographic information

The Group operates only in Thailand, as a result, all the revenues and assets are reflected in the financial statements pertain exclusively to this geographical reportable segment.

Major customers

For the years 2023 and 2022, the Group has no major customer with revenue of 10 percent or more of an entity's revenues.

45. Fair value hierarchy

As at 31 December 2023 and 2022, the Group had the assets and liabilities that were measured at fair value or for which fair value was disclosed using different levels of inputs as follows:

(Unit: Thousand Baht)

	Consolidated financial statements				
	2023				
	Carrying amount	Fair value			Total
		Level 1	Level 2	Level 3	
Financial assets measured at fair value					
Other current financial assets					
Investments designated at FVTPL					
<u>Equity investments</u>					
Listed securities	249,437	249,437	-	-	249,437
Unit trust	30,487	-	30,487	-	30,487
<u>Debt investments</u>					
Debentures	190,597	-	190,597	-	190,597
Securities sold under sell and buy					
back agreements	646,426	-	646,426	-	646,426
Investments designated at FVOCI					
<u>Equity investments</u>					
Listed securities	106,793	106,793	-	-	106,793

(Unit: Thousand Baht)

Consolidated financial statements					
2023					
	Carrying amount	Fair value			
		Level 1	Level 2	Level 3	Total
Other non-current financial assets					
Investments designated at FVTPL					
<u>Debt investments</u>					
Debentures	180,883	-	180,883	-	180,883
Convertible instrument	50,329	-	-	50,329	50,329
Investments designated at FVOCI					
<u>Equity investments</u>					
Equity securities	31,596	-	-	31,596	31,596
Listed securities	212,817	212,817	-	-	212,817
Unit trusts	156,826	-	156,826	-	156,826
Asset measured at fair value					
Investment in venture capital	56,489	-	-	56,489	56,489
Assets for which fair values are disclosed					
Inventories - digital assets	131,345	131,345	-	-	131,345
Investment properties	34,178	-	103,491	-	103,491
Financial liabilities measured at fair value					
Derivative liabilities					
Future contracts	2,144	2,144	-	-	2,144

(Unit: Thousand Baht)

Consolidated financial statements					
2022					
	Carrying amount	Fair value			
		Level 1	Level 2	Level 3	Total
Financial assets measured at fair value					
Derivative assets					
Future contracts	1,344	1,344	-	-	1,344
Other current financial assets					
Investments designated at FVTPL					
<u>Equity investments</u>					
Listed securities	369,052	369,052	-	-	369,052
<u>Debt investments</u>					
Debentures	339,766	-	339,766	-	339,766
Securities sold under sell and buy back agreements	633,381	-	633,381	-	633,381

(Unit: Thousand Baht)

Consolidated financial statements					
2022					
	Carrying amount	Fair value			
		Level 1	Level 2	Level 3	Total
Investments designated at FVOCI					
<u>Equity investments</u>					
Listed securities	74,565	74,565	-	-	74,565
Other non-current financial assets					
Investments designated at FVTPL					
<u>Debt investments</u>					
Debentures	166,093	-	166,093	-	166,093
Convertible instrument	98,416	-	-	98,416	98,736
Investments designated at FVOCI					
<u>Equity investments</u>					
Equity securities	286,306	286,306	-	-	286,306
Listed securities	6,156	-	-	6,156	6,156
Unit trusts	193,151	-	193,151	-	193,151
Asset measured at fair value					
Investment in venture capital	30,000	-	-	30,000	30,000
Assets for which fair values are disclosed					
Inventories - digital assets	53,616	53,660	-	-	53,660
Investment properties	35,265	-	103,491	-	103,491

(Unit: Thousand Baht)

Separate financial statements					
2023					
	Carrying amount	Fair value			
		Level 1	Level 2	Level 3	Total
Financial assets measured at fair value					
Other current financial assets					
Investments designated at FVTPL					
<u>Equity investments</u>					
Listed securities	25,475	25,475	-	-	25,475
Unit trusts	30,487	-	30,487	-	30,487
Investments designated at FVOCI					
<u>Equity investments</u>					
Listed securities	106,793	106,793	-	-	106,793
Other non-current financial assets					
Investments designated at FVTPL					
<u>Debt investments</u>					
Debentures	1,592	-	1,592	-	1,592

(Unit: Thousand Baht)

Separate financial statements					
2023					
Carrying amount	Fair value				Total
	Level 1	Level 2	Level 3		
Investments designated at FVOCI					
<u>Equity investments</u>					
Listed securities	194,067	194,067	-	-	194,067
Asset measured at fair value					
Investment in venture capital	56,489	-	-	56,489	56,489

(Unit: Thousand Baht)

Separate financial statements					
2022					
Carrying amount	Fair value				Total
	Level 1	Level 2	Level 3		
Financial assets measured at fair value					
Other current financial assets					
Investments designated at FVTPL					
<u>Equity investments</u>					
Listed securities	8,789	8,789	-	-	8,789
<u>Debt investments</u>					
Debentures	89,587	-	89,587	-	89,587
Investments designated at FVOCI					
<u>Equity investments</u>					
Listed securities	74,565	74,565	-	-	74,565
Other non-current financial assets					
Investments designated at FVTPL					
<u>Debt investments</u>					
Debentures	1,462	-	1,462	-	1,462
Investments designated at FVOCI					
<u>Equity investments</u>					
Listed securities	260,806	260,806	-	-	260,806
Asset measured at fair value					
Investment in venture capital	30,000	-	-	30,000	30,000

46. Financial instruments

46.1 Financial risk management objectives and policies

The Group's risks associated with these financial instruments and how they are managed is described below.

Credit risk

The Group is exposed to credit risk primarily with respect to receivables from Clearing House and broker - dealers, securities and derivatives business receivables, investments in debt securities, loans, and fees and services income receivables. The management manages the risk by setting up various measures to evaluate credit risks of all new customers when apply for new accounts to determining a proper credit line. The Group also assigns credit committee to reviews customers' credit lines continuously. To control risk in lending for securities purchase, the Group evaluates the customers' financial status and ability to repay as well as the customers' current trading patterns and also to limits the amount of loans to purchase securities to a particular client not exceeding the criteria set by the official. The Group also limits the list of securities that can be purchased on margin, specify the appropriate margin rate for each security to select only suitable quality ones and considers the securities fundamentals and liquidity. In addition, the Group limits the amount of securities that can be purchased and its concentration in any particular securities.

The investment in debt instruments is determined on the basis of the firm financial status of issuing institutions and their instruments being rated at acceptable rating by the reputable credit rating agencies.

In addition, the Group does not have high concentration of credit risk of retail client since it has a large customer base. The maximum exposure to credit risk is limited to the carrying amounts in the statements of financial position which are net book value after allowance for expected credit losses.

Foreign currency risk

As at 31 December 2023 and 2022, the Group did not have any material financial instruments in foreign currencies.

Interest rate risk

The Group is exposed to interest rate risk relates primarily to cash and cash equivalents, securities business receivables - credit balance accounts, investments in debt securities, loans, borrowings from financial institutions and debt issued and borrowings. However, since the Group's financial assets and liabilities are short-term in nature and bear floating interest rates or fixed interest rates which are close to the market rate, the interest rate risk is expected to be minimal.

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

(Unit: Million Baht)

Consolidated financial statements										
2023										
Outstanding balances of net financial instruments										
		Fixed interest rate							Interest rate	
	Floating	Repricing or maturity dates							(% per annum)	
	interest	On	Within 1	1 - 5	Over	No	No		Floating	Fixed
	rate	demand	year	years	5 years	maturity	Interest	Total	rate	rate
Financial assets										
Cash and cash equivalents	1,112	-	-	-	-	-	160	1,272	0.1 - 0.6	-
Trade and other receivables	-	-	-	-	-	-	231	231	-	-
Receivables from Clearing										
House and broker - dealers	-	-	-	-	-	-	252	252	-	-
Securities and derivatives										
business receivables	1,008	-	-	-	-	-	578	1,586	5.0 - 15.0	-
Other current financial assets	-	-	927	-	-	-	386	1,313	-	0.7 - 7.8
Other non-current financial										
assets	-	-	-	-	181	-	451	632	-	1.5
Long-term loans to other										
companies	-	-	34	-	-	-	-	34	-	7.0
Financial liabilities										
Short-term borrowings from										
financial institutions	-	400	200	-	-	-	-	600	-	3.0 - 4.2
Securities sold under sell and										
buy back agreements	-	-	691	-	-	-	-	691	-	3.2 - 7.8
Trade and other payables	-	-	-	-	-	-	334	334	-	-
Securities and derivatives										
business payables	-	-	-	-	-	-	645	645	-	-
Derivative liabilities	-	-	-	-	-	-	2	2	-	-
Long-term debentures	-	-	533	315	-	-	-	848	-	5.2 - 5.8
Lease liabilities	-	-	51	34	-	-	-	85	-	3.4 - 6.0

(Unit: Million Baht)

Consolidated financial statements										
2022										
Outstanding balances of net financial instruments										
		Fixed interest rate							Interest rate	
	Floating	Repricing or maturity dates							(% per annum)	
	interest	On	Within 1	1 - 5	Over	No	No		Floating	Fixed
	rate	demand	year	years	5 years	maturity	Interest	Total	rate	rate
Financial assets										
Cash and cash equivalents	977	-	-	-	-	-	114	1,091	0.1 - 0.7	-
Trade and other receivables	-	-	-	-	-	-	206	206	-	-
Receivables from Clearing										
House and broker - dealers	-	-	-	-	-	-	225	225	-	-
Securities and derivatives										
business receivables	848	-	-	-	-	-	652	1,500	6.3 - 18.0	-
Derivative assets	-	-	-	-	-	-	1	1	-	-
Other current financial assets	-	-	1,063	-	-	-	444	1,507	-	0.2 - 7.8
Other non-current financial										
assets	-	-	-	-	166	-	584	750	-	1.5
Long-term loans to other										
companies	-	-	37	-	-	-	-	37	-	7.0

(Unit: Million Baht)

Consolidated financial statements										
2022										
Outstanding balances of net financial instruments										
Floating interest rate	Fixed interest rate						No Interest	Total	Interest rate (% per annum)	
	Repricing or maturity dates					Floating rate			Fixed rate	
	On demand	Within 1 year	1 - 5 years	Over 5 years	No maturity					
Financial liabilities										
Short-term borrowings from financial institutions	-	400	100	-	-	-	-	500	-	2.3 - 3.5
Securities sold under sell and buy back agreements	-	-	649	-	-	-	-	649	-	2.9 - 7.8
Trade and other payables	200	-	-	-	-	-	166	366	6.7	-
Securities and derivatives business payables	-	-	-	-	-	-	766	766	-	-
Derivative liabilities	-	-	-	-	-	-	-	-	-	-
Long-term debentures	-	-	142	661	-	-	-	803	-	5.3 - 6.8
Lease liabilities	-	-	41	51	-	-	-	92	-	3.4 - 4.9

(Unit: Million Baht)

Separated financial statements										
2023										
Outstanding balances of net financial instruments										
	Floating interest rate	Fixed interest rate						Interest rate		
		Repricing or maturity dates						(% per annum)		
		On demand	Within 1 year	1 - 5 years	Over 5 years	No maturity	No Interest	Total	Floating rate	Fixed rate
<u>Financial assets</u>										
Cash and cash equivalents	236	-	-	-	-	-	5	241	0.3 - 0.55	-
Trade and other receivables	-	-	-	-	-	13	81	94	-	0.2
Short-term loans to subsidiaries	-	397	-	-	-	-	-	397	-	5.3 - 6.3
Other current financial assets	-	-	595	-	-	-	163	758	-	4.0 - 5.5
Other non-current financial assets	-	-	-	-	2	-	195	196	-	3.2 - 7.5
<u>Financial liabilities</u>										
Trade and other payables	158	-	-	-	-	-	20	178	6.7	-
Long-term debentures	-	-	533	378	-	-	-	911	-	5.2 - 5.8
Lease liabilities	-	-	6	2	-	-	-	8	-	4.9

(Unit: Million Baht)

Separated financial statements										
2022										
Outstanding balances of net financial instruments										
	Floating interest rate	Fixed interest rate						Interest rate		
		Repricing or maturity dates						(% per annum)		
		On demand	Within 1 year	1 - 5 years	Over 5 years	No maturity	No Interest	Total	Floating rate	Fixed rate
<u>Financial assets</u>										
Cash and cash equivalents	249	-	-	-	-	-	6	255	0.2 - 0.3	-
Trade and other receivables	-	-	-	-	-	10	87	97	-	0.2
Short-term loans to subsidiaries	-	447	-	-	-	-	-	447	-	5.3 - 6.2
Other current financial assets	-	-	440	-	-	-	83	523	-	3.9 - 7.3
Other non-current financial assets	-	-	-	-	1	-	261	262	-	1.5
<u>Financial liabilities</u>										
Trade and other payables	200	-	-	-	-	-	19	219	6.7	-
Long-term debentures	-	-	-	659	-	-	-	659	-	5.5 - 5.8
Lease liabilities	-	-	6	9	-	-	-	15	-	4.9

Market risk

Factors of political and economic issues both internally and externally have an impact on the capital market conditions. Especially, the volatility of price movement affects on the gain or loss on the investments in securities. Diversifying portfolios, after studying available information and analytical research could ease.

Liquidity risk

The Group may be exposed to liquidity risk due to securities and derivatives business receivables, of which the Group may not be able to obtain settlement, and due to investments, which the Group may not be able to dispose at the expected prices due to volatility in the market. However, these financial assets are considered highly liquid assets, as reflected in the subsidiary's net capital ratio which is higher than the mandatory minimum requirement of 7%. The Group also has sufficient credit lines from various financial institutions to finance its operations.

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

(Unit: Million Baht)

	Consolidated financial statements					
	2023					
	Outstanding balances of net financial instruments					
	At call	Within 1 year	1 - 5 years	Over 5 years	No maturity	Total
<u>Financial assets</u>						
Cash and cash equivalents	-	-	-	-	1,272	1,272
Trade and other receivables	-	231	-	-	-	231
Receivables from Clearing House and broker - dealers	-	252	-	-	-	252
Securities and derivatives business receivables	1,008	563	-	-	15	1,586
Other current financial assets	-	1,313	-	-	-	1,313
Other non-current financial assets	-	-	-	181	451	632
Long-term loans to other companies	-	34	-	-	-	34
<u>Financial liabilities</u>						
Short-term borrowings from financial institutions	500	100	-	-	-	600
Securities sold under sell and buy back agreements	-	691	-	-	-	691
Trade and other payables	-	334	-	-	-	334
Securities and derivatives business payables	-	645	-	-	-	645
Derivative liabilities	-	2	-	-	-	2
Long-term debentures	-	533	315	-	-	848
Lease liabilities	-	51	34	-	-	85

(Unit: Million Baht)

Consolidated financial statements						
2022						
Outstanding balances of net financial instruments						
	At call	Within 1 year	1 - 5 years	Over 5 years	No maturity	Total
Financial assets						
Cash and cash equivalents	-	-	-	-	1,091	1,091
Trade and other receivables	-	206	-	-	-	206
Receivables from Clearing House and broker - dealers	-	225	-	-	-	225
Securities and derivatives business receivables	848	631	-	-	21	1,500
Derivative assets	-	1	-	-	-	1
Other current financial assets	-	1,507	-	-	-	1,507
Other non-current financial assets	-	-	-	166	584	750
Long-term loans to other companies	-	37	-	-	-	37
Financial liabilities						
Short-term borrowings from financial institutions	400	100	-	-	-	500
Securities sold under sell and buy back agreements	-	649	-	-	-	649
Trade and other payables	-	366	-	-	-	366
Securities and derivatives business payables	-	766	-	-	-	766
Derivative liabilities	-	-	-	-	-	-
Long-term debentures	-	142	661	-	-	803
Lease liabilities	-	41	51	-	-	92

(Unit: Million Baht)

Separated financial statements						
2023						
Outstanding balances of net financial instruments						
	At call	Within 1 year	1 - 5 years	Over 5 years	No maturity	Total
Financial assets						
Cash and cash equivalents	-	-	-	-	241	241
Trade and other receivables	-	94	-	-	-	94
Short-term loans to subsidiaries	397	-	-	-	-	397
Other current financial assets	-	757	-	-	-	757
Other non-current financial assets	-	-	-	2	194	196
Financial liabilities						
Trade and other payables	-	178	-	-	-	178
Long-term debentures	-	533	378	-	-	911
Lease liabilities	-	7	2	-	-	9

(Unit: Million Baht)

	Separated financial statements					
	2022					
	Outstanding balances of net financial instruments					
	At call	Within 1 year	1 - 5 years	Over 5 years	No maturity	Total
<u>Financial assets</u>						
Cash and cash equivalents	-	-	-	-	255	255
Trade and other receivables	-	97	-	-	-	97
Short-term loans to subsidiaries	447	-	-	-	-	447
Other current financial assets	-	523	-	-	-	523
Other non-current financial assets	-	-	-	1	261	262
<u>Financial liabilities</u>						
Trade and other payables	-	219	-	-	-	219
Long-term debentures	-	-	659	-	-	659
Lease liabilities	-	6	9	-	-	15

46.2 Fair values of financial instruments

The Group estimates fair value of financial instruments under the below principles.

- For financial assets and liabilities which have short-term maturity, including cash and cash equivalents, receivables from Clearing House and broker - dealers, securities and derivatives business receivables, fee and services income receivables, interest and dividend receivables, borrowings from financial institutions, payables to Clearing House and broker - dealers, securities and derivatives business payables, debt issued and borrowings and accrued expenses their carrying amounts in the statements of financial position approximate their fair values.
- For debt securities, their fair values are generally derived from quoted market prices, or determined by using the yield curve as announced by the Thai Bond Market Association or by other relevant bodies.
- For marketable equity securities, warrants, and derivative warrants, their fair values are generally derived from quoted market prices, or based on generally accepted pricing models when no market price is available such as discounted cash flows.
- For securities borrowing and lending receivables/payables, their fair values are generally derived from quote market prices.
- For derivatives i.e. future contracts, their fair values have been determined by using settlement prices as quoted on future exchanges. The Group had considered to counterparty credit risk when determining the fair value of derivatives.
- The fair value of debentures and long-term loans carrying interest at fix rates calculated based on discounted cashflow using current market interest rates of similar instruments.

During the current year, there were no transfers within the fair value hierarchy.

47. Capital management

The primary objective of the Group's capital management is to ensure that it has appropriate financial structure, to preserve the ability to continue its business as a going concern for return on bond and benefit to other stakeholders.

48. Events after the reporting period

- a) On 26 January 2024, the Company issued unsubordinated and secured debentures denominated in THB and in registered name with debenture holders' representative amounting to Baht 239 million. The purpose of the issuance was to repay outstanding loans and to provide investment and working capital for business operations. The details are as follows:

The 1st tranche of debentures bears fixed interest at a rate of 5.50% per annum, with interest payable every 3 months. The debentures are to mature on 26 January 2026.

The 2nd tranche of debentures bears fixed interest at a rate of 5.80% per annum, with interest payable every 3 months. The debentures are to mature on 26 January 2027.

The loan agreements contain several covenants which, among other things, require the Group to maintain the value of ordinary shares pledged as collateral under the security agreement against the principal debt of the Company's unredeemed debentures at a ratio of 1:1.

- b) On 9 January 2024, the Extraordinary General Meeting of shareholders of the subsidiary company passed a resolution to decrease the registered capital from Baht 1,748,717,832 to Baht 1,589,743,484 and increase the registered capital from Baht 1,589,743,484 to Baht 1,894,444,318 by issuing 304,700,834 new ordinary shares with a par value of Baht 1 each to facilitate a private placement offer, not exceeding 145,726,486 shares and to facilitate the allocation to the subsidiary company's directors and employees under the subsidiary company's ESOP Plan, not exceeding 158,974,348 shares. The subsidiary company registered the capital increase with the Ministry of Commerce on 22 January 2024.

49. Approval of the financial statements

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