



COUNTRY GROUP  
HOLDINGS

# **2022** Annual Registration Statement and Annual Report

(FORM 56-1 ONE REPORT)





**2022**  
**ANNUAL REGISTRATION STATEMENT**  
**AND ANNUAL REPORT**  
**(FORM 56-1 ONE REPORT)**



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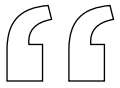
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*In case this Form 56-1 One Report refers to any information disclosed on the Bank's website, such information is part of this Form 56-1 One Report. Besides the information on this Form 56-1 One Report, the Board of Directors is responsible for the accuracy and completion of such referred information on the website.*



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On behalf of our Board of Directors, management team, and staffs, we would like to thank all our stakeholders and shareholders for your continuous trust, confidence, and support. We would like to assure that we will continue to invest and operate the business to progress further to maximize returns for all our stakeholders and shareholders.

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# MESSAGE FROM CEO

## Dear Shareholders,

Country Group Holdings Public Company Limited (“CGH”) ended the year of 2022 with loss of 120 million baht on a consolidated basis. This was a decrease of 887 million baht or 115% compared to the previous year, mainly due to 159 million baht lower in brokerage fees and 657.43 million baht decreased in gain from investments in associates. In the previous year its subsidiary BEYOND recorded significant gains from extraordinary transactions which included gains from hotel acquisition and disposal of Solar Business. Furthermore, our subsidiary Pi Securities Public Company Limited (“Pi”) also recorded significant increases in business development and transformation costs due to our efforts to transform the business into a digital led company which will position us well for the future.

During the year, Pi had worked relentlessly to executed on the strategy to craft its new future as a digital broker with the development of the all-in-one application. Although the application launched was targeted for 2022, this was delayed to the following year given the increased scope of the application. In order to be competitive in the market, a much more comprehensive application is under development that will feature additional asset classes, coupled with a complete revamp of the operational process that will preempt any scaling issues in the future.

During 2022, CGH entered into the digital asset sector through the launch of Pi Ventures, a new subsidiary focusing on investments in cryptocurrency and digital technology projects. The company allocated 448 million baht into 6 projects. These investments were made to reinforce our strategy of becoming a more digitally focused

organization, and several of the projects invested in have strategic advantages for Pi’s future growth.

## Pi Securities Public Company Limited (“Pi”)

In 2022, difficult macroeconomic factors contributed to the top and bottom lines of performance. Revenues for the year were 1,462 million baht, a reduction of 194 million baht or 12%. The main issue was the drop in total equity volumes for the market, particularly in equity volumes, where the total market volume dropped 18%, whereas Pi recorded a decline of 27%. Although there was a slight underperformance in the equity product, some of this was attributed to the construct of the market having a much higher proportion of volume coming from high frequency trading in the year. The company, however, was able to perform well in the TFEX product, recording revenues of 541million baht, an increase of 17% from the previous year. The company maintained the second rank for TFEX in terms of market share and was awarded the Stock Exchange of Thailand’s TFEX “Active Agent Award” for the fourth consecutive year.

The company’s expenses decreased by 3% in the year from 1,442 million baht to 1,396 million baht. The decrease was not in line with revenue decreases for the year due to increased development and transformation costs. The company has increased its headcount significantly as it has created new products and technology teams to execute the digitization plan. Consequently, the company recorded net profit of 45 million baht, 110 million baht lower than that of the previous year at 155 million baht.

With the progress of its digital application approximately 90% completed, Pi is well placed for extraordinary future growth. The application's launch will have the most comprehensive investment options for clients and serve as a platform for the company to launch several new products, many of which are already under development and new to the market. Investments have also been made into the company's backend and operating procedures to ensure that future scaling will come at less additional costs.

#### **Bound and Beyond Public Company Limited ("BEYOND")**

In 2022, BEYOND completed its acquisition of the remaining 24% stake in the Four Seasons Hotel Bangkok at Chao Phraya River and Capella Hotel Bangkok in July 2022, resulting in full ownership of the two assets.

Tourism rebounded in the second half of the year, and the hotel's performance improved significantly, ending the year with revenues of 2,135 million baht, which was a 1,928 million baht or 932% increase from the previous year. The company ended the year with a net loss of 342 million baht which was a 1,220 million baht decrease from the previous year. This was mainly because in 2021, the company recorded significant extraordinary gains for its acquisition of hotels, and disposal of its solar business.

It is expected that with the normalization of travel post the COVID-19 pandemic, the performance of the company is expected to improve significantly, as suggested by the fact that the company recorded a net profit in Q4 of 2022 of 89 million baht for the first time as a hospitality company.

#### **MFC Asset Management Public Company Limited ("MFC")**

In 2022, MFC had total revenue of 1,096 million baht, decreased of 430 million baht or 28% compared to 2021, which mainly contributed from a decrease in Commission and Service Revenue. The decrease was in line with the market given the difficult macroeconomic conditions for investments in general. The company's expenses decreased by 323 million baht or 28% from last year, resulting in a net profit of 221 million baht or 28% decrease from the previous year.

In 2022, despite the market conditions, the company was able to launch 20 new funds comprised of 8 equity funds, 10 fixed income funds, 1 mixed fund and 1 RMF Fund with a total net asset value of 7,149 million baht.

The year 2023 is expected to be an exciting year for CGH with its core subsidiary Pi expecting to launch its new digital application. The platform is expected to drive the next phase of growth of the company. The company will also continue to operate diligently and efficiently and work together with our affiliates to continue to improve its performance.

On behalf of our Board of Directors, management team, and staffs, we would like to thank all our stakeholders and shareholders for your continuous trust, confidence, and support. We would like to assure that we will continue to invest and operate the business to progress further to maximize returns for all our stakeholders and shareholders.



**SADAWUT TAECHAUBOL**  
Chairperson and  
Chairperson of Executive Committee



**TOMMY TAECHAUBOL**  
Director and  
Chief Executive Officer



# BOARD OF DIRECTORS



**01**

**MR. SADAWUT TAECHAUBOL**

Chairperson and  
Chairperson of Executive Committee

**02**

**MR. SURABHON KWUNCHAITHUNYA**

Vice Chairperson

**03**

**MR. TOMMY TAECHAUBOL**

Director and Chief Executive Officer

**04**

**MR. DEJ NAMSIRIKUL**

Independent Director



**05**

**POL.GEN. WERAPONG CHUENPAGDEE**

Independent Director

**06**

**MR. NIPHON WISITYUTHASART**

Independent director

**07**

**MRS. JITMANEE SUWANNAPOOL**

Independent Director

**08**

**MS. CHULARAT SUTEETHORN**

Director

**09**

**MR. PISUTH VIRIYAMETTAKUL**

Director

“

**Our vision is to be one of the fastest growing and most diversified investment companies in Thailand by utilizing our extensive network and market insights to make investments and our synergistic infrastructure to enhance their performance.**

”

# OUR MISSION

**To deliver sustainable growth by making strategic long-term acquisitions and actively managing them to enhance performance**

## **STRATEGIC ACQUISITION:**

Identify untapped opportunities across targeted industries through our well-established group network

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Diversify investment across strategic industries to minimize risk while maximizing returns

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Capitalize resources across our synergistic affiliated companies to gain unique insights in identifying stable and sustainable investment deals

## **BUILD FOR SUSTAINABLE GROWTH:**

Professional team, process, and experiences across several regions and industries provide us with a well-established operational capability to proactively and strategically manage our portfolio companies to deliver sustained growth and consistent returns

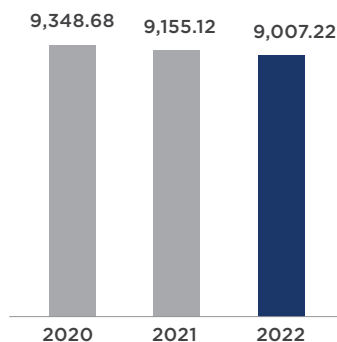
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Capitalize on our unique ability to unlock all potential value from under-performing assets

# FINANCIAL SUMMARY

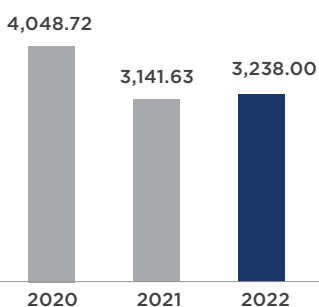
## Total Assets

(Million Baht)



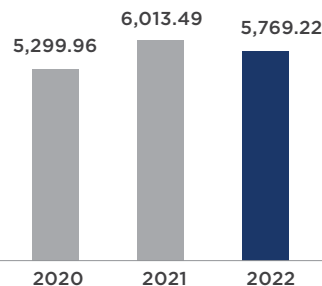
## Total Liabilities

(Million Baht)



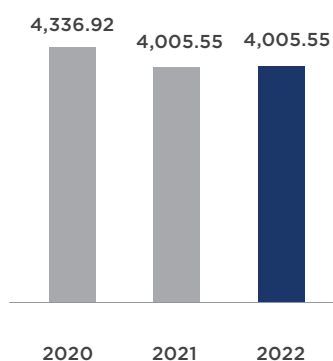
## Total Shareholders' Equity

(Million Baht)



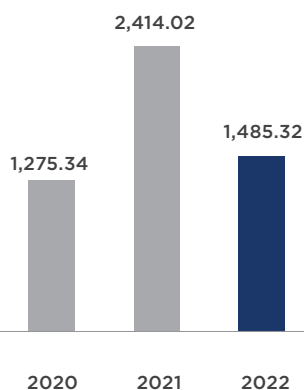
## Paid-up Capital

(Million Baht)



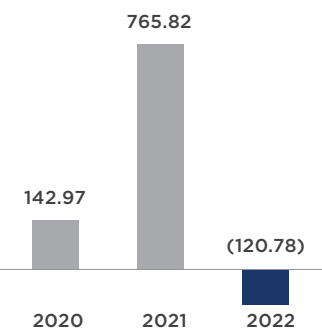
## Total Revenues

(Million Baht)



## Net Profit (Loss)

(Million Baht)



STATISTICS AS OF*	2022	2021	2020
Last Price(Baht)	0.67	1.31	0.69
Market Cap. (Million Baht)	2,683.72	5,247.26	2,992.48
F/S Period (As of date)	30/09/2022	30/09/2021	30/09/2020
P/E (Times)	24.08	8.02	24.01
P/BV (Times)	0.46	0.90	0.53
Book Value per share (Baht)	1.46	1.45	1.31
Dvd. Yield(%)	-	-	-

\*Reference from Stock Exchange of Thailand

# FINANCIAL RATIO

		2022	2021	2020
<b>PROFITABILITY RATIO</b>				
Gross profit	%	74.24	77.55	73.76
Net profit (loss)	%	(8.13)	31.72	10.02
Return on equity (ROE)	%	(2.06)	13.55	2.58
Return on equity (ROE)	%	3.38	17.13	5.53
<b>EFFICIENCY RATIO</b>				
Return on asset (ROA)	%	0.62	10.31	1.57
Asset Turnover	Time	0.16	0.26	0.16
<b>FINANCIAL RATIO</b>				
Liquid assets to borrowing ratio	Time	3.98	4.51	6.25
Earning assets to borrowing ratio	Time	5.07	6.08	6.85
Liquid assets to total asset ratio	%	57.60	57.67	73.58
Earning assets to total asset ratio	%	73.37	77.73	80.65
Debt to equity (D/E)	Time	0.56	0.52	0.77
Dividend payout	%	-	-	-
<b>OTHERS RATIO</b>				
Securities investment to total assets	Time	54.21	54.93	56.63
Net capital ratio (NCR) - Pi	Time	41.16	51.00	40.88
<b>PER SHARE</b>				
Earnings per share	Baht	(0.0302)	0.1874	0.0351
Dividends	Baht	-	-	-
Book Value	Baht	1.44	1.50	1.31
<b>GROWTH RATE</b>				
Total assets	%	(1.62)	(2.07)	5.93
Total liabilities	%	3.07	(22.40)	32.12
Securities buisness income	%	(13.82)	30.61	29.11
Operating expenses	%	31.10	32.90	16.21
Net profit (loss)	%	(115.77)	435.65	71.10

## HIGHLIGHT OF OUR PORTFOLIO IN 2022

### COUNTRY GROUP HOLDINGS PCL (CGH)

Country Group Holdings PCL (CGH) is an investment holding company listed on the Stock Exchange of Thailand (SET) that makes long term investments across multiple sectors.

We focus on the acquisition of controlling stakes in established businesses that can be improved by implementing our management expertise and drawing from the Group's synergistic advantages.

#### Total Assets

9,007.22

Million Baht

#### Total Revenue

1,485.32

Million Baht

#### Liquid assets

57.60 %

#### Return on asset (ROA)

0.62 %

#### Return on equity (ROE)

-2.06 %

#### Debt to equity (D/E)

0.56 Times



Certification from Collective Action  
Against Corruption (CAC)





## HIGHLIGHT OF OUR PORTFOLIO IN 2022

### PI SECURITIES PCL (Pi)

Pi securities pcl (Pi) is a leading, full-service securities brokerage firm in Thailand. Pi is a well-known securities company with 40 years of experience in the industry.

On February 18, 2022, CGS changing its name to Pi Securities PCL (Pi)

Gross Profit

77.02 %

Total Revenue

1,462.20

Million Baht

Liquid assets  
to total asset ratio

44.54 %

Return on asset  
(ROA)

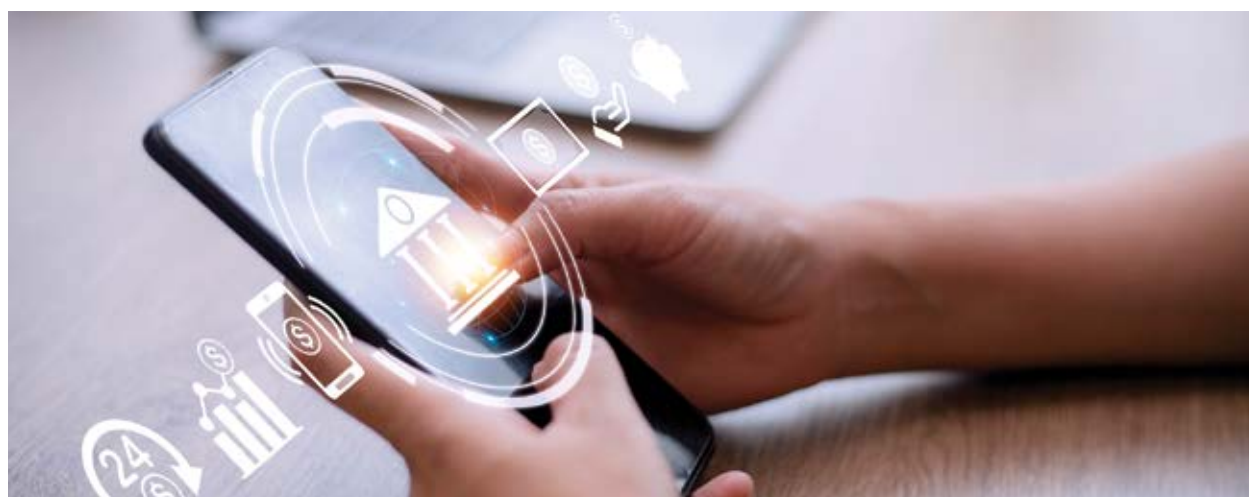
0.94 %

Return on equity  
(ROE)

2.14 %

Earning assets  
to total asset ratio

76.64 %



## HIGHLIGHT OF OUR PORTFOLIO IN 2022

### MFC ASSET MANAGEMENT PCL (MFC)

MFC asset Management PCL (MFC) is Thailand's oldest Asset Management Company. Founded by the Thai ministry of Finance on December 29 ,1975 it is now a private, fully licensed fund manager and remains hailand's only listed asset management firm.

Net Profit

221.11

Million Baht

Total Revenue

1,095.73

Million Baht

Debt to equity

0.27 Times

Return on asset  
(ROA)

16.83%

Return on equity  
(ROE)

17.37%



## HIGHLIGHT OF OUR PORTFOLIO IN 2022

### BOUND AND BEYOND PCL

Bound and Beyond PCL (BEYOND) (previously Padaeng Industry PCL) has downsized its renewable energy business in order to focus on the hotels business and moved to the Hospitality Sector. Specifically targeting upscale to ultra-luxury hotels to provide long-term added value and contribute to stable and sustainable growth.

Total Assets

13,345.63

Million Baht

Total Revenue

2,284.63

Million Baht

EBITDA

269.99

Million Baht

Return on asset  
(ROA)

-0.24 %

Return on equity  
(ROE)

-5.46 %



# CORPORATE SOCIAL RESPONSIBILITY

## CSR Planting 1,000 mangrove trees

Country Group Holdings Public Company Limited and its group companies, namely Pi Securities Public Company Limited and Bound and Beyond Public Company Limited, jointly organized mangrove planting activities in the project “CSR Planting 1,000 mangrove trees” according to the royal initiative At the Samut Songkhram River on November 18, 2022, with the objective of being part of increasing the area of the mangrove forest. Due to the current mangrove forest area has been continuously decreasing due to severe encroachment and destruction. The mangrove forest is important to the ecosystem and the environment. It is also a natural barrier that helps keep coastlines from erosion by wind and coastal currents, helps filter pollution, provides habitat for marine life and acts as a barrier to reduce wave strength. In addition, trees in mangrove forests have a high rate of photosynthesis, reducing carbon dioxide and producing a lot of oxygen.

However, Country Group Holdings Public Company Limited and the group companies are committed to continuously reducing greenhouse gas emissions directly and indirectly to reduce the impact of climate change (Climate Change) that will affect everyone including the economy, society and environment in the future.



# 01

## BUSINESS OPERATION AND OPERATING PERFORMANCE

# 1

## GROUP STRUCTURE AND BUSINESS OVERVIEW

### 1.1 POLICIES AND BUSINESS OVERVIEW

Country Group Holdings PCL (The Company or CGH) was registered as a public company on May 15, 2014. The Company is a holding company with major source of revenue coming from its shareholdings in other companies. At the present time, the Company has 6,452,549,062.00 baht in registered capital and 4,005,547,487.00 in paid-up capital. The Company invests in shares of subsidiaries and associated companies, namely Pi Securities PCL (P), MFC Asset Management PCL (MFC), Bound and Beyond PCL (BEYOND), Genki Capital Co., Ltd, Pi Ventures Co., Ltd, Pi Digital Co., Ltd and Cryptomind Group Holdings Co., Ltd.

The beginning of Country Group Holdings PCL came from Country Group Securities PCL, formerly known as “Adkinson Enterprise Company Limited”, registered in 1997. In 1966, it was allowed to conduct securities business in 1974. Then in 1991, the ordinary shares of such company were approved to be listed securities on the Stock Exchange of Thailand and in 2009, it was registered to change its name to “Country Group Securities PCL (CGS)”

On April 29, 2014, CGS shareholders resolution approved the company to restructure its business operations at the 2014 General Shareholders' Meeting. Under this resolution, the company established CGH as its holding company, and registered it in the SET to replace the Securities Company's common shares on January 8, 2015. This increased its capabilities and business development opportunities for future growth, as well as offering greater flexibility in operating new ventures. The Company made

an offer to purchase all the securities from the Securities Company at an exchange rate of one common share of the Securities Company for one common share of the Company. After successfully making the offer, CGH became CGS majority shareholder. In 2022, Country Group Securities PCL (CGS) had been changed its name to “Pi Securities PCL” (Pi)

#### 1.1.1 Vision Mission and Objectives

##### Vision

Our vision is to be one of the fastest growing and most diverse investment companies in Thailand by utilizing our extensive network and market insights to make investments and our synergistic infrastructure to enhance their performance.

##### Mission

To deliver sustainable growth by making strategic long-term acquisitions, and actively managing them to enhance their performance.

##### Strategic Acquisition:

- Identify untapped opportunities across targeted industries through our well-established group network
- Diversify investment across strategic industries to minimize risk while maximizing returns
- Capitalize resources across our synergistic affiliated companies to gain unique insights in identifying stable and sustainable investment deals

**Build for sustainable growth:**

- Professional team, process, and experiences across several regions and industries provide us with a well-established operational capability to proactively and strategically manage our portfolio companies to deliver sustained growth and consistent returns
- Capitalize on our unique ability to unlock all potential value from under-performing assets

**Business Objective**

CGH's vision is to be the leading Investment Holding Company in Thailand. We believe in building a team consisting of experts across different fields. This will allow us to diversify our investments across many industries and yield superior returns. Moreover, each of our subsidiaries and associates is leader in its own industries. All of them also have a high liquidity ratio. Our business portfolio spans across the following industries: brokerage, real estate, fund management, and energy. This enables us to focus on both short- and long-term investments across multiple sectors.

To be the leading investment company in Thailand, we have set our proactive strategy in delivering sustained growth and consistent returns to stakeholders. We believe in resource capitalization and efficient operation cost across all subsidiaries allowing for superior returns. Furthermore, agility in investment opportunities and business expansions are the keys to maximizing returns and minimizing risk to produce infinite growth towards the future.

**Business Strategies**

CGH focuses on both short-term and long-term investments. Our core long-term investments are focused on well-established income generating companies, whilst short term investments are focused on superior return opportunities. Both types of investments are managed alongside to achieve optimal value and lucrative returns to either distributed back to shareholders or reinvested.

For our core Brokerage business, CGH plans to increase its competitive edge by developing superior customer services, offering new investment products, upgrading the information technology infrastructure, and offering an insightful equities analysis report.

Moreover, in order to minimize the risk of overly relying on the brokerage fee as our main stream of revenue, CGH had expand and diversify its resources into other high contribution products, such as Proprietary Trading, Bonds, Institutions (both local and foreign), and Private Wealth. CGH also plans to manage Pi's resources efficiently and minimize the SG&A expenses in order to maintain its income and profitability.

## 1.1.2 Major Changes and Developments in the Past Three Years

YEAR	MAJOR CHANGES AND DEVELOPMENTS
<b>2019</b>	<ul style="list-style-type: none"> <li>Increased paid capital from 4,336,906,384 baht to 4,336,923,080 baht</li> <li>In 2019, the Company's registered capital amounts to 6,143,905,902 baht, with paid capital of 4,336,923,080 baht.</li> </ul>
<b>2020</b>	<ul style="list-style-type: none"> <li>In 2020, the Company's registered capital amounts to 6,143,905,902 baht, with paid capital of 4,336,923,080 baht.</li> <li>Dr.Veeraphat Phetcharakupt resigned as a director on February 26, 2020.</li> <li>Board of Directors appointed Ms.Chularat Suteethorn to replace the resigned director, effective on February 26, 2020.</li> <li>Board of Directors Meeting No. 6/2019, which held on November 1, 2019, approved a share repurchase program for financial management (Treasury Stock). For this share repurchase program, the Company repurchased a total of 331,378,200 shares, equivalent to 7.64% of the total issued shares for a total consideration of 258,705,921 baht.</li> </ul>
<b>2021</b>	<ul style="list-style-type: none"> <li>Issued and offered for sale warrants to purchase ordinary shares of the Company (CGH-W4) amounting to no more than 1,001,373,122 units to be allocated to existing shareholders in proportion to share held.</li> <li>Increased investment in Bound and Beyond PCL (Padaeng Industry PCL) at present, the Company's shares increased from 25% to 40%.</li> <li>Invested in Cryptomind Group Holdings Co., Ltd. with a plan to invest 25% of the total shares</li> </ul>
<b>2022</b>	<ul style="list-style-type: none"> <li>CAC Certified for being a member of Thai Private Sector Collective Action Against Corruption</li> <li>Established a subsidiary Pi Ventures Co., Ltd. ("Pi Ventures") with a registered capital of 500 million baht and a paid-up capital of 150 million baht to specifically manage investments in securities or registered and unlisted assets or digital assets. Organized investment structure by investing in Cryptomind Group Holdings Co., Ltd. under Pi Ventures Co., Ltd.</li> <li>Established a subsidiary "Pi Digital Co., Ltd." ("Pi Digital") with a registered capital of 100 million baht to operate a digital asset business in order to buy or exchange digital assets for others.</li> </ul>

### 1.1.3 General Information

Name : Country Group Holdings Public Company Limited  
Symbol : CGH  
Registration Number : 0107557000187  
Type of Business : Holding Company  
Registered Capital : 6,452,549,062 baht  
Paid-up Capital : 4,005,547,487 baht  
Type of Shares : 4,005,547,487 ordinary shares at par value of one baht per share  
Address : 132 Sindhorn Tower 3, 20th Floor Wireless Road, Lumpini, Pathumwan  
Bangkok, Thailand 10330  
Telephone : 0-2256-7999  
Fax : 0-2256-7888  
Website : [www.cgholdings.co.th](http://www.cgholdings.co.th)

## 1.2 BUSINESS OPERATIONS

### 1.2.1 Revenue structure of the company and its subsidiary

CONSOLIDATED FINANCIAL STATEMENTS						
REVENUES	FOR THE YEARS ENDED DECEMBER 31,					
	2022		2021		2020	
	MB	%	MB	%	MB	%
Brokerage fees	1,176.97	79.24	1,336.29	55.36	999.98	70.51
Fee and services income	98.47	6.63	117.45	4.87	72.42	5.11
Interest on margin loans	44.52	3.00	39.82	1.65	51.56	3.64
Gain (loss) on investment and derivatives	59.51	4.01	109.71	4.54	44.61	3.15
Interest and dividends	104.21	7.01	118.31	4.90	149.57	10.55
Share of profit from investments in associated companies	(40.93)	(2.76)	616.50	25.54	59.94	4.23
Other income	42.57	2.87	75.94	3.14	40.22	2.84
<b>Total revenues</b>	<b>1,485.32</b>	<b>100.00</b>	<b>2,414.02</b>	<b>100.00</b>	<b>1,418.30</b>	<b>100.00</b>

## 1.2.2 Information on Products

### (1) Products And Service

The majority of CGH's revenue comes from its gain on equity investment from its subsidiary and associated companies (Holding company). CGH's core subsidiary is Pi Securities PCL ("Pi"), a brokerage firm conducting the following businesses;

Pi has been approved by Ministry of Finance to operate the following 7 businesses:

1. Securities Brokerage
2. Securities Trading
3. Securities Underwriting
4. Investment Advisory Service
5. Mutual Fund Management
6. Private Fund Management
7. Securities Borrowing and Lending

Pi also has been approved by the SEC to Derivatives Business Sor 1 to operate the four following businesses:

1. Derivatives Broker
2. Derivatives Dealer
3. Derivatives Advisor
4. Investment Manager of Derivative Product

Furthermore, Pi has obtained a Derivatives Business license from the Securities and Exchange Commission (SEC) to act as a Derivatives Agent and has also received approval to act in a Financial Advisory role.

#### • Securities Trading Business

Pi has a policy to invest in both securities and bonds in the purpose of trading and investment. The Investment Committee was appointed to determine clear investment guidelines and associated policies. Limits and Conditions are meticulously prepared for each type of investment prior to being sold to our clients.

Moreover, investors also can trade securities, read analyst reports, and find investment information through Pi's website [www.pi.financial](http://www.pi.financial) or mobile phone applications (on iOS and Android). Clients can open up to three types of trading accounts with Pi: Cash, Cash Balance, and Credit Balance.

#### • Brokerage Business

As No. 3 of securities brokerage member of the SET, Pi provides brokerage services for individual, juristic, and institutional clients, both local and foreign, through of focus in Bangkok and other provinces. To date, Pi provides highly experienced brokers and teams of analysts that provide advice and answers (both technical and fundamental) for all client demands.

As of 31 December 2022, Pi has 165,100 trading accounts, of which 38,692 accounts are actively traded.

For the past three years, Pi's market shares and trading value were the following:

Unit : Baht

TRADING VALUE	2022	2021	2020
SET	17,165,507.44	21,314,782.38	16,362,357.27
MAI	1,336,839.74	1,302,017.55	309,121.48
Trading Value of Pi	714,900.58	1,056,588.40	609,464.28
Market share (%)	2.10	2.58	2.04

### Policy on approving client credit lines

Pi sets a clear policy on setting appropriate credit limits for clients. Such clear policies and guidelines help Pi control and mitigate clients' investment risk to a satisfactory degree. The process of opening and approving new client accounts and their credit limits are all documented in writing. The policy mandates that prior to opening a new account, IC should be aware of their customer's investment profiles prior to providing investment advice. This ensures that Pi's services will answer to all clients' investment objectives, risk appetites, conditions, and purchasing power.

Pi's new clients credit limits policy is in line with the rules and regulations from the Stock Exchange of Thailand (SET) and the Stock Exchange Commission of Thailand (SEC). We also have clear preventive measures against those who use the Brokerage as a mean to money laundering or terrorist funding.

### Approval Matrix

In order to increase the speed of new applicants' processing, the approval matrix for a new applicant's credit limit is as follows:

CREDIT LINE	AUTHORIZED PERSONS
Not exceeding Baht 5 million	Managers – Securities Business Div./Branch Office or of higher position / Risk Management Committee
Not exceeding Baht 20 million	Head of Securities / Derivatives Business Div./or of higher position / Risk Management Committee
Not exceeding Baht 30 million	Head of Securities / Derivatives Business Div./or of higher position / Risk Management Committee
Not exceeding Baht 150 million	Credit Committee or Higher
More than 150 million	Executive Committee

The Credit Committee consists of the following members:

1. Chief Executive Officer
2. Chief Operation Officer
3. Head of Securities Business Division
4. Head of Operation Division
5. Head of Risk Management Division

A credit line is “approved” when at least half of the attending committee members give their approval.

### Policy on setting marginable securities

Pi’s policy only allows trades of marginable securities within the pre-approved list. The list is comprised of marginable securities that are evaluated by their individual business performance, assets, and liquidity. The approved list, together with its interest rates, is announced through Pi’s communication channels (per SET and SEC regulations).

Pi appointed the Risk Management Committee to set the list of marginable stocks and their interest rates. Clients can invest into these equities through their Credit Balance accounts. The Risk Management Committee consists of 1) Chief Operation Officer 2) Head of Research Division 3) Head of Risk management Division. The client’s credit line is approved when at least two committee members agree to the approval. The list of marginable securities and their initial margins is reviewed at least once every quarter.

The policy on the initial margin’s rate is categorized into groups based on different risk level per follow:

TYPE	INITIAL MARGIN RATE (%)
A	50
B	60
C	70
F	100
N	100

Notes - The securities type A, B, C and F are classified as liquid able equities and could be used as marginable securities for above credit limit ratio.  
- The securities type N are clarified as a non-marginable securities, and are not applicable.

### • Derivatives Business

Pi has been authorized by the Securities and Exchange Commission, Thailand (SEC) to act as a derivatives agent beginning on September 22, 2008. It provides derivatives trading services through investment advisers and has developed a system able to support orders through other channels, examples including trade orders through the Internet. In addition, it provides investment advisors at all its branches nationwide

As of December 31, 2022, Pi’s market share was 11.13% and received the TFEX Best Award of Honor 2022 or TFEX Best Award 2022 in the category of Most Active Agent for 4 consecutive years and received the Popular Agent Award for 2 awards for brokers with outstanding in client transaction volume, in terms of both trading volume and expansion of new investor base in the TFEX market. Moreover, Pi had

expanded its business by commencing block trading in single stock futures, as well as continuing to promote itself by arranging seminars providing information about products in the futures market to investment advisors, preparing training seminars for clients, and cooperating with the SET to provide information through seminars at Pi and the SET building to investors throughout the year.

In 2023, Pi has set a target of increasing its market share of the derivatives business to 12 percent. It thus has made preparations to expand its retail customer base and increase the number of investment advisors available for derivatives trading, in addition to supporting the growth of the futures market with new products down the line. This will serve as a channel to increase Pi's market share in 2023 and the following year.

- **Investment Advisory Business**

The SEC has approved Pi's conducting business in the Equities Investment Advisory industry. The sole responsibility of these Advisers to their clients is to point out a particular equity's value and the opportunity to invest in it. Such advice should be based upon clients' investment objectives, financial standing, liabilities, conditions, and risk appetite, along with the Adviser's in-depth knowledge of risk factors and experiences.

- **Investment Banking Business**

Pi is one of the leaders in providing investment banking services, with an experienced and skilled team that has earned the trust and acceptance of clients. The Investment Banking team provides strategic advice, appropriate financial management suited for individual clients, including suggestions for mergers, financing, and potential risk management approaches.

The team's expertise is a driving force in Pi's ability to provide various services such as cross-border mergers, providing advice and structuring companies offering to sell securities to the public, and arranging funds to pay back debts to financial institutions. Pi's investment banking team provides a variety of financial services to meet the needs of customers, including corporate and institutional ones.

## **Financial Advisory Business**

Pi began its investment banking business in December 2006, later becoming a member of the Investment Banking Club (IB) on January 23, 2007, in addition to, as of March 21, 2017, receiving additional permits from the SEC allowing it to serve as a financial advisor until March 20, 2022. As of now, Pi's investment banking team is experienced in handling matters pertaining to its specialty, and is capable of assisting a variety of clients, be they small to large, domestically or internationally. Its investment banking services include mergers and acquisitions (M&A), advisory services for the issuing and offering of debt securities, and covering customers of various types of industries in different regions (corporate and institutional investors).

The investment banking services cover mergers, acquisitions, and takeovers to interested parties, public offerings, finding suitable investors for joint ventures, analysis of a business' competitiveness, establishing a proper financial structure, and providing advice on good corporate governance.

Regarding providing searches for suitable investment funding sources from financial institutions, Pi's investment banking team has a strong relationship with customers in regions that require funding from financial institutions. It also provides advice regarding the level of loans, structure, and suitable loan types.

The investment banking team provides services in the issuance and offering of securities to the public, the issuance and offering of convertible debentures, researching investment needs, and investment in securities.

Pi's investment banking team has a strong relationship with clients, providing services and continuing relationships. The financial advisory service includes providing consultancy for various firms, emphasizing service and maintaining positive relationships with customers and, providing professional advice according to stated goals and the best interests of the client. At present, Pi provides the following services:

- Acting in an advisory role in the listing of securities on the SET
- Acting in an advisory role in the issuance of securities in the form of bonds: debentures, subordinated debentures, and equity
- instruments: common shares and preference shares
- Acting in an advisory role for M&A both domestically and internationally, including cross-border M&A
- Acting in an advisory role in the appraisal of businesses, funding, and financial restructuring
- Acting in an advisory role for joint venture financing
- Offering advice as an independent financial advisor
- Other investment banking services, such as debt restructuring and business rehabilitation.

#### • **Securities Underwriting Business**

Pi was granted the Securities Underwriting business license from the SEC on November 19, 2008. This business is the extension of Pi's Financial Advisory business. For other Institutions and Brokerages, Pi also can provide its securities underwriting services either as Lead Underwriter or Co-Underwriter.

#### • **Securities Borrowing and Lending Business (SBL)**

On July 12, 2010, Pi obtained approval from the SEC to operate a Securities Borrowing and Lending (SBL) business. Pi's clients are thus able to lend their entire securities (debt-free) portfolio for a fee. Clients, who wish to borrow securities, will have to pay a fee. Pi's policies for SBL are as follows:

1. Pi will lend only approved securities that are within the SET 100 and ETF to clients who wish to short sell.
2. Currently, short selling can only be done through client's Cash, Cash Balance and Credit Balance.
3. Borrowers will be charged a borrowing fee by Pi. Lenders will receive a lending's fee from Pi.
4. Rights to the lending securities will remain with the lender throughout the SBL period.

Pi believes that the SBL business will provide clients with an alternative choice of investment. During a period when the market is highly volatile, SBL provides an alternative investment choice that is manageable within a client's risk levels. Because of the growing SBL market, Pi believes that the business will be one of the key drivers for its revenue. The goals for 2023 are as follows:

1. Develop the SBL trading system to better provide clients with more investment options
2. Expand the SBL customer base among potential institution and retail customers

#### • **Selling Agent Business**

Pi authorized by the SEC Office to operate an agency supporting the sale and redemption of investment units. Currently, Pi is the Selling Agent representative of 18 leading asset management companies (AMCs), totaling to over 1,700 funds. Pi continue to improve its services for clients in mutual fund trading to be more efficient by opening fund trading via Fund Connex, a system which developed by the Stock Exchange of Thailand and the Investment Management Company Association. Customers can buy and sell mutual funds of fund management companies, who Pi act as selling agent, by only opening an account once to be able to transfer, buy, and sell. This form of One Stop Service is making clients more convenient to invest. Pi also Established mutual fund strategy department to analyze investment situations for each type of mutual funds, including discussing and coordinating with asset management companies to provide customers with accurate and timely information. The Fund Strategy Department will provide investment advice and recommend the suitable mutual funds in each situation as well as suggesting timing for buying and selling funds for customers through investment advisors that are knowledgeable, experienced, and ready to provide the best service to clients taking into account the interests and the level of ability to accept customers' risks.

As of December 31, 2022, Pi is expected to be the Selling Agent for the following AMCs:

1. Aberdeen Asset Management Co., Ltd.
2. Assets Plus Fund Management Co., Ltd.
3. Principal Asset Management Co., Ltd.
4. Krungsri Asset Management Co., Ltd.
5. Krung Thai Asset Management PCL
6. Land and House Fund Management Co., Ltd.
7. MFC Asset Management PCL
8. One Asset Management Co., Ltd.
9. Kiatnakin Phatra Asset Management Co., Ltd.
10. Phillip Asset Management Co., Ltd.
11. XSpring Asset Management Co., Ltd.
12. SCB Asset Management Co., Ltd.
13. UOB Asset Management (Thailand) Co., Ltd.
14. Eastspring Asset Management (Thailand) Co., Ltd.
15. KWI Asset Management Co., Ltd.
16. Talis Asset Management Co., Ltd.
17. Kasikorn Asset Management Co., Ltd.
18. DAOL Asset Management Co., Ltd.

In 2023, Pi have the goal of continuously developing services for customers by coordinating with various departments involved in arranging investment portfolios for customers to allow customers to invest in a variety of mutual funds and select the investment port according to the investment objectives of the client, which will help to reduce investment risks and increase the opportunity to create good returns in the fluctuating global economic situation, and providing customer service to access investment information through more electronic and online channels.

- **Fixed Income**

Pi began its fixed income business as an investment alternative for clients with a high return on investment and low risk, as well as offering a choice in the length of the investment horizon. Fixed income can take place through various means as customers are able to either contact Pi to make trading arrangements or work through bond traders

in order to finalize the price and quantity of bonds that are to be traded. Clients can choose to invest in fixed income with levels of risk suited for their purposes and are able to also choose the length of the investment period.

- **Wealth Management Business**

Pi recognizes the benefits of effective financial planning and the potential for returns on investment along with sustainable growth. It thus set up a wealth management business selected well-educated, skilled, and experienced personnel as consultants who can provide investment advice for acted as an advisor for investment planning to increase the opportunities and investment choices suitable for personal banking and corporate customers to achieve their objectives and investment targets.

- **Private Fund Management Business**

Pi received a permit from the SEC to commence its private fund management business on June 8, 2017. It provides investment management services to high net worth, institutional, and corporate clients both domestically and internationally. As of December 31, 2022, the total amount of assets under management is 1,764,075,497.70 baht compared to the previous year amounting to 1,423,382,154.01 baht with a growth rate of 31.96%

It emphasizes presenting a diverse set of new investment portfolios in order to satisfy financial needs and create the best possible return to clients according to their aims based on client-established degrees of risk through the work of a team that is highly experienced and skilled in fund management. Clear investment fund management processes are included with international standard systematic tools. Furthermore, it has developed a risk management system for the close evaluation of the risks in an investment portfolio.

In 2022, Pi has grown assets under management for 5 consecutive years as the company has gained trust from both institutional clients, state enterprises, juristic persons, including high net worth groups, and have a plan to continuously publicize the customer base through online investment consultants or foreign partners.

In 2023, Pi plans to expand overseas investment through various ETFs and use technology to help manage portfolios to diversify risks and provide investors with an alternative to investing in assets around the world and fund managers are always ready to seek investment opportunities for clients. The company focuses on generating returns that are better than benchmarks to create wealth for customers and adhere to ethics and professional standards. The company aims to have assets under management in the amount of 4,000 million baht by 2023.

- **Structured Notes and Derivatives Warrant**

Pi received a permit from the SEC to trade structured notes and derivatives warrant on November 6, 2018 and also was allowed to issue and offer debentures with embedded option with a limit for issuing and offer for sale of debentures with embedded option not exceeding Baht 1,000 million.

Equity Derivatives Division is the primary unit for issuing and offering financial instruments such as structured notes and Derivative Warrants in accordance with the direction of the business of the securities company. The division focuses on providing a complete service and a variety of products to meet the needs of both general investors, high net worth, and institutional investors. Therefore, Equity Derivatives Division started by issuing structured notes for sale to large investors and institutional investors.

The debentures with embedded option, which Pi issue and offer, is short-term underlying derivatives (not over 270 days) with reference to securities Basket of securities or securities index. The securities also must be components of the SET100 Index with a market capitalization of 10,000 million baht or more. For the feature of the debentures with embedded option, there are both principal protection forms Repay principal as underlying securities and other formats which covers all market conditions. Pi act as selling agent of structure note which derivative with foreign securities.

- Income Structure of Pi Securities

SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDING DECEMBER 31,						
INCOME	2022		2021		2020	
	MILLION BAHT	PERCENTAGE	MILLION BAHT	PERCENTAGE	MILLION BAHT	PERCENTAGE
Brokerage Fee	1,177.32	80.52	1,339.04	80.81	1,006.19	77.83
Fee and Service Income	101.32	6.93	117.45	7.09	78.64	6.08
Interest on margin loan	44.52	3.04	39.87	2.41	51.59	3.99
Gain and return on financial instruments	119.61	8.18	138.57	8.36	128.41	9.93
Other Income	19.43	1.33	22.02	1.33	28.02	2.17
Total revenue	1,462.20	1.00	1,656.95	100.00	1,292.85	100.00

#### Ability to maintain New liquid Capital Ratio (NCR)

According to SEC regulations, the Securities company is required to maintain a minimum NCR ratio of seven percent of the general liabilities and marginable securities' value. As of December 31, 2022, Pi was able to maintain it NCR at 41.16 percent.

#### Competitive Conditions (Competitive and Marketing)

Overview of the SET in 2022 The SET index closed on December 30, 2022 at 1,668 points, up 11 points from 1,657 at the end of 2021. On the first business day of 2022, the index opened at 1,664 points. After that, Russia attacked Ukraine, causing Europe and the United States to suspend imports of goods from Russia, which resulted in global inflation rising to the bank. Central countries around the world therefore need to raise interest rates to stem inflation. However, rising interest rates and high inflation hurt stocks negatively, with the S&P 500 closing 19% lower, but the SET Index, driven by the energy sector, closed 0.6% year-end.

#### SET Index

SET Index Value at Closing of 2022	1,668 points
Change in value from the previous year	Increased 11 points (+0.7%YoY)
Highest Index Value	1,713 points
Lowest Index Value	1,533 points
Average trading value	71,000 million baht/day

Source : SETSMART

## Key investment related factors in 2022

- The war between Russia and Ukraine has resulted in higher inflation around the world due to higher energy and food prices, with inflation in the United States hitting the highest level in 40 years, and inflation in Thailand rising to the highest level in 13 years.
- Brent Crude Oil Price Rises to \$139/bbl, Highest in 13 Years
- Global central banks (FED: Federal Reserve, the main agency responsible for monetary policy in the United States, Europe / ECB: European Central Bank / BOE: Bank of England is the central bank of the United Kingdom / BOT: Bank of Thailand raised high interest rates to stave off higher inflation)
- The Technology sector in the US declined significantly after the previous high in valuation.
- China announced a policy to ease travel conditions at home and abroad using a coexistence strategy with COVID-19 following the implementation of the Zero COVID-19 strategy.
- Foreign tourists have begun to travel to Thailand steadily, resulting in the number of foreign tourists at the end of 2022 reaching 11.8 million, higher than the target set by the Tourism Authority of Thailand of 10 million.
- The United States held the midterm elections, the results of which resulted in the Republican Party winning more votes than the Democrats.

## Key events in 2022

**First half of 2022:** SET INDEX has opened for business on the first day expecting positive tourism factors that will return to support the Thai economy after the government started distributing vaccines to people since 2021. However, inflation concerns in the United States returned to be a pressure factor, causing the SET index in mid-January to correct to test 1,634 points from the peak as investors remained concerned about the US Treasury yield increase. The expectation of an economic recovery from tourism has supported the SET Index to recover to test at 1,718 points. After that, Russia announced an invasion of Ukraine to

seize territory, resulting in western nations such as United States and European countries Came out to protect Ukraine by sanctioning Russia by canceling all transactions. What follows is a shortage of oil and natural gas. Since Russia is the world's No. 1 natural gas producer and No. 3 oil producer, after that, oil prices rose to 139 US dollars / barrel, the highest in 13 years, when the announcement of the invasion of Ukraine pressured the stock market index down. came to 1580 from the 1718 level and returned to the 1708 level again in early April. Meanwhile, the investment climate remains concerned about the FED's policy that tends to accelerate interest rate hikes after US inflation. up the test to 7.9% from the start of the year at 7%

**Second half of 2022** Investment situation remains concerned with inflation and US Federal Reserve interest rate hikes. As a result, the original high at 1,708 adjusted down to test the lowest point at 1,517 in mid of July. But at the same time, the investment situation began to recession, causing the price of Brent crude oil and other commodities to decline. At that time, investors began to speculate that US inflation is likely to peak and push the index from the area of 1,517 to begin to recover back up to test 1,670, and as a result, US inflation has already peaked. In June, it was 9.1%YoY, while in July it was 8.5%YoY. However, after global stock market indices recovered in response to inflation that had passed its peak after that, the valuation level began to rise, causing world stock markets to decline. Finally, the SET Index from 1,670 dropped to test 1,553 in October. After that, the SET INDEX gained from tourism that foreign tourists continued to travel to Thailand, causing the SET INDEX to recover from 1,553 to test 1,640 in November. After that, it moved in the Sideway range between 1610 - 1640 due to lack of new factors. In addition, the long holiday in December, however, in late December, China prepared to ease travel restrictions in and out of China, causing the SET INDEX to make a remarkable recovery in the last week of 2022.

SET Trading Value by Investor Group in 2022, Foreign investors net buy 202 billion baht, institutional investors net sell 153 billion baht, retail investors net sell 45 billion baht, while broker accounts sell net 3 billion baht.

**Investors' total trading values per year and per month in 2022 (23 new Listed companies, excluding MAI)**

YEAR	INSTITUTIONAL INVESTORS	PROPRIETARY TRADING	FOREIGN INVESTORS	LOCAL INVESTOR	MONTH IN 2022	INSTITUTIONAL INVESTORS	PROPRIETARY TRADING	FOREIGN INVESTORS	LOCAL INVESTOR
2011	(29,149)	1,307	(5,119)	32,962	January	(14,044)	2,442	(18,698)	30,300
2012	(24,302)	7,256	76,388	(59,342)	February	7,303	2,373	(68)	(9,608)
2013	108,163	(1,723)	(193,911)	87,471	March	(14,232)	(396)	(3,359)	17,987
2014	71,424	3,582	(36,584)	(38,421)	April	363	(1,308)	(33,185)	34,132
2015	79,055	(6,418)	(154,346)	81,709	May	(4,155)	4,378	(10,048)	9,824
2016	(8,656)	25,372	77,927	(94,642)	June	(3,555)	2,912	(17,020)	17,663
2017	103,632	16,747	(25,755)	(94,624)	July	18,730	1,888	5,439	(26,058)
2018	184,264	(15,270)	(287,458)	118,465	August	(15,324)	1,378	11,137	2,809
2019	52,006	14,873	(45,244)	(21,635)	September	(18,603)	5,854	15,886	(3,677)
2020	33,455	14,221	(264,285)	216,708	October	9,700	(7,300)	(10,981)	27,982
2021	(77,335)	13,672	(48,577)	112,241	November	(8,629)	2,390	23,223	(16,984)
2022	(153,882)	(3,419)	202,649	(45,392)	December	4,474	(977)	12,710	(16,207)

## Key indicators

	2022	2021	2020	2019	2018
GDP Growth (%YoY)	3.4%	0.9%	-6.6	2.4	4.2
Market Capitalization (Btm)	20,440,931	19,583,094	16,107,632	16,747,455	15,978,251
Market Turnover (Btm)	17,165,507	21,314,782	16,362,357	12,802,090	13,820,219
Number of listed companies	612	593	568	556	544
Newly listed companies	23	21	15	13	7
Average daily trading (SET)	71,266	88,443	67,334	52,467	57,209
Index at Closing Time (High)	1,713	1,657	1,604	1,470	1,830
Index at Closing Time (Low)	1,533	1,466	969	1548	1,563
P/E (Time)	18.16	20.78	28.8	19.6	15.24
Dividend Yield (%)	2.5	2.1	3.3	3.1	3.1

## Securities trading business outlook in 2023

The daily turnover of the stock exchange decreased from the previous year. as a result of overall investments that are relatively stable or movements that are limited In addition, the government started the idea of collecting taxes from the sale of shares, causing some investors to postpone speculation due to higher costs. At the same time, new brokers are being added and there is competition with a relatively low commission or no commission. Therefore, securities businesses must develop themselves into Digital while seeking additional income other than commission income, such as foreign stocks or foreign stock funds.

## (3) Product and Service Offering

Funding source, it is derived from the subsidiary's income from the securities industry, which includes commission income, fee income, and service income, as well as profit and return on financial instruments. The income will be invested by the corporation in order to maximize profits.

#### (4) Assets for Business Operation

##### (4.1) The main fixed assets of the Company and subsidiaries

As of December 31, 2022, and December 31, 2021, the Company and its subsidiaries have fixed assets used in business operations in the amount of 138.08 million baht and 144.56 million baht, respectively, as follows:

##### The main fixed assets of the Company

As of December 31, 2022 and December 31, 2021, the Company has the main fixed assets used in business operations that owns the ownership and without any obligation as follows:

Unit: Baht

ASSET TYPES / ASSET CHARACTERISTICS	NET BOOK VALUE	
	2022	2021
Building improvements and equipment, net	438,568	334,196
Total	438,568	334,196

##### The main fixed assets of the subsidiaries

As of December 31, 2022, and December 31, 2021, the subsidiary has a main fixed assets used in business operations that owns the ownership and without any obligation as follows:

Unit: Baht

ASSET TYPES / ASSET CHARACTERISTICS	CHARACTERISTICS OF PROPRIETARY	CHARACTERISTICS OF PROPRIETARY		OBLIGATION
		2022	2021	
Property and plant Address: 89/23 Wireless Road, Lumpini Sub-district, Pathumwan District Bangkok	Ownership	69,160,140	69,160,140	- None -
Premises/leasehold improvement, Furniture and office equipment	Ownership	64,708,679	59,370,130	- None -
Vehicles	Ownership	3,768,505	4,124,489	- None -
Leasehold improvement during construction	Ownership	-	11,557,900	- None -
Total		137,637,324	144,212,659	

#### (4.2) Intangible asset of the Company and subsidiaries

As of December 31, 2022, and December 31, 2021, the Company has intangible asset 221.27 million baht and 143.78 million baht, which the subsidiary is the ownership and without any obligations as follows:

#### Other intangible assets - Net of the Company and subsidiaries

Unit: Baht

TYPES	BOOK VALUE	
	2022	2021
Using derivatives business fee	4	4
Computer software	127,945,512	95,646,100
Securities license	2,523,644	2,657,500
Derivative business membership	15,141,858	15,945,000
Computer software in process	75,635,159	29,529,022
Total	221,246,177	143,777,626

#### (4.3) The Company's investment property and subsidiary

As of December 31, 2022, and December 31, 2021, the subsidiary has net investment property 35.27 million baht and 36.36 million baht, which the subsidiary is the ownership as follows:

Unit: Baht

ASSET TYPE/CHARACTERISTICS	CHARACTERISTICS OF PROPRIETARY	BOOK VALUE		OBLIGATION
		2022	2021	
Land and Buildings Address: Muang District, Chiang Mai	Ownership	22,460,000	22,460,000	100%
Land and Buildings Address: 154/14 - 16 Phang Nga Road, Taladyai Sub-district, Muang District, Phuket 83000	Ownership	10,739,739	10,859,751	100%
Buildings Address: 50/147 - 155 Hillside Plaza and Condotel 4 Huay Kaew Road, Chang Phueak Subdistrict, Muang District, Chiang Mai 50300	Ownership	2	2	100%
Building improvement, Furniture and office equipment	Ownership	2,065,350	3,037,057	- None -
Total		35,265,091	36,356,810	

#### (4.4) The Company's Right-of-use Assets and subsidiary

As of December 31, 2022, and December 31, 2021, the Company and subsidiaries has Right-of-use Assets 90.73 million baht and 20.17 million baht as follows:

Unit: Baht

ASSET TYPE/CHARACTERISTICS	NET BOOK VALUE	
	2022	2021
Right-of-use Assets, the company	14,556,053	2,397,558
Right-of-use Assets, its subsidiaries	76,170,865	17,770,394
Total	90,726,918	20,167,952

#### Investment Policy in Subsidiaries and Associated Companies

The Company has a policy to invest in subsidiaries and associated companies that operate businesses that have potential to support the Company's business operations, including other businesses that provide reasonable returns with acceptable risk and growth opportunities. The Company will consider the business opportunity, suitability and benefit of the Company and its shareholders. The Company will supervise its subsidiaries by sending directors or high-ranking employees to represent the Company in proportion to their shareholding. And the company should have the right to object to important matters to be carried out by that subsidiary. The investment in such company must be approved by the company's board of directors and in the case of entering into a connected transaction, it must also be considered and approved by the Audit Committee.

#### Revenue recognition policy

The subsidiary has a policy to recognize interest income from securities and derivatives business receivables on an accrual basis unless there is uncertainty in the collection of principal and interest. The subsidiary will not recognize interest income on an accrual basis in the following cases:

1. Debtors whose collateral is less than the debt
2. Installment receivables with installments of not more than every three months overdue principal and interest for three months or more.
3. Installment receivables with repayment periods of more than three months unless there is evidence and there is a possibility that the subsidiary will receive all debt repayment.
4. Debtors from troubled banking institutions
5. Other receivables overdue interest for three months or more

#### ALLOWANCE FOR DOUBTFUL ACCOUNTS POLICY

The subsidiary complies with the provision of allowance for doubtful accounts by assessing the status of each debtor and the total debtor and considering the rules and regulations of the Office of the Securities and Exchange Commission No. Kor.Thor. 33/2543 dated. 25 August 2000 and Kor.Thor. 5/2544 February 15, 2001. This assessment includes considering the risks and value of collateral. The subsidiary provides an allowance for doubtful accounts for debtors when the debt is insufficiently secured and/or there is a possibility that the debtor will not repay the principal and interest in full.

Subsidiaries classify debt and set aside in accordance with the rules stipulated by the Office of the Securities and Exchange Commission. The details are as follows.

**1. Bad debts**

- 1) Debts of the debtor who have been pursued until the end but have not received repayment and write off bad debts from accounts receivable under tax law
- 2) The amount of debt that the subsidiary entered into the debt relief agreement

**2. Doubtful debt** is the amount of debt that is higher than the collateral value of the debtor as follows:

- 1) General debtors, troubled financial institutions debtors and other debtors whose collateral value is lower than the debt
- 2) Installment receivables with installments of not more than every three months overdue principal and interest for three months or more.
- 3) Installment receivables with repayment periods of more than three months unless there is evidence and there is a possibility that the subsidiary will receive all debt repayment.

**3. Debt below standard** is the amount of debt that is not higher than the collateral value of the debtor in item 2.

The subsidiary writes off bad debts from the accounts as soon as they are found and set an allowance for doubtful accounts at a rate of not less than 100 percent of the total amount of doubtful accounts.

As of December 31, 2022, the subsidiary has securities and derivatives business receivables amounting to 407.15 million baht, which has been fully set up for allowances for expected credit losses.

As of December 31, 2021, the subsidiary has securities and derivatives business receivables amounting to 430.20 million baht, which has been fully set up for allowances for expected credit losses.

## CLASSIFICATION AND IMPAIRMENT POLICIES OF FINANCIAL ASSETS

Classification of financial assets

**(1) Amortized cost and effective interest method**

The real interest method is a method for calculating the amortized cost of debt securities and allocating interest income over the relevant period. including interest income and recognition in profit or loss and included in the transaction. "Interest income"

**(2) Debt securities classified at fair value through other comprehensive income**

Debentures held by the Group are classified at fair value through other comprehensive income. Debentures are initially recognized at fair value including transaction costs. Subsequent changes in the book value of bonds result from foreign exchange gains or losses. Impairment gains or losses and interest income calculated using the real interest method are recognized in profit or loss. The amount recognized in profit or loss is the same as that recognized in profit or loss if these bonds are recognized in comprehensive income and accumulated under investment valuation provision when these bonds are eliminated. The previously recognized cumulative gain or loss in other comprehensive income is reclassified to profit or loss.

**(3) Equity securities are stated at fair value through other comprehensive income**

On the first recognition date, the Group chooses investments in equity securities to be stated at fair value through other comprehensive income. The selection to fair value through other comprehensive income is impractical if the equity instruments are held for trading or if it is an anticipated consideration recognized by the purchaser in a business combination

Financial assets are held for trading as follows:

- Acquired for sale in the near future, or
- It is part of the group of financial instruments managed as a group at the date of initial recognition. and there is evidence of actual short-term profitability at present, or
- Derivatives (except derivatives that are financial guarantees or are effective hedging instruments)

Investments in equity securities are stated at fair value through other comprehensive income, initially measured at fair value including transaction costs.

Subsequent measurement at fair value to profit and loss arising from changes in fair value recognized in other comprehensive income and accumulated investment valuation provision. Retained earnings or losses are not reclassified to profit or loss when the investments in equity securities are written off, are transferred to retained earnings.

Dividends on equity investments are recognized in profit or loss in accordance with TFRS 9 unless the dividends are shown to be part of the offset of the cost of the investment. Dividends are included in the list. "Financial Income" in Profit or Loss

The Group requires that all investments in equity securities that are not held for trading are stated at fair value through other comprehensive income at the date of initial application of TFRS 9.

#### (4) Financial assets at fair value through profit or loss

Financial asset does not qualify for measurement at amortized cost or fair value through other comprehensive income. It is a measure of fair value through a particular profit or loss.

- Investments in equity securities are stated at fair value through profit or loss. Unless the Group determines that investments in equity securities that are not held for trading or not as consideration expected to be recognized by the purchaser in a business combination, are stated at fair value as other comprehensive income on the date of initial recognition
- Debt securities that do not qualify for amortization cost or fair value through other comprehensive income are stated at fair value through profit or loss. and qualifying debt securities at amortized cost or fair value through other comprehensive income may be determined to be stated at fair value through profit or loss on the date of initial recognition. Such designations eliminate or significantly reduce inconsistencies in measurement or

recognition of items. ("Accounting Improper Matching") arising from the measurement of assets or liabilities or the recognition of profits and losses from transactions on different criteria.

#### Impairment of financial assets

The Company recognizes an allowance for loss on expected credit losses on investments in debt securities measured at amortized cost or fair value through other comprehensive income. Accounts receivable from clearing houses and securities companies and securities and derivatives business receivables. The amounts of expected credit losses are measured at each reporting date to reflect changes in the exposure to credit risk previously recognized. Initial list of related financial instruments

The Company always recognizes allowance for expected credit losses for investments in debt securities that are subsequently measured at amortized cost. accounts receivable from clearing house and securities and derivatives receivables, the expected credit losses on these financial assets. Estimates using the provisioning table are based on historical credit loss data of the Company adjusted for borrower factors, general economic conditions. and estimating current and future directions at the reporting date, including the timely monetary value, as appropriate.

All other financial instruments are recognized as allowance for expected credit losses when there is a significant increase in credit risk since their initial recognition. However, if the credit risk of financial instruments does not increase significantly since its initial recognition The Company measures the allowance for loss for that financial instrument at an amount equal to the expected credit loss in the next 12 months.

Expected credit losses represent the expected credit losses arising from probable default of a financial instrument. The expected credit losses in the next 12 months represent the proportion of credit losses that are expected to arise from the default events of financial instruments that are probable within 12 months from the reporting date of the valuation and recognition of the expected credit loss.

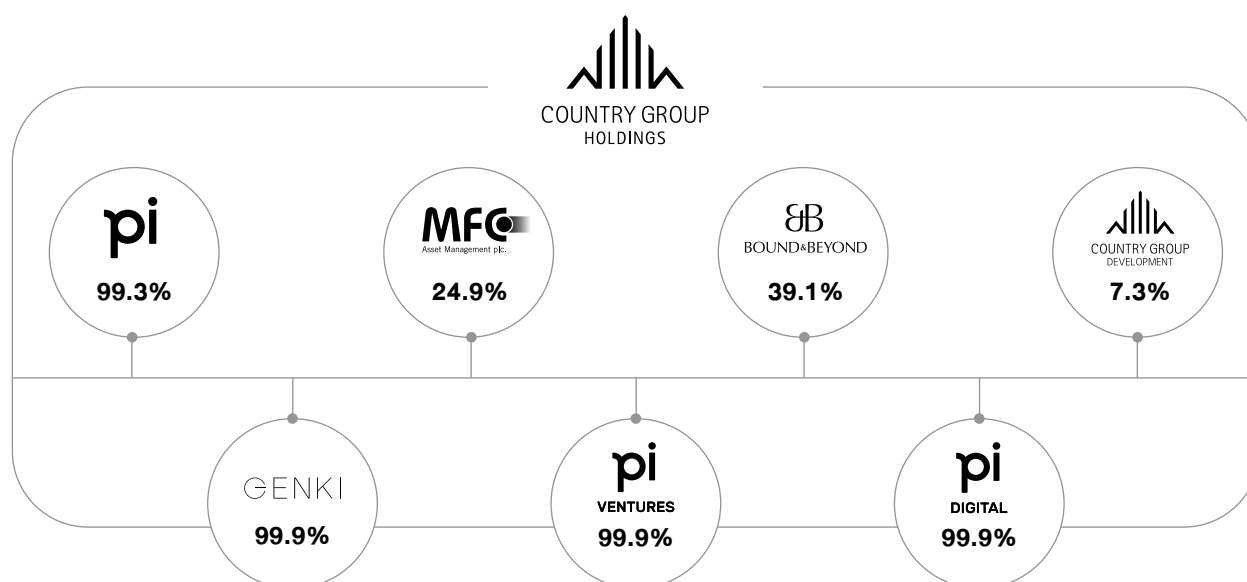
#### (5) Job that has not yet handed over

- None -

## 1.3 BUSINESS GROUP STRUCTURE

### 1.3.1 Business Group Structure

Note: As of 31 December 2022



### Business Policy of the Company and its Subsidiaries

In 2022, the business policies of the Company and its subsidiaries were as follows:

#### Company's Business

The Company will operate as an investment holding company with the following activities:

- Investing in subsidiaries and associated companies within the Company's group
- Sourcing funds for the Company, its subsidiaries, and associated companies
- Investing in other companies (besides the Company's group) to maintain a liquid portfolio and generate superior returns. The core business of CGH subsidiaries needs to be in the financial business, unless the investment value does not exceed 25 percent of CGH's consolidated total assets.

- Getting support from the securities company (outsourcing) to utilize human resources. The securities company will provide support and advisory services to the Company:

- Services in risk management
- Services in information technology systems

In addition, the Company has set up a Monitoring Department for controlling investment policy and corporate governance of the invested companies relating to supervision of its subsidiaries and associated companies. The subsidiaries and associated companies will be operating under the Company's Guidelines and Policies.

#### Subsidiaries

##### Pi Securities Public Company Limited

Pi Securities Public Company Limited has registered its name from "Country Group Securities Public Company Limited" in February 2022 and was granted its securities business license in 1974 as Broker Number 3 by the SET's Board of Governors. Later, the company was approved by the Ministry of Finance to be listed on the SET in 1991.

On January 8, 2015, Country Group Securities Public Company Limited delisted its shares from the stock market in order for Country Group Holdings Public Company Limited to be listed on the stock exchange instead with registered capital 2,589,743,484 baht, fully paid up and after the Company made the tender offer successfully, the Company became a major shareholder holding 99.30% of all issued shares.

On September 18, 2019, Country Group Securities Public Company Limited held the Extraordinary General Meeting of Shareholders No. 1/2019 with an agenda to consider and approve the reduction of the Company's registered capital and paid-up capital from 2,589,743,484 baht to 1,589,743,484. baht by reducing the number of shares 1,000,000,000 shares with a par value of 1 baht per share, which the meeting unanimously resolved to approve the reduction of the Company's registered capital and paid-up capital at this time.

The company has been approved by Ministry of Finance to operate the following 7 businesses:

1. Securities Brokerage
2. Securities Trading
3. Securities Underwriting
4. Investment Advisory

5. Mutual Fund Management
6. Private Fund Management
7. Stock Borrowing and Lending

Furthermore, the securities company was also granted the derivatives business license from the SEC.

#### **Genki Capital Company Limited**

Established on February 1, 2016 with capital 100 Million-Baht, paid-up capital 25-Million-Baht. The business objective is to produce and distribute electric energy and provide loans with collateral.

#### **Pi Ventures Company Limited**

Established on January 14, 2022 with a registered capital of 500,000,000 baht, with the objective of operating a business by investing in securities or registered and unlisted assets or digital assets.

#### **Pi Digital Company Limited**

Established on September 7, 2022 with a registered capital of 50,000,000 baht, with the objective of operating a digital asset business, whereby Digital Asset Co., Ltd. will apply for a license to be a digital asset broker (Digital Asset Broker) to buy, sell or exchange digital assets to another person

### **1.3.2 ENTITIES IN WHICH THE BANK HOLDS OVER 10.00% SHARES**

#### **Entities that the Company owns more than 10 percent of total stocks in**

Name	:	Pi Public Company Limited (Pi)
Address	:	132 Sindhorn Tower 1, 2nd, 3rd Floor and Sindhorn Tower 3, 17th, 18th, 20th Floor Wireless Road, Lumpini, Pathumwan Bangkok, Thailand 10330
Type of Business	:	Securities
Registration Number	:	0107537000572
Telephone	:	02-205-7000
Fax	:	02-205-7171
Website	:	www.pi.financial
Registered Capital	:	1,589,743,484 baht
Paid-up Capital	:	1,589,743,484 baht
Type of Shares	:	1,589,743,484 ordinary shares at par value of one baht per share

<b>Name</b>	:	<b>MFC Asset Management Public Company Limited (MFC)</b>
Address	:	199 Column Tower, Ground Floor & 21st – 23rd Floors, Ratchadapisek Road, Khlong Toei, Bangkok 10110
Type of Business	:	Financial
Registration Number	:	0107536001371
Telephone	:	02-649-2000
Fax	:	02-649-2100 and 02-649-2111
Website	:	www.mfcfund.com
Registered Capital	:	125,615,708 baht
Paid-up Capital	:	125,615,708 baht
Type of Shares	:	125,615,708 ordinary shares at par value of 1 baht per share
<b>Name</b>	:	<b>Bound and Beyond Public Company Limited (BEYOND)</b>
Address	:	130-132 Sindhorn Tower 2nd, 15th Floor, Wireless Road, Lumpini, Pathumwan, Bangkok, Thailand 10330
Type of Business	:	Tourism and Leisure Management
Registration Number	:	0107537000467
Telephone	:	0-2695-9499
Fax	:	0-2695-9495
Website	:	www.boundandbeyond.co.th
Registered Capital	:	6,026,599,840 บาท
Paid-up Capital	:	2,888,686,040 Baht
Type of Shares	:	288,868,604 ordinary shares at par value of 10 baht per share
<b>Name</b>	:	<b>Genki Capital Company Limited</b>
Address	:	132 Sindhorn Tower 3, 20th Floor Wireless Road, Lumpini, Pathumwan Bangkok, Thailand 10330
Type of Business	:	Energy
Registration Number	:	0105559018324
Telephone	:	0-2256-7999
Fax	:	0-2256-7888
Website	:	None
Registered Capital	:	100,000,000 baht
Paid-up Capital	:	25,000,000 baht
Type of Shares	:	10,000,000 shares ordinary shares at par value of 10 baht per share

**Name** : **Pi Ventures Co., Ltd**  
**Address** : 132 Sindhorn Tower 3, 20th Floor Wireless Road, Lumpini, Pathumwan Bangkok, Thailand 10330  
**Type of Business** : Investing in securities or registered and unregistered assets or digital assets  
**Registration Number** : 0105565008564  
**Telephone** : 0-2256-7999  
**Fax** : 0-2256-7888  
**Website** : -None-  
**Registered Capital** : 500,000,000 baht  
**Type of Shares** : 50,000,000 shares ordinary shares at par value of 10 baht per share

**Name** : **Pi Digital Co., Ltd**  
**Address** : 132 Sindhorn Tower 3, 17th Floor Wireless Road, Lumpini, Pathumwan Bangkok, Thailand 10330  
**Type of Business** : Digital assets  
**Registration Number** : 0105565145367  
**Telephone** : 0-2256-7999  
**Fax** : 0-2256-7888  
**Website** : -None-  
**Registered Capital** : 50,000,000 baht  
**Type of Shares** : 5,000,000 shares ordinary shares at par value of 10 baht per share

### 1.3.4 Shareholders

The top ten major shareholders as of December 31, 2022 were as follows:

NO.	NAME	NO. OF SHARES	%
1.	Mr. Tommy Taechaubol	960,357,368	23.976
2.	Mr. Pijit Viriyamettakul	298,000,000	7.440
3.	Mr. Samroeng Manoonphol	206,000,000	5.143
4.	COUNTRY GROUP DEVELOPMENT PUBLIC COMPANY LIMITED	153,061,800	3.821
5.	Miss Atjima Pakanam	125,000,000	3.121
6.	THAI NVDR COMPANY LIMITED	100,541,874	2.510
7.	Mr. Rit Kewkacha	67,300,010	1.680
8.	THAILAND SECURITIES DEPOSITORY COMPANY LIMITED (for Depositors)	65,136,100	1.626
9.	LGT BANK (SINGAPORE) LTD	64,845,300	1.619
10.	Mrs.Pensri Rattanasoontrakul	63,858,100	1.594
Total		2,104,100,552	52.53

As of March 15, 2022, the Company had free float of 58.38 percent

## The Securities Company

The top 10 major shareholders as of December 31, 2022 were as follows:

NO.	NAME	NO. OF SHARES	%
1.	Country Group Holdings PCL	1,578,884,083	99.317
2.	Thai Fuji Securities Company limited	2,445,415	0.154
3.	Mr. Somchai Mimungkong	970,016	0.061
4.	Ms. Phenprapha Changthep	623,218	0.039
5.	Mr. Pai, Wen-Cheng	514,320	0.032
6.	Mr. Worapong Jaimongkonprasert	394,464	0.025
7.	Mr. Lin, Wen-Ye	303,433	0.019
8.	Thanathai Securities Company limited	268,380	0.017
9.	HSBC BANK PLC-HSBC BROKING SECURITIES (ASIA) LIMITED	189,645	0.012
10.	Mr. Sumit Petcharaphirat	153,613	0.010
Total		1,584,746,587	99.686

## 1.4 COMPANY'S PAID-UP CAPITAL

### 1.4.1 Company's share

As of December 31, 2022

A registered capital	:	6,452,549,062
A paid-up capital	:	4,005,547,487
Other capital	:	None
Market of warrant	:	Stock Exchange of Thailand (SET)
Symbol	:	CGH

The shares of the Company held by Thai NVDR is approximately at 2.510 percent and held by foreigners is approximately at 2.79 percent of the Company's issues shares and paid-up capital.

## 1.5 OTHER ISSUANCE OF SECURITIES

In 2022, there is no issuing of any new shares and securities.

## 1.6 DIVIDEND POLICY

CGH and its Subsidiaries' dividend payment policy dictates that the dividends being paid to shareholders must not be less than 60 percent of annual net profit. However, consideration for dividend payment stakes other factors into account such as results of operations, the financial status of the Company, liquidity, expansion of business, and other factors relating to the management of the Company. Each dividend payment is required to obtain approval from the Board of Directors and shareholders.

# RISK MANAGEMENT

## 2.1 RISK MANAGEMENT POLICY AND PLAN

The Company recognizes the importance of risk management by establishing means of managing risk that comply with laws and regulations that promote growth and long-term success. Risk management also includes in any sectors where the Company has made investments and considers risk management as part of the Organization's culture through setting policies regarding acceptable levels of risk (risk appetite) and management guidelines, risk at the Board level, Risk Management Committees, and a Risk Management Division.

Risk management is regulated by the Company's Board of Directors in order to ensure that risk levels are appropriate for business operations according to its risk management policy. The Risk Management Committee was assigned to set up a risk appetite level. The Risk Management Department analyzes, identifies, assesses, monitors, and reports risks to the Risk Management Committee and the Board of Directors on a regular basis.

## 2.2 RISK MANAGEMENT OVERVIEW

The Company, having established a business structure in which most income comes from being a holding company, recognizes that risk can impact operations and its Subsidiaries, and seeks to assess, take preventive measures, and reduce risk by:

- **Risk from operating as a holding company**

The Company has invested in 4 subsidiaries which are Pi Securities PCL (99.3%), Genki Capital Co., Ltd. (99.9%), Pi Ventures Co., Ltd. (99.9%) and Pi Digital Co., Ltd. (99.9%) and invested in 2 associated companies, MFC Asset Management PCL (24.9%) and Bound and Beyond PCL

(39.1%). According to the Company's financial statements, the Company acknowledges profits from the Subsidiary and dividends based on the shares held in the Associated Companies. Thus, the results of the operations of both the Subsidiary and Associated Companies directly impact the Company's profits and dividends.

The Board set the Company's investment policy for selecting companies for future investment. The Company will invest in companies with the capacity for providing suitable returns and acceptable risk appetites, while also providing opportunities for future growth.

- **Risk from operating in the investment**

The Company's investment risk is that such an investment may not generate the return as expected. Given that the Company is aware of such risks, an IC was appointed to determine the proper investment policy and strategy. The IC was responsible for implementing a proper investment policy along with current situation. The Risk Management Committee will set and review risk management policy and procedure to fit with the Company's strategy and current situation. Not only will this help ensure that the Company gets the maximum return on investment with proper risk taking, but it also makes it so that the Company is acting in accordance with the regulations and frameworks set up by the Board of Directors.

- **Risk from competition in the securities industry**

The Securities Business' main source of income relies on the brokerage fee, which is based on the trading volume. Since the brokerage commission fee was liberalized in 2010, the Company has faced competition in various

areas. Apart from the commission fee, the Company faces competition in retail branch expansions, the entrance of new Securities firms, new customer service campaigns, and so on. It is imperative then that the Company adapts its strategy to recruit high-caliber human resources, expand the customer base, stimulate higher trading volumes, and develop the infrastructure for information technology. Pi must proceed with the restructuring of its business, which emphasizes developing information technology, reducing its dependency on income from retailed securities trading, expanding its customer base, and focusing more on profitable businesses which have various sources of profit. For instance, domestic and foreign institutional businesses, future trading transaction, private funds, Equity Link Note, investment transactions related to oversea listed securities.

**The Company has a policy of improving the quality of its personnel and developing its working process in order to reduce the risks of the Securities business through the following means:**

- Recruiting high-caliber human resources: The Company focuses on recruiting only veterans of Securities and similar industries.
- Expanding the customer base and stimulate higher trading volume: The Company: a) Develops its marketers' capabilities through numerous seminars and trainings. This training happens continuously throughout the year, particularly when the SET launches new products and services. b) Ensures constant communication between management and our marketers about any changes in our industry. c) Increase the quality of analyst reports to answer client demands.
- Developing strong information technology infrastructure: The Company continuously updates its information technology infrastructure to be up-to-date and be capable of meeting customer demand.

• **Risk from defaults**

As of December 31, 2022, the Company has business receivables total 407.15 million baht. However, the Company has already reserved a contingency fund ("allowance for doubtful accounts") amounting to total receivables fewer collateral values in the case of default.

The Company currently has a policy of reducing the risks of defaults from Securities payments and from addition placing a collateral. The policy stresses screening clients and limiting their credit lines used for trading Equities and Derivatives. As part of the process, the Company evaluates a client's financial standing, solvency, liquidity, and investment experience. A client's financial standing and credit limit are also reviewed on a regular basis in strict adherence to the policy.

In cases where defaults occur, clients will be prohibited from any additional purchases of Securities until the receivables are fully paid. Both Marketing and Settlement officers are responsible for following up with the client. If the receivables are not paid in full within the given timeframe, the Legal Department take the necessary legal actions.

• **Risk from clients switching out**

Most of the Company's client base comes from retail, corporations, and institutions (both local and from abroad). As of December 31, 2022, the Company has a total of 165,100 accounts, of which 38,692 accounts were actively traded. The total brokerage fee contributed to 80.58% of the Company's total income. Realizing the importance of the Brokerage business, the Company has implemented the strategic initiatives mentioned in Section 3 ("Risk from Competition in the Securities Industry") to minimize the risk of our clients switching out.

• **Risk from Depending Upon Major Clients or a Limited Number of Clients**

In 2021 and 2022, the Company's top ten major clients amounted to 19.84% and 13.94% of the Company's total securities trading value, respectively. Losing the top major clients would impact the fee income. However, the Company realizes the risk of relying on the trading value of the top clients and restructure its business to focus on income from investment banking transactions, domestic institutional transactions, international trading transactions for company accounts, bond transactions, and single stock trading service transaction by using the futures market (Block Trade) as well as private fund transactions to be able to compete with the competition in the present and future situation.

- **Risk from Human Resources**

In a Securities business, having good employees is one of the key factors to success. Good employees that possess valuable skill sets such as deep knowledge of investment, experience, and expertise are very hard to find. In a competitive securities business, companies are aggressive in headhunting from their competitors. Such direct recruitment is a major threat to the Company's income. As the Company recognizes the importance of its employees, we emphasize on building strong employee training and development programs and a competitive compensation and benefits package.

- **Risk from investments in securities**

There is the risk that the Company could not be able to achieve the returns as expected. It has thus assigned an Investment Committee to establish clear guidelines, investment ratios, regulations, and procedures for handling investments in equities and derivatives. The guideline will focus on investing in securities that have low risk with a strong fundamental and adapting the investment strategy to fit with economic situation. The Risk Management Committee sets a risk management policy so risk management department can assess and control market risks. The market risk limits are open position limits, stop loss limits, sensitivity limits, and Value at Risk (VaR).

- **Risk from Underwriting Business**

In the investment banking operations of distributing and underwriting securities, the Securities Company faces the risk of being unable to sell all of the underwriting securities. This can be due to uncertainty on the part of investors, fluctuations in the money market or stock market, or from underwriting securities at inappropriate prices and quantities. This forces the Company to put the rest of the securities into its own accounts and accept the losses. In order to reduce this risk, the first consideration is that the Securities Company meticulously assesses information about companies that issue securities and investor interest in securities. The Underwriting Committee was set up to assess and approve operations for distributing and underwriting securities.

- **Risk from margin loans**

The Securities Company has established operating guidelines for controlling the risk of margin loans. In order to grant credit lines to clients, the amounts must be appropriate given the client's financial status and ability to repay debts. The credit limit must also be reviewed periodically to assess whether any adjustments are necessary.

The Securities Company has established a Credit Committee that meets at least once a month. They also set policies on the placement of marginable securities, as well as the enforcement of call margins and force margins. Policies are strictly enforced in order to prevent any damages that might be incurred upon the Company and clients.

On December 31, 2022, the Company's receivables account (money lent out to clients for the purpose of purchasing securities) amounted to 847.64 million baht, an increase of 14.41% from the year before.

- **Risk from Derivatives Brokerage Business**

The risks of the Securities Company serving as a derivatives broker have been caused from insufficiency of clients' collateral from market change, mitigating this risk involves screening clients with the purpose of looking for those who are knowledgeable, experienced, and in good financial standing. In addition, clients should place cash deposits prior to open position of any derivatives. The Securities Company ensures that clients' trading activities, account balances, and credit limits are frequently reviewed. Strict control is also kept over clients' collateral (in regard to whether it is sufficient) to avoid suffering major losses in clients' accounts. Should clients fail to comply with the Securities Company's regulations, the contract will be forced closed of the derivatives in the market

- **Risk from Block Trade Business**

Recently, clients used single stock futures in derivatives market instead of buy and sell in stock market due to leverage and less commission fees. However, the Securities Company are closely monitoring of block trading clients to prevent from insufficiency of clients' collateral. Moreover, the Securities Company are monitoring and controlling the risk of own accounts that receive position from the block trading clients.

- **Risk from Private Fund Management Business**

At present, the fund managers have expanded their customer base and continued to open new accounts. Furthermore, the management for private funds is subject to the standards of the private fund management policies, methods, and risk management procedures, which have been approved by the Company's Board of Directors, the Risk Management Committee, and the SEC.

- **Risk of business impacts from crises**

The Company emphasizes on managing risks from crises such as natural disasters, riots, and other shocks. In such cases, the Company has already created preventive and safety plan with the annual review of the contingency plans annually. In addition, the Company also has been insured for a variety of crises, including natural disasters, with the total insured value worth 205.72 million baht.

- **Risk of business impacts from COVID-19 situation**

As Holding Company, the company's key asset mostly are financial assets, such as equity and bond investment. Therefore, there is the risk from market price fluctuation due to COVID-19 situation which could impact the company's financial assets. However, the Company believes that this risk would be short-term impact and the market will eventually return to normal situation.

Furthermore, under the COVID-19 situation, the Company adjusted its investment portfolio to hold more cash to minimize the risk. In addition, despite of lower demand due to investors also holding more cash which tend to impact the advisor and commission fees, Pi's commission still performing well which indicated that the COVID-19 pandemic would not significantly impact operation.

- **Cyber Security**

Currently, cyber threats tend to increase based on information from the National Computer System Security Coordination Center (NESDB) and the results of the Information Technology Department's Security Awareness test. Central processing and also indirect attacks via email and various malware. This will affect the operations of the company. interrupted and unable to provide immediate service Including intercepting and stealing company information and disseminating it without permission affects the trust and image of the company. It is also against the official rules, therefore, in order to prevent the risk of cyber threats. The company has therefore been working to procure and optimize the tools and technology to screen for the most up-to-date internal and external Cyber Attacks and provide training and preparation for employees in the organization to be aware of cyber risks and be aware of potential risks, as well as to improve rules to be prepared for threats. from the cybersecurity and increase the efficiency in responding to emerging threats.

## DRIVING BUSINESS FOR SUSTAINABILITY

### 3.1 POLICY AND GOAL FOR SUSTAINABILITY

The Company and its subsidiaries are committed to conducting business in parallel with creating sustainability and being responsible for social and environmental development and anti-corruption, including good corporate governance principles for listed companies of the Stock Exchange of Thailand and conducting business with integrity. Dharma under good corporate governance will help build confidence for the company's stakeholders.

Even though running a business has a goal that the return on investment is profit and stability as well as business progress, but the business to grow sustainably must return profit to society together with the business to be sustainable.

### 3.2 MANAGEMENT OF IMPACT ON STAKEHOLDERS IN VALUE CHAIN

#### 3.2.1 Business Value Chain

The Company is committed to meeting the expectations of all groups of stakeholders, including treating stakeholders with regard to legal rights and being ready to listen to the opinions of all stakeholders. Stocks, investors, employees, customers, partners and business partners, creditors, communities and society, and government agencies, where all stakeholders are treated fairly and treated fairly, according to laws or agreements with the Company under business ethics.

### 3.2.2 Analysis of Stakeholders in the Business Value Chain

STAKE-HOLDERS	COMMUNICATION	EXPECTATION	RESPONSE
Shareholders and Investor	<ul style="list-style-type: none"> <li>Organizing the Annual General Meeting of Shareholders</li> <li>Quarterly performance report</li> <li>Annual report / 56-1 One Report</li> </ul>	<ul style="list-style-type: none"> <li>Financial performance continues growth</li> <li>Long-term and objective business plans</li> <li>Good corporate governance</li> </ul>	<ul style="list-style-type: none"> <li>Share Profit</li> <li>Dividend Policy</li> <li>Ownership (shareholding)</li> </ul>
Employees	<ul style="list-style-type: none"> <li>Annual Meeting for Employee</li> <li>Employee orientation</li> <li>Seminars, Training, and development</li> <li>Team Building</li> <li>Opinions and suggestions</li> </ul>	<ul style="list-style-type: none"> <li>Appropriate welfare</li> <li>Workplace hygiene and facilities</li> <li>Opportunity and advancement</li> <li>Knowledge development training</li> </ul>	<ul style="list-style-type: none"> <li>Fair compensation</li> <li>Unity building and engagement in the organization</li> <li>Confidence and determination to work</li> <li>Corporate pride</li> </ul>
Clients	<ul style="list-style-type: none"> <li>Public relations through various media</li> <li>Meeting with customers</li> <li>Customer Relationship Management</li> <li>Comments and suggestions</li> </ul>	<ul style="list-style-type: none"> <li>One Stop Service</li> <li>Meet the customer's target</li> <li>Effective communication</li> </ul>	<ul style="list-style-type: none"> <li>Develop work systems and technology to satisfy customers</li> </ul>
Partners and Business Partners	<ul style="list-style-type: none"> <li>Clearly communication</li> </ul>	<ul style="list-style-type: none"> <li>Compliance with good terms and conditions</li> <li>Transparent and fair business competition</li> </ul>	<ul style="list-style-type: none"> <li>Operate with transparency and fair competition</li> </ul>
Creditor	<ul style="list-style-type: none"> <li>Clearly communication</li> </ul>	<ul style="list-style-type: none"> <li>Comply with the terms and conditions</li> <li>Conduct business with transparency</li> </ul>	<ul style="list-style-type: none"> <li>Strictly comply with the terms and conditions of the contract</li> </ul>
Community and Society	<ul style="list-style-type: none"> <li>Organizing activities with the community</li> <li>Comments and suggestions</li> </ul>	<ul style="list-style-type: none"> <li>Supporting activities in the community</li> <li>Environment and Community Safety</li> <li>Comply with human rights and anti-corruption principles</li> </ul>	<ul style="list-style-type: none"> <li>Comply with the social and environmental responsibility policy</li> <li>Cooperate in activities or projects organized by the organization</li> </ul>
Public sector	<ul style="list-style-type: none"> <li>Annual report / 56-1 One Report</li> <li>Reporting and Disclosure</li> </ul>	<ul style="list-style-type: none"> <li>Compliance with laws and regulations</li> <li>Cooperation and support for the work of the government sector</li> <li>Compliance with the principles of good corporate governance</li> <li>Anti-Bribery and Corruption</li> </ul>	<ul style="list-style-type: none"> <li>Comply with the law regulations related to conducting business properly, transparently and strictly</li> <li>Accurate information clarification with regulators</li> <li>Cooperate in activities or projects organized by government</li> </ul>

### 3.3 SUSTAINABILITY MANAGEMENT IN ENVIRONMENTAL DIMENSION

#### 3.3.1 Environmental Policies and Practices

The Company is aware of the valuable use of natural resources and places an emphasis on efficient use of energy by setting a policy to promote the education and training of environmental employees as follows:

- Strictly comply with environmental laws and regulations.
- Encourage employees to continually and consistently save electricity to maintain the environment and improve their operations to suit the environment.
- Efficient use of water with regular inspections of water supply pipes and meters
- Encourage the efficient use of resources to protect the environment, such as reducing the use of paper in the office by using recycled paper and using more electronic channels and limiting the amount of paper use in the office to be no more than 200 reams/year.

#### 3.3.2 Key Results of Environmental Activities

- The company focuses on energy efficiency and value. Therefore, employees are encouraged to save electricity by turning off their computer screens during lunch breaks. As a result, the electricity usage rate decreased by 6.57% and 0.39% compared to the year 2020 and 2021, respectively.
- As the company has improved the work process and campaigning for employees to use recycled paper and use more electronic, resulting in the year 2022, there was a noticeable decrease in paper withdrawal amounting to 71 reams from 182 reams in 2021.

### 3.4 SUSTAINABILITY MANAGEMENT IN SOCIAL DIMENSION

#### 3.4.1 Social policies and Practices

The Company is aware of its role and responsibility in caring for communities through activities that comply with its business and operations, especially in terms of supporting education, cultivating religion, and societal improvement.

#### Fair Business Practices

The Company supports and strictly fair business practice rules and regulations with the attention to the legal and ethical dimensions, transparency without concern to benefits that might otherwise be earned through improper actions. The Company set up and establish the following guidelines to ensure the fair business practices:

- Setting up guidelines of responsibility for its Board of Directors and executives to work within based on the principles of fair competition and business practices that utilize rightfulness and fairness. For example, No engaging in immoral actions that would harm competitors and taking advantage of personnel and subordinates.
- Establishing business practice guidelines with partners and associates that strictly follow the law and mutually set agreements, not procuring competitors' sensitive information through illegal means, as well as not attempting to defame them.
- Collecting of fees from general clients must strictly follow the rules and regulations regarding commission rates for security trading set by the SET and SEC.

#### Anti-corruption

The Company has firmly established policies regarding morals, ethics, and transparency in its business practices, including anti-corruption efforts within the organization. The establishments also include policies and procedures for anti-corruption under the ANTI-MONEY LAUNDERING ACT, which must be followed strictly by management, personnel, and all associated companies.

The Company's anti-corruption policies are as follows:

- A policy preventing the giving or acceptance of gifts, valuables, or any other benefits such as entertainment or unreasonable expenses that do not meet the Company's rules from customers and business associates.
- A policy against bribes aimed at facilitating or promoting relationships in business directly and indirectly.

- A procurement policy requiring fairness and transparency according to the proper regulations and guidelines.
- Supporting the Free Trade policy by avoiding fraudulent activities or any actions that might infringe upon copyright or intellectual property.
- A policy regarding donations and all types of support funds that requires that they be carried out with complete transparency and follow the laws of any involved nations.

### **Respecting Human Rights and Giving the Workforce Fair Treatment**

The Company supports and respects the protection of human rights by treating customers and all stakeholders equally and fairly. This includes proper development of personnel advancement at every level:

- Setting up appropriate benefits for personnel such as a Provident Fund (PVD), medical treatment and yearly health inspections, life and accident insurance, funeral assistance for employees and their families, and child birth allowances.
- Ensuring the equal and fair treatment of all employees and providing suitable compensation according to their education, ability, responsibilities, and work performance. This is done through use of the KPI system to assess performance to make decisions regarding compensation, yearly bonuses, and promotions.
- The organization of employee relations activities including;

(1) "Management meets employees" (Townhall) for executives to communicate to employees the direction of the company's business operations, including the goals set by the company each year and giving employees opportunities to show Innovative ideas or suggestions that are beneficial to the organization directly to the management, which employees will be treated equally and fairly.

(2) Happy Friday to provide opportunities for employees to have activities to meet, socialize, build relationships between each other, causing more cooperation in working together.

(3) Corporate Lunch is eating together to create a relationship between management and employees.

4) Employee birthday party to create a feeling of good and care that the company has towards its employees.

(5) New Year's party to strengthen unity and provide opportunities for executives and employees to socialize outside of work hours and to build morale and morale in the work as well as to continuously build relationships in the organization. Due to the COVID-19 situation, some activities may be reduced or organized using social distancing measures as required by the government.

(6) Sports activities for employees such as badminton and football.

- The Securities Company supports activities to boost employee morale such as setting up promotions for marketing personnel who have opened up the most customer accounts and engaged in the most overall trading (of securities and bonds), as well as arranging yearly staff parties to express gratitude to the staff.
- Transparency and fairness in the hiring process with consideration of human and labor rights without bias in regard to race, sex, age, religion, physical condition, wealth, or social status.
- Encouraging new ideas and innovations, harmony and unity, as well as respecting privacy rights and engaging in defamation.
- Giving attention to employee safety and health in the workplace in addition to ensuring its cleanliness and tidiness. This includes following the 5S method, with focus given to yearly check-ups and having basic medical supplies on hand in the office.
- Emphasizing training and development of personnel to improve their abilities year after year by encouraging and supporting them in their efforts to advance their own education, knowledge, capabilities, and skills that may prove beneficial in providing service to the Company's customers. This should also serve to support business growth in the context of constant and rapid change.

## Responsibility to Consumers

The Company aims to deliver its clients the highest possible satisfaction by being attentive, ensuring their benefits, and offering excellent products and services. This includes ensuring customers' information remains confidential, fair, and transparent treatment in consumer relations, developing formats and channels of service, as well as offering a variety of products by emphasizing complete accuracy and useful information that does not distort any facts. In order to offer the best possible service to clients, such a thing is done within the shortest time frame possible in order to keep abreast with the situation.

Furthermore, the Company and the Securities Company give the utmost importance to maintaining their customers, business associates, and stakeholders' benefits and confidential information with honesty and integrity. They have prepared channels for these groups' complaints, providing information, and setting up clear processes to expedite efficiency, fairness, and trustworthiness. They have also joined a process to settle disputes through the SEC.

### 3.4.2 Key results of Social Activities

Country Group Holdings Public Company Limited and its group companies, namely Pi Securities Public Company Limited and Bound and Beyond Public Company Limited, jointly organized mangrove planting activities in the project "CSR Planting 1,000 mangrove trees" according to the royal initiative At the Samut Songkhram River on November 18, 2022, with the objective of being part of increasing the area of the mangrove forest. Due to the current mangrove forest area has been continuously decreasing due to severe encroachment and destruction. The mangrove forest is important to the ecosystem and the environment. It is also a natural barrier that helps keep coastlines from erosion by wind and coastal currents, helps filter pollution, provides habitat for marine life and acts as a barrier to reduce wave strength. In addition, trees in mangrove forests have a high rate of photosynthesis, reducing carbon dioxide and producing a lot of oxygen.

However, Country Group Holdings Public Company Limited and the group companies are committed to continuously reducing greenhouse gas emissions directly and indirectly to reduce the impact of climate change (Climate Change) that will affect everyone including the economy, society and environment in the future.



# 4

## MANAGEMENT DISCUSSION AND ANALYSIS (MD&A)

### 4.1 MANAGEMENT DISCUSSION AND ANALYSIS AND FACTORS/ SITUATIONS WHICH MAY SIGNIFICANTLY AFFECT THE FINANCIAL POSITION AND OPERATING PERFORMANCE IN THE FUTURE

The significant financial information for Country Group Holdings Public Company Limited and its subsidiaries (“the Company”) is as follows:

Units: Million baht

	2022	2021	2020
TOTAL ASSETS	9,007.22	9,155.12	9,348.68
TOTAL LIABILITIES	3,238.00	3,141.63	4,048.72
TOTAL SHAREHOLDERS' EQUITY	5,769.22	6,013.49	5,299.96
TOTAL REVENUES	1,485.32	2,414.02	1,418.30
TOTAL EXPENSES	1,606.10	1,648.20	1,275.34
NET PROFIT	(120.78)	765.82	142.97
<b>FINANCIAL RATIO</b>			
Net profit margin (Percentage)	(8.13)	31.72	10.02
Liquid assets to total assets (Percentage)	57.60	57.67	73.58
Earning assets to total assets (Percentage)	73.37	77.73	80.65
Debt-to-equity ratio (times)	0.56	0.52	0.77

## Company Performance Analysis

The Company's main source of income consisted of brokerage commissions, fees and services, profits, and returns on financial instruments (profit from investments, interest, and dividends), interest from margin loans (from securities trading), and shares of profits from investments in associated companies. The proportion of each major source of income, including the growth of each, is as follows:

Units: Million baht

REVENUES	CONSOLIDATED FINANCIAL STATEMENTS					
	FOR THE YEARS ENDED DECEMBER 31,					
	2022		2021		2020	
	AMOUNT	%	AMOUNT	%	AMOUNT	%
Brokerage fees	1,176.97	79.24	1,336.29	55.36	999.98	70.51
Fee and services income	98.47	6.63	117.45	4.87	72.42	5.11
Interest on margin loans	139.30	9.38	145.76	6.04	184.51	13.01
Gain (loss) on investment and derivatives	59.51	4.01	109.71	4.54	44.61	3.14
Interest and dividends	9.43	0.63	12.37	0.51	16.62	1.17
Share of profit from investments in associated companies	(40.93)	(2.76)	616.50	25.54	59.94	4.23
Other income	42.57	2.87	75.94	3.14	40.22	2.83
<b>Total revenues</b>	<b>1,485.32</b>	<b>100.00</b>	<b>2,414.02</b>	<b>100.00</b>	<b>1,418.30</b>	<b>100.00</b>

The Company would like to announce the operating results for the year ended December 31, 2022, which has been audited by auditor as follows:

Units: Million baht

INCOME STATEMENTS	FOR THE YEARS ENDED 31 DECEMBER			
	2022	2021	CHANGES	%
Total Revenues	1,526.25	1,797.52	(271.27)	(15.09)
Total Expenses	1,552.54	1,579.18	(26.64)	(1.69)
Share of Profit from investment in associates	(40.93)	616.50	(657.43)	(106.64)
Profit before Income Tax	(67.22)	834.84	(902.06)	(108.05)
Income Tax Income (Expenses)	(53.56)	(69.02)	15.46	(22.40)
<b>NET PROFIT FOR THE YEARS</b>	<b>(120.78)</b>	<b>765.82</b>	<b>(886.60)</b>	<b>(115.77)</b>

The company's net loss was 120.78 million baht, a decrease of 886.60 million baht or 115.77% compared to the previous year with a net profit of 765.82 million baht. The main reasons for the significant changes are as follows:

1. The company had a total income of 1,526.25 million baht, a decrease of 271.27 million baht or 15.09% from the total income of the previous year in the amount of 1,797.52 million baht, with details as follows:

- Brokerage fees decreased by 159.32 million baht from the decrease in trading value of securities and investment units of the year, which fluctuated in line with the overall market decline. However, the subsidiary can maintain the ranking of securities companies in both capital market and derivatives market.
- Fees and service income decreased by 18.98 million baht, mainly due to a decrease in financial advisory fees and underwriting fees
- Gain and return on financial instruments decreased by 53.14 million baht due to loss from sales and revaluation of equity and debt securities as a result of overall market conditions and the company's dividend income decreased

- Other income decreased by 33.37 million baht from the gain on foreign exchange from foreign securities trading last year in the amount of 54.35 million baht. In the current year, there is a decrease in trading due to the fluctuating stock market conditions around the world.

2. The Company had total expenses of 1,552.54 million baht, a decrease of 26.64 million baht or 1.69% from the total expenses of the previous year amounting to 1,579.18 million baht, with details as follows:

- Loss on impairment of financial assets decreased by 11.82 million baht from the reversal of the loss previously estimated. The subsidiary received repayment during the year
- Fees and service expenses decreased by 15.20 million baht, varying with the decrease in commission income

3. The company's share of loss from investments in associated companies was 40.93 million baht, a decrease of 657.43 million baht compared to the share of profits of the previous year, 616.50 million baht or 106.64% from profits from the sale of subsidiaries during the third quarter of last year, including the higher cost of financing of associates.

## Consolidated financial statement of financial position

Units: Million baht

	2022	2021	CHANGES	%
TOTAL ASSETS	9,007.22	9,155.12	(147.90)	(1.62)
TOTAL LIABILITIES	3,238.00	3,141.63	96.37	3.07
EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT	5,755.22	5,999.71	(244.49)	(4.08)
NON-CONTROLLING INTERESTS	14.00	13.78	0.22	1.60
TOTAL SHAREHOLDERS' EQUITY	5,769.22	6,013.49	(244.27)	(4.06)
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	9,007.22	9,155.12	(147.90)	(1.62)

### TOTAL ASSETS

As of December 31, 2022, the company had total assets of 9,007.22 million baht, a decrease of 147.90 million baht or 1.62% compared to total assets last year of 9,155.12 million baht.

### The changes in total assets were mainly attributable to the following factors:

Units: Million baht

SIGNIFICANT ASSETS	2022	%	2021	%
Cash and cash equivalents	1,090.85	12.11	907.15	9.91
Other financial assets	2,257.10	25.06	2,244.44	24.51
Receivables from Clearing House and broker - dealers	225.30	2.50	321.91	3.52
Securities and derivatives business receivables	1,499.61	16.65	1,765.74	19.29
Investments in associates	2,626.16	29.16	2,784.57	30.41
Others	1,308.20	14.52	1,131.31	12.36
TOTAL	9,007.22	100.00	9,155.12	100.00

1. As of December 31, 2022, the Company possessed cash and cash equivalents amounting to 1,090.85 million baht, an increase of 183.70 million baht or 20.25 % from 907.15 million baht in 2021. The cash and cash equivalents were mostly made up of cash and cash equivalents, along with deposits in the form of cash and short-term deposits within the Company's financial institutions, so that they would be flexible enough for use as working capital for daily operations, an increased from operations of 430.33 million baht, a decreased from investing 277.85 million baht and increased from financing by 30.62 million baht.
2. As of December 31, 2022, the Company had Other financial assets in the amount of 2,257.10 million baht, an increase of 12.66 million baht or 0.56 % compared to 2,244.44 million baht in 2021.

DETAILS OF INVESTMENTS	2022	2021
Other current financial assets		
Unit trusts	-	29.25
Listed securities	443.62	463.67
Debt instruments	973.15	1,109.03
Debt instruments held to maturity	-	-
Deposits at financial institutions	90.21	90.21
Other non-current financial assets		
Unit Trust	193.15	10.82
Listed securities	286.30	315.19
Bond	166.09	166.09
Equity securities	6.16	6.16
Investing in digital assets	-	54.02
<b>TOTAL</b>	<b>98.42</b>	<b>-</b>

The majority of the investments are listed securities, fixed income securities, and marketable unit trusts. Investment units increased by 153.08 million baht and convertible instruments increased by 98.42 million baht due to investment in business groups that have future growth potential, while total listed securities and debt instruments decreased by 184.82 million baht due to the adjustment of the Group's investment portfolio due to the impact of overall market conditions including strategic divestments in digital assets during the year.

The company has an investment committee to oversee securities investments for the company's account and its subsidiaries which are responsible for prudent investment guidelines. In addition, the Company and its subsidiaries have fully recognized the allowance for revaluation and allowance for impairment in accordance with the accounting standards and SEC announcements.

- As of December 31, 2022, the Company possessed 225.30 million baht in receivables from clearing house, a decrease of 96.60 million baht or 30.01 % from 321.91 million baht in 2021. The receivables from clearing house were made up of the value of net sales to customers and subsidiaries' accounts during the last two days of the year.
- As of December 31, 2022, the Company's securities and derivatives business receivables amounted to 1,499.61 million baht, a decrease of 266.13 million baht or 15.07% compared from the previous year by 1,765.74 million baht, mainly due to a decrease in loans for securities purchases of 192.43 million baht and securities business receivable bought securities by cash 193.52 million baht, while credit balance increased in the amount of 122.16 million baht. Securities business receivable bought securities by cash as net purchase value of customers during the last 2 business days of the year.

5. As of December 31, 2022, the Company had a balance of investments in associates under the equity method of 2,626.16 million baht, a decrease of 158.41 million baht or 5.69 percent compared to the previous year at 2,784.57 million baht, mainly due to a decrease in the operating results of associates companies. The Company received a share of comprehensive loss of 90.99 million baht and recognized dividends from an associated company in the amount of 67.42 million baht.

### Expected Credit Loss: ECL

The policies for allowances for ECL, subsidiaries have their own for establishing such allowances through their assessment of individual debtors' financial status. Such assessments include consideration for the risk of repayment and the value of any collateral used. Subsidiaries have set allowances for ECL based on principals and interest. Their debt is also classified according to the Office of the SEC's Notifications Number Kor.Thor. 33/2543 and 5/2544, dated August 25, 2000, and February 15, 2001, respectively.

As of December 31, 2022, the subsidiary has securities and derivatives business receivables amounting to 384.00 million baht and has already set aside allowance for expected credit losses in full.

As of December 31, 2022, the subsidiary has securities and derivatives business receivables that have ceased recognition of revenue in the amount of 407.15 million baht.

### TOTAL LIABILITIES

As of December 31, 2022, the Company had total liabilities amounting to 3,238.00 million baht, an increase of 96.37 million baht or 3.07% compared to the previous year at 3,141.63 million baht

Units: Million baht

SIGNIFICANT LIABILITIES	2022	%	2021	%
Short-term borrowing from financial institutions	500.00	15.44	305.00	9.72
Securities sold under sell and buy back agreements	648.88	20.04	306.70	9.76
Securities business payables and Futures Contract	766.11	23.66	1,198.25	38.14
Lease liabilities	92.34	2.85	20.83	0.66
Long-term debenture	802.98	24.80	865.54	27.55
Others	427.69	13.21	445.31	14.17
<b>TOTAL</b>	<b>3,238.00</b>	<b>100.00</b>	<b>3,141.63</b>	<b>100.00</b>

1. As of December 31, 2022, the subsidiary had short-term loans from financial institutions in the amount of approximately 500.00 million baht, an increase of 195.00 million baht or 9.72% compared to the previous year in the amount of 305.00 million baht from promissory notes which were normal transactions.
2. As of December 31, 2022 and 2021, the subsidiary has securities sold under repurchase agreements in the amount of approximately 648.88 million baht and 306.70 million baht, respectively, which are private debt securities sold under repurchase agreements, increasing in the amount of 342.18 million baht. or 111.57 percent compared to the previous year due to the strategic adjustment of the subsidiary.
3. As of December 31, 2022, the Company had securities and derivatives business payables in the amount of 766.11 million baht, a decrease of 432.15 million baht or 36.06% compared to the previous year's amount of 1,198.25 million baht, mainly due to a decrease from securities purchase payables with cash in the amount of 254.87 million baht and a decrease from securities lending payable in the amount of 177.28 million baht
4. As of December 31, 2022, the Company had lease liabilities amounting to 92.34 million baht, an increase of 71.51 million baht or 343.24% compared to the previous year's amount of 20.83 million baht due to extending the term of the office building lease agreement and more branches
5. On May 11, 2022, the Company issued unsubordinated, secured debentures in the name of the holder and with a debenture holder's representative in the amount of 666.50 million baht, with the objective of repaying the maturity loan and using it as working capital. The principal will be repaid once in full on May 11, 2024 and 2025 with fixed interest rates of 5.50% and 5.75% per annum, pay interest every 3 months

## SHAREHOLDERS' EQUITY

As of December 31, 2022, the Company had total shareholders' equity of 5,769.22 million baht, a decrease of 244.27 million baht or 4.06% from the 6,013.49 million baht of the previous year due to the increase in operating results during the year 2022.

Units: Million baht

	TOTAL OWNERS OF THE PARENT	NON-CONTROLLING INTERESTS	TOTAL
Outstanding balance as of January 1, 2022	5,999.71	13.78	6,013.49
Statutory reserve	(0.02)	0.02	-
Total comprehensive income (loss) for the year	(244.47)	0.20	(244.27)
Balance as of December 31, 2022	5,755.22	14.00	5,769.22

## Liquidity and Sufficiency of Capital

The majority of the sources of capital in business operations came from the Company's own funds. Furthermore, its credit line stemmed from various commercial banks serving as sources of turnover/working capital and supporting business operations. Additionally, the Company issued unsubordinated and unsecured debentures, which specify the names of their holders and representatives. This was done for the purpose of expansion of investment.

The net capital ratios of the Company's subsidiaries as of December 31, 2022 and 2021 were 41.16% and 51.00%, respectively. This was quite enough compared to the seven percent minimum rate mandated by the SEC that securities companies must maintain.

## Summary

The Company is known for its financial strength and high liquidity. As of December 31, 2022, it possessed cash and cash equivalents amounting to 1,090.85 million baht (12.11% of the Company's total assets). Moreover, it also had total investment amount of 2,257.10 million baht (25.06% of the Company's total assets). In addition, the company had the ratio of liquid assets to total assets at 57.60%, the earning assets to total assets ratio at 73.37%, and the ratio of debt to shareholders' equity at 0.56 times.

The Company has three main strategies that drive its success:

- 1) Efficient asset management,
- 2) Restructuring of its affiliates with emphasis on producing better returns, and
- 3) Acquiring businesses with high growth potential. For the year ending December 31, 2022, although the company had a net loss of 120.78 million baht, a decrease of 886.60 million baht from the previous year of with a net profit of 765.82 million baht, mainly due to a decrease in Brokerage fees, Fee and services income and Share of profit from investments in associated companies.

## 4.2 KEY FINANCIAL INFORMATION

### STATEMENTS OF FINANCIAL POSITION

Unit: Baht

CONSOLIDATED FINANCIAL STATEMENTS						
ASSETS	AS AT DECEMBER 31					
	2022	%	2021	%	2020	%
<b>CURRENT ASSETS</b>						
Cash and cash equivalents	1,090,846,074	12.11	907,149,794	9.91	831,049,444	8.89
Trade and other current receivables	205,807,248	2.29	131,108,145	1.43	132,063,671	1.41
Receivables from Clearing House and broker - dealers	225,305,609	2.50	321,905,292	3.52	195,989,527	2.10
Securities and derivatives business receivables	1,499,612,549	16.65	1,765,743,808	19.29	2,049,698,906	21.93
Derivative assets	1,344,300	0.01	-	-	2,113,700	0.02
Long-term loans to other parties that is due within one year	37,350,105	0.41	-	-	2,113,700	0.02
Inventory - Digital assets	53,616,291	0.60	108,633,733	1.18	-	-
Other current financial assets	1,506,974,440	16.73	1,692,165,208	18.48	3,246,733,975	34.73
<b>Total Current Assets</b>	<b>4,620,856,616</b>	<b>51.30</b>	<b>4,926,705,980</b>	<b>53.81</b>	<b>6,457,649,223</b>	<b>69.08</b>
<b>NON-CURRENT ASSETS</b>						
Other non-current financial assets	750,121,905	8.33	552,277,185	6.03	477,325,119	5.11
Investments in associates	2,626,163,124	29.16	2,784,572,122	30.42	1,569,675,602	16.79
Investments in Venture projects	29,999,900	0.33	14,999,900	0.16	-	-
Long-term to other companies	-	-	40,189,863	0.44	58,153,921	0.62
Investment property	35,265,091	0.39	36,356,810	0.40	48,348,309	0.52
Property, plant and equipment	138,075,892	1.53	144,546,855	1.58	131,832,858	1.41
Right-of-use assets	90,726,918	1.01	20,167,952	0.22	48,978,789	0.52
Intangible assets	221,246,177	2.46	143,777,626	1.57	119,678,463	1.28
Deferred tax assets	295,984,238	3.29	303,990,396	3.32	283,662,464	3.03
Other non-current assets	198,780,026	2.20	187,532,176	2.05	153,373,212	1.64
<b>Total Non-Current Assets</b>	<b>4,386,363,271</b>	<b>48.70</b>	<b>4,228,410,885</b>	<b>46.19</b>	<b>2,891,028,737</b>	<b>30.92</b>
<b>TOTAL ASSETS</b>	<b>9,007,219,887</b>	<b>100.00</b>	<b>9,155,116,865</b>	<b>100.00</b>	<b>9,348,677,960</b>	<b>100.00</b>

CONSOLIDATED FINANCIAL STATEMENTS						
LIABILITIES AND SHAREHOLDERS' EQUITY	AS AT DECEMBER 31					
	2022	%	2021	%	2020	%
<b>CURRENT LIABILITIES</b>						
Short-term borrowings from financial institutions	500,000,000	5.55	305,000,000	3.33	350,000,000	3.74
Securities sold under sell and buy back agreements	648,885,345	7.20	306,699,669	3.35	1,287,284,231	13.77
Trade and other current payables	366,207,058	4.07	370,550,778	4.05	381,925,870	4.09
Payables to Clearing House and broker-dealers	45,717	0.0005	-	-	230,871,919	2.47
Securities business payables and Futures Contract	766,107,882	8.51	1,198,254,733	13.09	946,147,106	10.12
Derivatives liabilities	-	-	3,438,531	0.04	-	-
Lease liabilities due within 1 year	40,722,223	0.45	15,995,970	0.17	37,393,897	0.40
Bonds- Debentures due within 1 year	142,327,205	1.58	723,959,742	7.91	-	-
Debts issued and borrowings	-	-	-	-	19,883,867	0.21
Corporate income tax payable	6,488,298	0.07	20,854,268	0.23	8,958,725	0.10
<b>Total Current Liabilities</b>	<b>2,470,783,728</b>	<b>27.43</b>	<b>2,944,753,691</b>	<b>32.17</b>	<b>3,262,465,615</b>	<b>34.90</b>
<b>NON-CURRENT LIABILITIES</b>						
Debentures	660,651,775	7.33	141,578,558	1.55	730,975,232	7.82
Lease liabilities	51,622,896	0.57	4,838,042	0.05	12,978,721	0.14
Non-current provisions employee benefits	53,770,173	0.60	48,675,781	0.53	39,836,799	0.43
Other non-current liabilities	1,170,833	0.01	1,780,205	0.02	2,462,351	0.02
<b>Total Non-Current Liabilities</b>	<b>767,215,677</b>	<b>8.51</b>	<b>196,872,586</b>	<b>2.15</b>	<b>786,253,103</b>	<b>8.41</b>
<b>TOTAL LIABILITIES</b>	<b>3,237,999,405</b>	<b>35.94</b>	<b>3,141,626,277</b>	<b>34.32</b>	<b>4,048,718,718</b>	<b>43.31</b>

CONSOLIDATED FINANCIAL STATEMENTS						
LIABILITIES AND SHAREHOLDERS' EQUITY	AS AT DECEMBER 31,					
	2022	%	2021	%	2020	%
SHAREHOLDERS' EQUITY						
SHARE CAPITAL						
Authorized share capital						
6,452,549,062 ordinary shares of Baht 1 each (2020 : 6,143,905,902 ordinary shares of Baht 1 each, fully paid)	6,452,549,062		6,143,905,902		6,143,905,902	
Issued and paid-up share capital						
4,005,547,487 ordinary shares of Baht 1 each, fully paid ( 2020 : 4,336,923,080 ordinary shares of Baht 1 each, fully paid)	4,005,547,487		4,005,547,487	43.75	4,336,923,080	49.14
Ordinary shares held by subsidiary	(9,850)	(0.0001)	(9,850)	(0.0001)	(9,850)	(0.0001)
Share premium	741,713,759	8.23	741,713,759	8.10	669,079,930	7.16
Other component of shareholders' equity	(516,986,561)	(5.74)	(422,284,459)	(4.61)	(501,240,978)	(5.36)
Retained earnings						
Appropriated - Statutory reserve	175,084,055	1.94	172,988,468	1.89	163,831,167	1.75
Unappropriated	1,349,872,678	15.00	1,501,749,614	16.40	877,411,093	9.39
Treasury Stock	-	-	-	-	(258,746,978)	(2.77)
EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT	5,755,221,568	63.90	5,999,705,019	65.53	5,287,247,464	56.56
NON-CONTROLLING INTERESTS	13,998,914	0.16	13,785,569	0.15	12,711,778	0.13
TOTAL SHAREHOLDERS' EQUITY	5,769,220,482	64.06	6,013,490,588	65.68	5,299,959,242	56.69
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	9,007,219,887	100.00	9,155,116,865	100.00	9,348,677,960	100.00

# STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Unit: Baht

LIABILITIES AND SHAREHOLDERS' EQUITY	CONSOLIATED FINANCIAL STATEMENT					
	FOR THE YEARS ENDED DECEMBER 31,					
	2022	%	2021	%	2020	%
<b>REVENUES</b>						
Brokerage fees	1,176,969,120	79.24	1,336,290,012	55.36	999,984,609	70.51
Fees and services income	98,467,525	6.63	117,445,947	4.87	72,416,553	5.11
Interest income	139,296,106	9.38	145,761,997	6.04	184,512,224	13.01
Gain on investments and derivatives	59,512,221	4.01	109,709,132	4.54	44,610,630	3.14
Dividend income	9,432,664	0.63	12,375,448	0.51	16,618,443	1.17
Other incomes	42,574,604	2.87	75,941,222	3.14	40,218,938	2.83
Share of gain (loss) of associates accounted for using equity method	(40,930,122)	(2.76)	616,498,235	25.54	59,942,347	4.23
<b>Total revenues</b>	<b>1,485,322,118</b>	<b>100.00</b>	<b>2,414,021,993</b>	<b>100.00</b>	<b>1,418,303,744</b>	<b>100.00</b>
<b>EXPENSES</b>						
Employee benefits expenses	875,234,340	58.93	876,172,487	36.29	661,068,414	46.61
Fee and service expenses	269,575,585	18.15	284,773,660	11.80	225,073,773	15.87
Loss on impairment of financial assets (reversal)	(3,198,388)	(0.22)	8,622,757	0.36	51,570,286	3.64
Other expenses	287,296,059	19.34	290,803,382	12.05	206,239,505	14.54
<b>Total expenses</b>	<b>875,234,340</b>	<b>58.93</b>	<b>876,172,487</b>	<b>36.29</b>	<b>661,068,414</b>	<b>46.61</b>
Profit from operating activities	1,428,907,596	96.20	1,451,749,529	60.14	1,092,381,692	77.02
Finance costs	56,414,522	3.80	962,272,464	39.86	325,922,052	22.98
Gain (loss) before tax income	(123,632,443)	(8.32)	(118,811,202)	(4.92)	(131,389,822)	(9.26)
<b>INCOME BEFORE INCOME TAX</b>	<b>(67,217,921)</b>	<b>(4.53)</b>	<b>834,838,505</b>	<b>34.58</b>	<b>142,961,944</b>	<b>10.08</b>
<b>INCOME TAX INCOME (EXPENSES)</b>	<b>(53,561,001)</b>	<b>(3.61)</b>	<b>(69,022,014)</b>	<b>(2.86)</b>	<b>10,938</b>	<b>0.00</b>
<b>NET INCOME FOR THE YEARS</b>	<b>(120,778,922)</b>	<b>(8.13)</b>	<b>765,816,491</b>	<b>31.72</b>	<b>142,972,882</b>	<b>10.08</b>

# STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (CONTINUED)

Unit: Baht

CONSOLIATED FINANCIAL STATAMENT						
	AS AT DECEMBER 31					
	2022	%	2021	%	2020	%
GAIN (LOSS) SHARING FOR THE YEAR						
Owners of parent	(120,983,805)	(8.14)	764,748,591	31.68	142,177,814	10.02
Non-controlling interests	204,883	0.01	1,067,900	0.04	795,068	0.06
GAIN (LOSS) FOR THE YEAR	(120,778,922)	(8.13)	765,816,491	31.72	142,972,882	10.08
TOTAL COMPREHENSIVE GAIN LOSS ATTRIBUTABLE TO						
Owners of parent	(244,469,037)	(16.46)	712,505,040	29.52	(209,132,275)	(14.75)
Non-controlling interest	198,872	0.01	1,021,092	0.04	(135,083)	(0.01)
TOTAL COMPREHENSIVE GAIN LOSS FOR THE YEARS	(244,270,165)	(16.45)	713,526,132	29.56	(209,267,358)	(14.76)
EARNINGS PER SHARE ATTRIBUTABLE TO OWNERS OF PARENT						
Gain (loss) per basic share	(0.0302)		0.1874		0.0351	
Gain (loss) per diluted share	(0.0302)		0.1874		0.0351	

### 4.3 FINANCIAL RATIO

		2022	2021	2020
<b>PROFITABILITY RATIO</b>				
Gross profit	%	74.24	77.55	73.76
Net profit (loss)	%	(8.13)	31.72	10.02
Return on equity (ROE)	%	(2.06)	13.55	2.58
Return on equity (ROE)	%	3.38	17.13	5.53
<b>EFFICIENCY RATIO</b>				
Return on asset (ROA)	%	0.62	10.31	1.57
Asset Turnover	Time	0.16	0.26	0.16
<b>FINANCIAL RATIO</b>				
Liquid assets to borrowing ratio	Time	3.98	4.51	6.25
Earning assets to borrowing ratio	Time	5.07	6.08	6.85
Liquid assets to total asset ratio	%	57.60	57.67	73.58
Earning assets to total asset ratio	%	73.37	77.73	80.65
Debt to equity (D/E)	Time	0.56	0.52	0.77
Dividend payout	%	-	-	-
<b>OTHERS RATIO</b>				
Securities investment to total assets	Time	54.21	54.93	56.63
Net capital ratio (NCR) - CGS	Time	41.16	51.00	40.88
<b>PER SHARE</b>				
Earnings per share	Baht	(0.0302)	0.1874	0.0351
Dividends	Baht	-	-	-
Book Value	Baht	1.44	1.50	1.31
<b>GROWTH RATE</b>				
Total assets	%	(1.62)	(2.07)	5.93
Total liabilities	%	3.07	(22.40)	32.12
Securities buisness income	%	(13.82)	30.61	29.11
Operating expenses	%	31.10	32.90	16.21
Net profit (loss)	%	(115.77)	435.65	71.10

# 5

## GENERAL AND OTHER IMPORTANT INFORMATION

### 5.1 OTHER REFERENCES

Share Registrar	:	Thailand Securities Depository Company Limited (TSD)  93 The Stock Exchange of Thailand Building, Ratchadaphisek Road, Dindaeng, Dindaeng, Bangkok 10400
Telephone	:	0-2009-9000
Fax	:	0-2009-9991
Auditor	:	Mrs. Poonnard Paocharoen CPA Number 5238  EY Office Limited 33 rd Floor, Lake Rajada Office Complex, 193/136-137 Rajadapisek Road, Klongtoey, Bangkok 10110
Telephone	:	0-2264-0777
Fax	:	0-2264-0789

### 5.2 LEGAL DISPUTE

As of December 31, 2022, the Company and the Securities Company There are no legal disputes that could have a negative impact on the assets of a securities company that amounts to more than 5 percent of the shareholders' equity, and no legal disputes that significantly affect the securities company's business operations.

# 02

## CORPORATE GOVERNANCE

# 6

## CORPORATE GOVERNANCE POLICY

### 6.1 OVERVIEW OF CORPORATE GOVERNANCE POLICIES AND GUIDELINES

The Board of Directors recognize the significance of good corporate governance which one of is the crucial factor for business to operations with effective management systems. Good corporate governance of businesses' sustainable growth for the long-term benefit of shareholders.

Thus, the Board of Directors encourages and promotes the continuation of good governance system for all business units and their staffs whom covers the principles of integrity, transparency, being auditable, avoidance of conflicts of interest, timely information disclosures, and accuracy. The good governance system also includes being cautious and maintaining the equality of the interest of customers, shareholders and all stakeholders and promoting social responsibility in accordance with the guidelines of the Stock Exchange of Thailand and the criteria under the survey project on corporate governance of listed companies of the Thai Institute of Directors Association (IOD) and has reviewed the corporate governance policy in accordance with the corporate governance principles that Good for listed companies in 2017 to effectively promote business performance to achieve goals. by the Company's good corporate governance policy disclosed in various channels such as annual report form 56-1 One Report and [www.cgholdings.co.th](http://www.cgholdings.co.th) etc. to facilitate the stakeholders to have easy access to information. Good Corporate Governance Policy of the Company It consists of 5 main categories as follows:

Section 1 Rights of Shareholders

Section 2 Equitable Treatment of Shareholders

Section 3 Roles of Stakeholders

Section 4 Disclosure and Transparency

Section 5 Board Responsibilities

#### 6.1.1 Policies and Guidelines Relating to Board of Directors

The Company has set important policies and guidelines related to the Board of Directors in order to conduct business with transparency and fairness, covering from the nomination and remuneration of directors and executives. Director Development Assessing the performance of directors' duties, including supervising subsidiaries and associated companies.

#### 6.1.2 Policies and Guidelines Relating to Shareholders and Stakeholders

The Company has set policies and practices concerning shareholders and stakeholders in the corporate governance policy under the category of Equitable Treatment of Shareholders and Roles of Stakeholders. The details are summarized as follows:

##### 1) Rights of Shareholders

- 1.1) The Board oversees and ensures that every shareholder has the following basic rights:
  - (1) To receive or transfer shares unless the transfer causes the Company to exceed the number of Non-Thai shareholders quota of 49 percent of total number of shares outstanding.

- (2) To obtain accurate, complete, and timely information.
  - (3) To propose, appoint, or remove directors and to approve the appointment of independent auditors.
  - (4) To make decisions on changes in the Company's important policies.
  - (5) To obtain profits from operations.
  - (6) To attend meetings and to vote in shareholders' meetings as follows:
    - Nominating, appointing, or removing directors
    - Appointing auditors
    - Appropriating dividend payments
    - Issuing or amending regulations or articles of association
    - Decreasing or increasing registered capital
    - Approving extraordinary agendas
    - Other matters that affect the Company in accordance with the law
- 1.2) Shareholders shall be delivered an invitation for the Annual General Meeting with adequate information specifying the date, time, venue, and agenda including proxy forms and the details of the step to appoint a representative by nominating at least one independent director to be his/her attorney as well as information relating to the matter to be decided at the meeting in advance.
  - 1.3) The Company shall arrange Shareholders' Meetings at appropriate times and locations to facilitate the maximum number of shareholders to be able to attend the meeting. Furthermore, the Company will use IT systems to expedite the registration process and provide convenience to shareholders.
  - 1.4) The Board of Director encourages shareholders to vote by bullet for all agendas, especially principal agendas such as related transactions, acquisition or disposal of assets, and director elections.
  - 1.5) All Directors, especially the Chairman of the Audit Committee, are required to attend the Shareholders' Meeting to clarify or answer questions to shareholders.
  - 1.6) Shareholders shall have an opportunity to propose additional matters in the agenda or ask questions, request for clarification, and express opinions appropriately according to the meeting agenda; the Board of Directors will not add any agendas without notifying shareholders in advance.
  - 1.7) Shareholders shall be informed of the rules and regulations and voting procedures of meetings. The Company shall post all meeting agendas on its website prior to sending documents to shareholders in order for the shareholders to have adequate time to be prepared for the meeting, as well as providing the opportunity for shareholders to ask questions before the meeting.
  - 1.8) The Board's opinions shall be provided for each agenda and the minutes of the meeting shall be recorded accurately and completely so that shareholders and concerned persons are able to verify such information through downloads from the Company's website.
  - 1.9) In the case of multiple voting items in an agenda, there shall be a vote on each of the items within the agenda. The questions and answers will include voting results indicating the number of shareholders who approved, disapproved, or abstained their votes for each of the agendas will be recording, including the list of Directors and other attendees, along with any Directors who were absent from meetings.
  - 1.10) All Directors and senior executives of the Company are required to disclose their relationships – both directly and indirectly - with major shareholders or any third parties who have related transactions with the Company.
  - 1.11) Independent individual shall be appointed and presented to count or determine votes during Shareholders' Meetings and to disclose such information in meetings. This will be recorded and included in the minutes.

1.12) The Chairman of the Meeting shall allocate time appropriately and encourage shareholders to have opportunities to express their opinions and raise any enquiries at meetings for any matter related to the Company.

**In 2022, the Company has held 1 shareholders' meeting as follows:**

The 2022 Annual General Meeting of Shareholders was held on April 28, 2022 at 14:00 p.m. to attend the meeting via electronic media (E-AGM) control the meeting system at the Meeting Room of Sindhorn Tower 3, 20th Floor, No. 132 Wireless Road, Lumpini Subdistrict, Pathumwan District, Bangkok. There were 9 directors attending the meeting, consisting of the Chairperson, Chairman of Audit Committee, Chairman of Nomination and Remuneration Committee, Chairman of Risk Management Committee, Chairman of Corporate Governance Committee, Chairman of Investment Committee, Chief Executive Officer and the Company's management attended the meeting which consisted of the auditor, Mrs. Poonnard Paocharoen, Ms. Nichakarn Wattanapitacpong and Mr. Chawaphan Suriyachan from EY Office Limited attended the meeting to answer questions, and external independent legal advisors Ms. Rungthip Tohthem from JT Legal Co., Ltd. attended the meeting as an observer of the meeting and witness the vote counting at the meeting and Mr. Anuwat Kruesubthaworn are representative from the Stock Exchange of Thailand were observers of the meeting. In addition, in order to comply with good corporate governance, the company has asked for volunteers from minority shareholders to act as independent representatives and intermediaries to verify the vote counting with volunteers from the minority shareholders' representatives, Mr. Chakra Saartiam also participated in the observation of the vote counting audit.

On the date of the annual general meeting of shareholders, prior to the commencement of the meeting, the company secretary clearly explained to the shareholders the voting method and the rights of the shareholders. The meeting proceeded in the order of the meeting agenda. specified in the notice of the meeting during the meeting, the chairman

of the meeting gives the shareholders equal rights to inquire and examine the company's operations clearly, express opinions, as well as make suggestions. before voting to vote on each agenda.

After the meeting, the Company Secretary and Legal Department prepared the minutes of the meeting and submits the minutes to the SET within 14 days, clearly recording the key points regarding the list of directors attending the meeting. Including questions and comments in summary. The resolution of the meeting was recorded separately as the votes of agreeing, disapproving, abstaining or invalid ballots, and the minutes of the meeting were kept. The minutes of the meeting were also published through the Company's website. [www.cgholdings.co.th](http://www.cgholdings.co.th).

## **2) Equitable Treatment of Shareholders**

### **2.1) The Board oversees and ensures that every shareholder is treated equally by the following:**

- (1) The Company shall delivery a shareholder meeting invitation at least 14 days in advance and provide the shareholder adequate information specifying the date, time, place, and agenda, including concerned matters. Thus, shareholders will have an opportunity to submit questions in advance. The invitation to the shareholders' meeting will be prepared in both Thai and English languages.
- (2) The Board shall provide an opportunity for shareholders to submit questions 7 days in advance to the shareholder meeting.
- (3) Announcements of shareholder meetings will be posted in the newspaper for 3 consecutive days in order to inform shareholders.
- (4) The Company will hold the shareholder meetings at dates, times, and locations that will allow shareholders to attend; and will not make sudden changes to the meetings' locations.
- (5) The Board shall provide an opportunity for shareholders using power of attorney for proxy forms to pre-indicate his/her voting direction and propose at least 3 names of independent directors for shareholders to grant their proxy.

- (6) The Chairperson of the Board of Directors shall inform others of the rules and regulations of voting procedures, and the number of shareholders attending the meeting to shareholders present at the meeting.
- (7) Shareholders who are Executives shall add no agendas without informing other parties in advance.
- (8) Each share has equal rights. The shareholders have rights to vote according to the number of shares held. In addition, they shall have equal rights to obtain news and information about the Company.
- (9) The Chairperson of the Board of Directors shall initiate the agenda in order as informed in the meeting invitation.
- (10) The Chairperson of the Board of Directors shall allow the shareholders to discuss and ask questions.
- (11) In shareholders' meetings, all shareholders who are Executives, non-executives, and foreign shareholders shall be treated equally and fairly.
- (12) All shareholders who attend the meeting shall have the right to vote 'agree', 'disagree', or 'abstain' on each agenda.

## **2.2) Supervision of the use of position for personal benefit policy**

- (1) In accordance with Section 59 of the Securities and Exchange Act. B.E. 2535 (1992), directors and executives are required to report changes in securities holdings to the SEC and the SET.
- (2) The Company's directors, executives, and staff who relate to internal information are not allowed to disclose such information to any outsiders or unrelated persons.
- (3) Directors, executives, and staff members of relevant departments (as well as their spouses and underage children) are prohibited from participating in any of the Company's securities trading activities during the 14 days prior to the disclosure of the quarterly and annual financial statements.
- (4) The Company has made declarations in writing regarding the ethics of executives and staff, along with penalties for those who violate the rules.

## **2.3) Conflicts of interest policy**

The Company does not allow directors, executives, and staff to operate competing businesses and to make any connected transactions which may lead to conflicts of interest. In the event that such transactions are required, the Board of Directors will oversee the transactions to ensure transparency and fairness as if the Company was dealing with unrelated partners. Directors, executives, or staff members who are stakeholders are required to inform others of such conflicts of interest prior to the consideration of such items and to be recorded clearly in the minutes of the meeting and are not allowed to consider and approve these transactions. Said policy has been stipulated in the Business Ethics Manual accordance to the minutes of the Board of Directors' Meeting Number 1/2014.

In the case that transactions are considered connected transactions under the notifications of the SEC or the SET, the directors will strictly oversee that the transactions are strictly done in accordance with the regulations, methods, and disclosures of information concerning connected transactions of listed companies.

## **2.4) Policy on connected transactions of the Company, subsidiaries, associated companies, and corresponding subsidiaries, which are divided into two parts as follows**

- (1) Measures in controlling connected transactions

The Company recognizes the importance of transparency in the transactions between the Company and its Subsidiaries and has thus issued measures to control connected transactions of the Company, Subsidiaries, Associated Companies, and corresponding subsidiaries with individuals who may have conflicts of interest, personal interests, or possible conflicts of interest as stipulated by the notifications of the Securities and Exchange Commission or the Stock Exchange of Thailand. The Company's Audit Committee will give its views on the necessity of making such connected transactions and the appropriateness of prices by considering various conditions in accordance with guidelines on normal trading and the arm's length principle (ALP).

In the event of related transactions that require approval from the shareholders according to the SET's regulations prior to carrying out the transaction, the Company will disclose the details and reasons for the transaction to the shareholders in advance of the transaction.

In the event that the Audit Committee is unable to consider the connected transaction, the Company will seek an independent expert or the Company's Auditor to provide opinions on such connected transactions for further consideration by the Company's Board of Directors and/or Audit Committee and/or shareholders, as the case may be. Those who may have conflicts of interest or personal interest in the connected transaction shall not be entitled to vote for the approval of the connected transaction.

In addition, the Company will disclose information about entering into connected transactions and vital asset acquisitions or disposal of the Company and its Subsidiaries in accordance with the notifications of the SEC or the SET and the accounting standards of the Institute of Certified Accountants and Auditors of Thailand (ICAAAT).

## **(2) Policy on Connected Transactions Trends**

The Company, its Subsidiaries, and corresponding subsidiaries may make possible connected transactions with individuals or entities who may have possible conflicts of interest. In the event that such transactions are normal business transactions and done using the ALP, the Company has an internal policy specifying conditions that need to be met. The transaction needs to be in accordance to standard market terms and must be comparable to the pricing being offered to a third party, which is in line with what the Board of Directors approved during Meeting Number 1/2014, and in accordance to the Securities and Exchange Act and the SET. Related parties must strictly follow a joint agreement and set a clear and fair price and terms which do not lead to transfers of benefits.

Given the restructuring process, there could be an increase in number of persons who may be classified as related

parties, hence there could be an increasing connected party transaction occurring with the Company and the securities business. Most of the connected transactions would likely involve securities trading transactions.

Whenever there is an adjustment in prices or conditions of the connected transactions, the Internal Audit and Compliance Department will investigate such transactions and prepare a quarterly report for the Audit Committee to consider and recommend appropriate prices and reasons for making connected transactions. Otherwise, in other normal connected business transactions, the Company will follow the aforesaid measures to control connected transactions.

After Pi Securities has been delisted from being a listed company on the Stock Exchange of Thailand The Board of Directors of the Company and Pi Securities will comply with the rules, procedures and disclosure of information on connected transactions of listed companies and in accordance with the regulations of Pi Securities that have been amended to be in line with the aforementioned policies in order for Pi Securities to strictly comply with the policies.

## **3) Roles of Stakeholders**

The Board of Directors have a responsibility to protect all stakeholders' interests that are governed by the law, which includes clients, shareholders, investors, creditors, trading partners, independent auditors, management, civil servants, society, and other related parties to ensure that their rights are being protected equally.

### **3.1) Policy on safety and sanitation**

The Company improved the working environment by expanding workspaces, reducing congestion for better working conditions, allowing the Company's employees to improve working performance and improve their capabilities.

In 2022, there were no workplace accidents, which resulted in zero absenteeism rate from workplace accidents. In addition, there were also no records of work-related illnesses.

### 3.2) Policy on Employee remuneration and benefits

The Company uses the KPI system in considering the compensation to each individual employee in line with their performance in an equal and fairly manner. The Compensation Sub-Committee appointed by the Company's Board of Directors has the overall responsibility for considering and determining appropriate payments.

### 3.3) Establishment of Employee Provident Fund

The Provident Fund ("The Fund") is a fund set up voluntarily between the employer and employees. Assets of the fund consist of money contributed by both employers and employees. Given that the employer is helping employees save money, this can be regarded as a kind of benefit that helps make employees stay with the employer for a longer period of time. The Company set up a Provident Fund for staff and a Provident Fund MFC Master Fund that was registered on June 16, 2014 by MFC.

### 3.4) Policy on Human Resource Development

The Company has a committee that seeks for employees to obtain both internal and external training to enhance personnel development and to promote honesty, ethics, and maintaining confidentiality for both the Company and its clients.

**In 2022, the Company arranged several training courses both inside and outside its offices. Courses provided outside for staff included:**

- Training for Directors
  - Advanced Audit Committee Program (AACP 45/2022)
- New Directors' orientations and new staff
  - orientation for new director 0 time
  - orientation for new staff 2 time
- Staff training
  - Using resources properly course

To stimulate awareness of one's responsibility for, knowledge of, and understanding of activities for social and environment preservation with the intent of properly utilizing resources and applying knowledge to the organization. Furthermore, it should reduce costs and serve as a means of controlling expenses.

- External training for the Company to staff 11 times
  - Training on prepare to support the enforcement of personal data protection (PDPA) for Company Secretary: Thai Listed Companies Association
  - Training on the topic of PDPA (Personal Data Protection Act, B.E. 2562 (2019)): Association of Investment Management Companies (AIMC)
  - Training on topic of Disclosure of information via SETLink system No. 1/2022: The Stock Exchange of Thailand (SET)
  - Training to prepare for the preparation of the annual registration statement (56-1 One Report) for the accounting period ending December 31, 2022: The Stock Exchange of Thailand (SET)
  - Training on topic of AGM Checklist 2023
  - CGR 2023 Coaching Seminars & Events on the topic In-depth on survey guidelines for CGR projects in 2023
  - Training on the topic of electronic tax system 2022: NYC Management Co., Ltd.
  - Training on the topic of Thai Financial Reporting Standards (TFRS) 2023: NYC Management Co., Ltd.
  - Training on all editions of TFRS 2022, Class 2/2022 (Sub course 301): Federation of Accounting Professions
  - Training on all editions of TFRS 2022, Class 1/2022 (Sub course 104) : Federation of Accounting Professions
  - Training in Fund Manager Refresher Course: Association of Investment Management Companies (AIMC)

Apart from this, career path development and promotions are laid out in a systematic and organized way by considering their performance, capability, appropriateness, and impact on the Company, which help employees to find motivation to continuously engage in self-improvement. The KPI was used to evaluate employee performance.

### **3.5) Policy on Non-violation of human rights**

- (1) Supports and respects the protection of human rights and prevents the Company's operations from being in association with human rights violations, including being against forced labor and child labor.
- (2) Treats all stakeholders fairly and respectfully without discrimination as to race or ethnic origin, gender, age, skin color, religious, body, status, or family.

The Company has set its policy as part of work regulations which was delivered to the Department of Labor Protection and Welfare as of December 1, 2015.

### **3.6) Policy on Competitor integrity and responsibility**

The Company promotes fair practices and operates in accordance with the relevant regulator's guidelines. The Company will not try to obtain competitors' secrets through any unethical or illegal means. Furthermore, the Company will not try to harm competitors' reputations through any negative accusations and unfair-treatment.

### **3.7) Policy on Business partner dealing**

The Company shall treat its Business Partners equally according to the terms and conditions specified in contracts and not do anything that would result in any adverse impacts to the Company's reputation, illegal actions, or violation of intellectual property rights such as usage of genuine software licenses while keeping in mind the need to handle business operations with fairness and ethics.

### **3.8) Policy on Selection of business partners**

The Company will source for quality products and services, while aiming for developing and maintaining long term relationship with such business partners who share the same objective of providing quality products and services. The Company sources for Business Partners that can provide products and services with the following criteria:

- (1) Provides the same information to all business partners who seeking to bid for the sales of goods and services
- (2) Provides fair selection procedures
- (3) Prepares proper contracts

- (4) Provides follow-up procedures to make sure the conditions stated within contracts are being performed in order to prevent any fraud or corruption.

### **3.9) Policy on fair treatment with creditors**

The Company adheres to the agreements and terms and conditions set forth in the loan contracts signed with creditors, including contracts during the prices of goods and services in the aspect of paying the principal, interests, protecting the collateral and making payment for such goods and services.

Moreover, the Company also manages its capital to be sufficient for its loan repayment and its liquidity to ensure the ability to repay its loan obligation, as per repayment schedule.

### **3.10) Policy and Practices for Intellectual property or copyright**

- (1) The Company must operate and ensure its employees to perform their work without violating the intellectual property law such as trademark, patent, copyright, trade secrets and other intellectual properties.
- (2) The Company's employees have right to create or invent their work independently under the relevant specified law except where such work is generated under their role within the Company or using Company's data – of which they will be considered property of the Company, unless the Company clearly permits that the invention belong to its employees.
- (3) The Company supports its employees to realize the importance of intellectual property rights in workplace and in their daily life.
- (4) Before using any data or information, the person involved will need to ensure that there is no violation of intellectual property rights.

### **3.11) Policy on Anti-corruption**

Following the resolution of Board of Directors' Meeting No. 9/2021, there have been changes in policy and guidelines for combating corruption:

In order for the Company and its Subsidiary to recognize and emphasize supporting participation, taking social responsibility, and combating corruption, which are essential foundation of CGH's business operations under Good Governance principles for sustainable development, the Board of Directors agreed that a policy must be established:

### (1) Goals

This policy aims to ensure that the Company, its subsidiaries, and personnel proceed as follows:

- (1) Stating the intentions and determination of the Company, its subsidiaries, and personnel to engage in all kinds of anti-bribery and corruption activities.
- (2) Establishing rules and using them as procedural guidelines for directors, management, and personnel to follow in such efforts, and setting up measures so that no one disobeys said rules or guidelines.
- (3) Preparing rules as procedural guidelines in the auditing and monitoring of all processes to ensure that they follow this policy.
- (4) Encouraging personnel to be vigilant and to report any bribery or corruption through safe communication channels.

### (2) Scope

This policy applies to the Company's directors, management, and all other personnel.

### (3) Definition

**Corruption** is defined as the offering, promising, guaranteeing, demanding, or taking of money, assets, or other benefits in manners inappropriate for state agencies, government agencies, private agencies, or individuals, directly or indirectly causing them to act or to refrain from performing their duties in order to obtain or maintain a business. In addition, this extends to work toward making recommendations aimed at benefiting the Company, as well as acquiring or maintaining certain benefits that are inappropriate. This definition may not apply in cases where local laws, rules, regulations, restrictions, traditions, or trading practices allow such activities

**Conflicts of Interest** means a conflict between one's own interests and the interests of the Company, both directly and indirectly, resulting in a lack of independence and impartiality in the performance of the Board of Directors, executives or employees. causing a negative effect on the public interest and may lead to corruption and misconduct

**Bribery** is defined as the offering, promising, guaranteeing, demanding, or taking of money, assets, or any inappropriate benefits as motivation to behave in manners considered immoral, dishonest, and against the law.

Giving or taking bribes or other forms of corruption may be done in various ways including:

- (1) Political contributions
- (2) Charitable contributions and sponsorships
- (3) Facilitation payments
- (4) Gifts and hospitality

**Political Contributions** are defined as assistance, whether in terms of lending money or other types of assistance, in order to support political activities.

**Facilitation Payments** means small expenses paid to an informal government official that the donor does not intend to induce a government official to act, not act or delay action. which is unlawful in its duty but merely to ensure that a state official will proceed with the process or to induce a more expeditious action without the discretion of the State Official and is an act in accordance with the duties of that State; Including a right that should be obtained by law, such as applying for a license Requesting certificates and receiving public services, etc.

**Employment of government employees (Revolving Door)** refers to people from the government sector to work in private companies or individuals in the private sector to work on policy in the public sector, causing the risk of corruption in terms of conflicts of interest. The benefit of the individual who has a role in both organizations by making government officials act impartially overseeing, or personnel in the private sector trying to drive government policies to benefit their organizations.

#### **(4) Roles and Responsibilities**

- 4.1 The duties and responsibilities of the Board of Directors are to establish and approve the Anti-Bribery and Corruption policy to support the associated system. This will help to ensure that the Company's business operations are carried out according to the law, rules, regulations, and good ethics. Management has recognized and emphasized the importance of Anti-Bribery and Corruption efforts.
- 4.2 The Audit and Corporate Governance Committees' duties and responsibilities are carrying out assessments to ensure that the Company has been properly regulated and ensuring that operations follow the Anti-Bribery and Corruption policy.
- 4.3 The Chairperson, directors, management, and personnel are responsible for fully utilizing the Anti-Bribery and Corruption policy. A system has been established in work procedures to support, encourage, and control so that all divisions will follow the policy.
- 4.4 The Compliance team is responsible for auditing and assessing to guarantee that procedures are carried out properly according to policy and the concerned laws. This is done to ensure that the Company possesses an adequate and appropriate internal control system and reports to the Audit Committee.
- 4.5 Personnel must perform their duties according to this policy. In the case of any questions or disobedience, they must report to their supervisors or notify the Company through an established channel.

#### **(5) Policy and procedural guidelines**

##### **5.1 The Anti-Bribery and Corruption policy**

Personnel of the Company and its subsidiaries are prohibited from operating, accepting, or participating in any form of bribery or corruption, whether directly or indirectly. The Company and its subsidiaries' business operations will be regularly reviewed to ensure that they do not violate the policy by engaging in bribery or corruption. The directors and management are responsible for reviewing the procedures and regulations of the policy in order to comply with changes in business, rules, regulations, and laws.

#### **5.2 Guidelines and procedures**

##### **5.2.1 Political contributions**

Political contribution must be handled in accordance with laws regarding bribery and corruption. The Company has no policy on supporting or providing assistance in politics and will not participate in or encourage political activity. Examples of such include donating goods or services, advertising to support or encourage a political entity, purchasing of event tickets for fundraising, donating to organizations with a close relationship to political parties, providing technology services with free of charge, and using the working time spent by employees to gain a business advantage. The Company's policy toward political assistance is as follows:

- (1) The Company will operate its business without any prejudices, not showing any affinity for politics or any particular politicians or political parties.
- (2) All personnel will have complete freedom in political participation under the Constitution; however, they must not act as employees of the Company or utilize its assets, equipment, or tools in any political activities. If they do take part in such activities, they must proceed with caution so that there are no misunderstandings suggesting that their actions were done on behalf of the Company, which might in turn lead to the public having misconceptions about the Company's neutral stance on politics.
- (3) In the event that the Company wishes to display political support, such actions must not go against any relevant laws or be done with the expectation of certain benefits. Prior to engaging in such support, a report indicating the name of those supported and the goal of said support, along with complete accompanying documents, must be submitted for approval by the Board of Directors.

### 5.2.2 Donations or contributions

Donations or contributions to good causes must be carried out with full transparency and in accordance with the law. To ensure that the Donations or contributions will not be used as a front for bribery, the receiver's name and donation or cause's goal must be clearly specified. In addition, they also must comply with the Company's ethics, regulations, orders, or any relevant laws.

### 5.2.3 Facilitating Payments

Payment made in exchange for convenience to state agencies for the purpose of expediting procedures is prohibited.

### 5.2.4 Employment of government employees

Employment of government employees requires a background check process of persons nominated by the Company to be appointed as directors, consultants, executives or employees of the Company to determine any potential conflicts of interest prior to appointment. Disclosure of government employment information in the annual report to ensure transparency.

### 5.2.5 Gifts, services, and other benefits

Giving or taking gifts, special privileges, entertainment, and other expenses or exchanged benefits are allowed and considered as normal business practices, traditions, or fitting in the context of local festivals if there is no effects on the Company's business operations and no risk in bribery and corruption. This is allowed as long as they are complying with standard business practices, ethics, regulations, orders, and relevant laws, including the conflict of interest policy set within the Corporate Governance policy.

The CEO shall set out guidelines for giving or receiving gifts, as well as any other benefits so that all employees may be able to follow them.

## (6) Policy, reviewing risk assessment measures, hedging procedures, and reporting events in which the Company may be involved in corruption

6.1 Setting up the policies, measures, and risk prevention process in bribery and corruption reviews, as well as developing procedures for receiving complaints and reporting bribery and performing corruption reviews once a year so that they will be more comprehensive and effective.

6.2 The Risk Management Department is to set up risk assessment procedures for bribery and corruption and evaluate the risks of each, as well as report the results to the Risk Management Committee and the Board of Directors at least once every quarter.

6.3 The Compliance and Internal Audit Division collects statistics and clues related to corruption in all cases, including complaints that have been settled and the results of sanctions for submission to the Audit Committee and / or the Board of Directors

6.4 In the event that any suspected issue of corruption, bribery giving or receiving, corruption, the relevant officer shall suspend the transaction until such suspicion can be proven and report the issue to the Compliance and Internal Audit Division to conduct an investigation of facts and present them to the Audit Committee. and/or the Board of Directors

## (7) Human Resource Management

This Anti-Bribery and Corruption policy covers all human resource processes such as recruiting, training, evaluating of work compensation and promotion. The policy is to be used as part of the disciplinary methods of the Company's personnel management.

The Company is to set up training courses to communicate the Anti-Bribery and Corruption policy whenever possible at the appropriate times and occasions.

#### **(8) Communication with employees and customers**

Company is to announce the Anti-Bribery and Corruption Policy to every employee and to broadcast it through different channels:

- 8.1 All personnel will receive a copy of this policy by e-mail, the Company's internal and external channels to ensure that they know and understand it.
- 8.2 This policy will be part of the documents newly hired employees must sign to signify their acknowledgment of the rules and connected policies prior to assuming their positions.
- 8.3 The Company will announce the policy on its website, as well as communicate it to its business associates, stakeholders, and individuals associated with it.
- 8.4 Company training course on bribery and anti-corruption

#### **(9) Protection for directors, executives, and other employees**

The Company assures its employees that they will receive fair treatment and protection stemming from refusal of bribes or any actions that would be considered corruption, as well as in cases where they alert the Company about incidents of bribery and corruption. While rejections of the sort could potentially cost the Company some business opportunities, it believes that the absolute refusal to accept bribery and its corruption policy will serve to create value for it in the long run.

If any personnel are threatened or intimidated due to their refusal to participate in what is considered bribery or corruption, they are to immediately notify their supervisor, management, or the compliance and internal audit staff. In the event that the problem is not rectified, they are to report through the proper channels under this policy.

#### **(10) Disobeying the policy**

The Company will punish any directors, members of management, or personnel who disobey these policies, including direct supervisors for disregarding or inaction in the face of any wrongdoing or failure to acknowledge such wrongdoing with disciplinary actions. Penalties can range up to dismissal and/or removal from a position. Furthermore, employees cannot use ignorance (of these policies and/or any relevant laws) as an excuse for disobedience.

#### **(11) Reporting clues or complaints**

If directors, management, employees, or other individuals have suspicions or evidence of directors, management, personnel, or others engaging in corruption on behalf of the Company, they must report the incident or make a complaint to the Company. The Company will keep information regarding the individuals making the report confidential and will use this knowledge in administration and interior operations, but may disclose it if issued orders by authorities such as courts of law, the SEC, or other relevant regulatory bodies.

The individuals notifying the Company must do so with good intentions. If the Company finds any evidence of dishonesty in the message or finds that it was made with malicious intent to damage, defame, or otherwise harm others, it will take the appropriate further actions.

Directors, management, personnel, and stakeholders are able to directly submit a complaint personally or in writing through the following channels:

- (1) Telephone : 02-256-7999 ext. 1712
- (2) Facsimile : 02-256-7888
- (3) E-mail : CompanySec@cgholdings.co.th
- (4) Letters indicating the sender's first name, last name, and telephone number with the complaint, must be sent to the recipient of the complaint at the following address:

Country Group Holdings PCL  
132 Sindhorn Tower 3. 20th Floor, Wireless Road  
Lumpini, Pathumwan, Bangkok 10330

The recipient of the complaint may be one of the following four:

- Chairperson of the Board
- Chairperson of the Audit Committee
- Chief Executive Officer
- Head of Compliance and Internal Audit

#### Action on Complaints

- (1) Collecting information from the complaint to present to the Audit Committee and advise the informant of the complaint's status.
- (2) The Audit Committee will follow the scrutiny process in accordance with the established rules and regulations within seven days.
- (3) Providing guidelines to the sub-committees concerned and the Board of Directors, respectively, to resolve the issue.
- (4) If the accusation is found to be true, the Company will apply a punishment consistent with its regulations or according to any relevant laws.

#### Protection for Parties Making Complaints

The receiver of complaints must keep the whistleblower's information and details given to the Company confidential and not disclose them to any outside parties.

### 3.12) Social responsibilities policy and practice

The Company is aware of our role in social responsibilities to the community that we are a part of and dedicate our work for social responsivity with all stakeholders every year. The Company allocates part of its budget to support Corporate Social Responsibility (CSR) activities with focusing on three areas including education, religion, and quality of life. Additional details will be presented in the part of 'Corporate Social Responsibility'

### 3.13) Environmental promoting and training policy

- Strictly act in accordance to the laws and requirements of the environment
- Encourage employees to learn about the environment in order to be environmental responsibilities.

- Encourage employees to use resources efficiently and effectively.
- Encourage employees to exchange environmental knowledge and experience among themselves in the Company.
- Encourage and support employees to regularly improve their working process to suit with the environment.
- The Company set environmental protection policies that will not affect the environment.
- Regularly review and evaluate the Company's performance in environmental protection.

Company has arranged environment-related activities, the details of which are given in the CSR Report.

In addition, the Board of Directors acknowledges the rights of stakeholders according to specified laws and encourages cooperation between the Company and all stakeholders for sustainable growth. All stakeholders are treated equally and fairly, and information is disclosed fair and timely manner through all channels in accordance with the SET's procedures, as well as the Company's website at <http://www.cgholdings.co.th>. Moreover, all stakeholders can request for further information by contacting Company Secretary and Legal Division via telephone at 02-256-7999 ext. 1712 or E-mail at [CompanySec@cgholdings.co.th](mailto:CompanySec@cgholdings.co.th)

## 4) Disclosure and Transparency

### 4.1) Information Disclosure

- (1) Provide accurate and updated information in both English and Thai. Disclosure should transparent and consistently updated through various channels such as the Company's website.
- (2) The Board of Directors or executives assign specific persons or departments to disclose information to shareholders, investors, analysts, media, or supervision agency.

- (3) Information which shall consistently be disclosed:
- Vision and Mission of the Company
  - Nature of businesses
  - Lists of the Board of Directors and Management
  - Financial statements and operating performances of the present and the previous year
  - Downloadable Form 56-1 One Report
  - Other relevant information or documents presented to analysts, fund managers, and media
  - Shareholder structure, group structure, and percentage of shares held by Directors and Executives as well as lists of major shareholders
  - Invitation letters to shareholder meetings
  - The memorandum of association of the Company and shareholder agreements (if any)
  - Risk management policy and procedures
  - Duty, qualification, and terms of Directors including subjects that needed approval from the Board of Directors, Audit Committee, Nomination Committee, Remuneration Committee, and Good Governance Committee
  - Code of ethics and practices for employees and the Board of Directors
  - Investor relations contact information
- (4) Define financial statements or financial information to present financial status and operating performance as required by law, along with disclosing other information in a complete, accurate, sufficient, and timely manner so that all shareholders and stakeholders are informed accordingly.
- (5) Organize financial statements to be audited by an independent external Auditor, including disclosure of such fees.
- (6) The Company will provide access to its data analytics to outsiders such as securities analysts, investment advisors, securities brokers, credit rating agencies (CRAs), media, and external regulators, among others, for the benefit of investors' decision making and other beneficial actions through the Investor Relations Division or the Company Secretary's Office.
- (7) Disclose policies on Good Corporate Governance, Risk Management policies, Business Ethics, and Compliance report in the annual report, the Company's website, as well as announcements at the head office and all branches.
- (8) Disclose roles and duties of all committees, the number of meetings and attendances, Directors' opinions, including policies on Directors' and senior executives' remuneration in the annual report and the Company's website in accordance with the minutes of Board of Directors' Meeting Number 1/2014.
- (9) In accordance with Section 59 of the Securities and Exchange Act B.E. 2535 (1992), the Directors must report their trading/holding of Company securities, including through spouses and dependents, to the Board every month, even when there is no change in holding or trading activities.
- (10) Directors, executives, and staff members of relevant departments (along with their spouses and any underage children) are prohibited from participating in any of the Company's securities trading activities during the 14 days prior to the disclosure of the quarterly and annual financial statements. Anyone caught violating this rule will be punished according to the Company's regulations.

(11) The Company disclosed information through its publications as follows:

- Communication system of the Stock Exchange of Thailand (SET Portal)
- Form 56-1 One Report
- Website: [www.cgholdings.co.th](http://www.cgholdings.co.th)
- Investor Relations Department

#### 4.2) Investor Relations

The Board realizes the significance of accurate, complete, and transparent disclosure of the Company's finances and other general information which may impact on share prices and investor sentiment. Therefore, the information must be provided in a timely and consistently manner to all investors and stakeholders for their decision making according to the rules and regulations of the SET. The Company shall disclose such information through various channels such as reports to the SET and the Company's website ([www.cgholdings.co.th](http://www.cgholdings.co.th))

To disseminate accurate and reliable information, as well as to eliminate rumors or misleading information, the Company has assigned an Investor Relations team for answering any questions and clarifying any information about the Company to investors and relevant parties. The Investor Relations team will also be responsible for providing information to shareholders and investors regularly. Investors can contact the Investor Relations Division by contact telephone at 0-2256-7999 ext. 1712, or by E-mail at [CompanySec@cgholdings.co.th](mailto:CompanySec@cgholdings.co.th)

The Compliance and Internal Audit Division was established as a center for accepting and studying complaints, as well as receiving tip-offs. Individuals may contact by telephone at 0-2256-7999 ext. 1712, or by E-mail address: [CompanySec@cgholdings.co.th](mailto:CompanySec@cgholdings.co.th)

## 5) Board Responsibilities

The Board of Directors has a major role in business governance to provide vision and strategic plans to operate the business, including budgeting and risk management. They must be independence in their decision making for the best interests of the Company and its shareholders.

### 5.1) Structure of the Boards

- (1) The Board consists of at least five but not more than twelve directors who are skilled, experienced, dedicated, and equipped with knowledge and independent judgment to constructively discuss opinions in Board meetings. Furthermore, each director must possess qualifications specified by law. In addition, one third of the Board or at least three members must be independent directors.

The appointment of Directors shall be pre-set into meeting agendas with transparent and clear nomination of well-profiled Directors. The Company shall disclose the profiles of all directors in detail, including any changes made to the public through the Company's website and internal communication.

As of December 31, 2022, four of the nine members of the Board of Directors were Independent (with two woman were directors). The Company's Secretary has taken the role of the efforts between the Directors and Management, as well as overseeing and coordinating with the Legal Division, and any relevant regulations or other tasks according to the Board of Directors' resolution.

- (2) The quantity of independent directors is not limited to a specific number. The person who will be appointed as a Director or Independent Director must meet the qualifications by considering the skills, experience, and talents that are beneficial for the Company. In addition, he/she must devote their time and effort into performing their role. Moreover, his/her qualifications must meet the requirements of the SEC and the Public Limited Companies Act.

- (3) Clearly define the power and authorities of Chairperson and Chief Executive Officer who must not be the same person.
- (4) The Board of Directors can hold directorship in no more than 5 other listed companies.
- (5) The Board of Directors can hold directorship in no more than 5 other listed companies.
- (6) Appoints the Company's Secretary to advise on rules and regulations that the Board of Directors must be aware of in order to perform their duties. Moreover, the Company's Secretary must coordinate with others to ensure that actions are being taken in accordance with the resolutions of Board meetings. The qualifications and experience requirement for such positions must be set and reported in the annual report and the Company's website. Moreover, the Company's Secretary will receive training and knowledge development in law, accounting, and other areas in relation to performing his/her role as the Company's Secretary.

## 5.2) Sub-Committees

There are six committees: the Board of Directors, the Audit Committee, the Nomination and Remuneration Committee, the Investment Committee, the Risk Management Committee, and the Good Governance Committee that oversee different areas of the Company.

The Chairperson of each committee shall not be the head or member in any sub-committees to prevent dependency of each committee. Furthermore, the nomination and compensation committee will hold twice meeting a year.

## 5.3) Duties and Responsibilities of the Board

- (1) Leadership, Vision, and Independent Decision

The Board of Directors have the duties and responsibilities of formulating policies, considering, approving, and revising the strategy, goals, business plan, budgeting,

and risk management of the Company. The duties and responsible also cover the actions to ensure that the management team can execute the plan and utilize the budget in an efficient and transparent manner. In addition, the Board of Directors emphasize Good Corporate Governance by implementing the corporate governance policy and reviewing the implementation results of such policies at least once a year. This put emphasis on a good internal controls system, along with an efficient risk management system and repeatedly evaluating such systems in Board of Directors' meetings. Thus, it is essential that the Board is comprised of directors who have leadership and vision, as well as the capability to make independent decisions for the highest benefit of the Company and its stakeholders..

- (2) Business ethics

The Company strongly upholds its business ethics to the utmost importance in achieving long term success, business targets and in maximizing shareholder's wealth. The Board has set a code of conduct for employees to follow and use as a guideline to perform each dedicated task with honesty and integrity to the Company, and all stakeholders. In addition, the Company has established a set of punitive courses for those in breach of the code of conduct which is regularly monitored by the audit and compliance division.

- (3) Internal controls, internal audit, and financial report

The Company bestows serious attention on the internal controls system at both the managerial and operational levels, focusing on adequacy and appropriateness for the prevention of damages that may occur to the Company's financial and business operations. The Company has set up internal controls and audit policies as follows:

- Assigning management to prepare and jointly work with the Auditor toward the creation of accurate and complete financial reports for all quarterly, semi-annual, and annual statements.
- Assigning the directors or the chairperson of the Audit Committee to provide an opinion on the adequacy of the internal controls system and risk management that is to be disclosed in the annual report.

- Controlling and monitoring the Audit and Internal Controls systems to ensure that the Company adheres to all relevant standards and regulations under the review of internal auditors and the Audit Committee.
- Clearly specifying and documenting the responsibilities and authorities in management.
- Regularly monitoring and auditing the use of Company assets to avoid damages or exploitation.
- Separating the roles and responsibilities of both individual and department duties in order to achieve a balance of power, as well as an appropriate review of them.
- The Board of Directors emphasizes recommendations or suggestions from independent financial auditors and other external auditors for use as guidelines for improving operational practices.
- Assigning the Internal Audit and Compliance Unit to directly report to the Audit Committee to ensure that judgments are independent, and an efficient balance of power is in place.
- Developing policies to appoint reputable external Auditors that are approved by the SEC in order to audit, advise on, and rectify any weaknesses or errors of the Accounting and Internal Controls system.
- Establishing a risk management policy to cover all activities within the Company by assigning Management to implement the policy and regularly report the results to the Board of Directors. The Board should review the risk management system or assess the effectiveness of risk management on an annual basis at the very least and disclose them in the annual report or whenever there is a change in risk level. The Board should also focus on early warning signs and unusual transactions.
- Promoting clear procedures on governing Subsidiaries and Associated Companies in order to protect investor's benefits including assigning directors to Subsidiaries or Associate Companies in line with the proportion of shares held in those companies.

#### **5.4) Meetings of the Board of Directors**

- (1) Determining the date and time of regular Board meetings in advance for each year so that the directors can allocate their time for every meeting conveniently.
- (2) At least two-thirds Directors must be present for meetings to qualify as official Board of Directors' Meetings. The Company's Chairperson has to approve the agenda by discussing with the Chief Executive Officer and must also consider requests from Directors to add issues to meeting agendas. However, each Director is free to bring their own agendas to meetings.
- (3) Chairperson should appropriately allocate sufficient time for both Management and the Directors to comprehensively present and discuss the matters during the meeting.
- (4) The Board of Directors should encourage the senior executives to participate in a Board meeting in order to directly provide additional information on specific issues, as well as to serve as an opportunity to get to know each other.
- (5) The Board of Director is able to ask for additional information, advice, and services from the CEO or other assigned executives, or request for independent opinions from external consultants who are liaised through the Company Secretary.
- (6) Directors should receive correct, timely, adequate, and complete information from Management.

- (7) The Company has assigned the Company Secretary to arrange and send notices for meetings along with agendas no less than five days in advance so that each member of the Board can have enough time to review the items before the meeting.
  - (8) After receiving approval from the Directors, the minutes of each Board of Directors' Meeting are required to be thorough and well-documented in writing. This will be used for further reference by both the Board of Directors and any related parties.
  - (9) All Directors are encouraged to attend at least 75 percent of all Board meetings held throughout the year.
  - (10) Establish a policy for non-executive directors to have the opportunity to meet among themselves as necessary to discuss management issues of interest without management involvement and report the result to CEO.
- The Chairperson or CEO must handle approval of expense or asset purchase transactions that are not in the annual budget or over the budget by no more than three million baht. In cases where they are over by more than three million baht, requests for increased budgets must be made to the Board.
  - The CEO has authority over approval of staff compensation barring expenses that are prescribed by welfare regulations or the Company's other regulations. The Board in turn is in charge of approving the CEO's expenses.
  - For expenses that are incurred according to the rules and/or division-regulated parts of the Company's business, the relevant division is to serve as their inspector and approval must be requested from the CEO.
  - The highest-ranking executive is to handle approval of recurring expenses in which cash amounts of no more than 1000 baht are advanced.
  - To prepare the Company's capital for investment, the Investment Division is to present a plan for approval at an Investment Committee Meeting and at a Board Meeting.
  - The Company will proceed according to the law, announcements, regulations, measures, and rules of relevant agencies when preparing acquisitions and dispositions of assets.

### 5.5) Transaction approval

After the resolution of Board Meeting Number 1/2559 (1/2016) on January 26, 2016, the Board resolved to modify the authority to approve asset acquisitions and dispositions by the Company in accordance with Notification Number 2/2558 (2/2015) Re: Authority to approve items related to expenses and purchases of assets by the Company in order to create more flexibility in business operations. This was effective as of February 1, 2016. Details are as follows:

- The Chairperson is in charge of approving expenses or purchases within the annual budget, which is approved by the Board.

## 6.2 BUSINESS CODE OF CONDUCT

To ensure that the Company's operations and the performance of directors, executives and employees are in compliance with the law and business ethics. Therefore, the Company has established the Code of Business Conduct which is an ethical standard that requires directors, executives and employees at all levels of the Company and its subsidiaries to adhere to the duties as assigned, including encouraging directors and executives to be good role models in the performance of duties and responsibilities. Performance of duties under the Code of Business Conduct.

The Company places importance on fair treatment of all stakeholder groups in accordance with the good corporate governance policy. Directors, executives and employees of the Company and its subsidiaries must be informed. Understand and adhere strictly to the performance of each individual's duties with efficiency, openness, transparency, honesty, taking into account the best interests of the Company and being fair to all groups of stakeholders involved and ready to explain and clarify verifiable. For more details at <https://www.cgholdings.co.th/th/investor-relations/corporate-governance>

## 6.3 MAJOR CHANGES AND IMPROVEMENTS IMPROVEMENTS ON CORPORATE GOVERNANCE POLICIES, GUIDELINES AND SYSTEM

### 6.3.1 Major Improvements on Corporate Governance Policies, Guidelines and System

In 2022, the Board of Directors approved the review and improvement of the Good Corporate Governance Policy and the Anti-Bribery and Corruption Policy to ensure that the content is appropriate and appropriate. Currently, it has been approved at the Board of Directors Meeting No. 9/21, dated November 2, 2021 to demonstrate that the Company has revised policies, practices and corporate governance systems to be in line with corporate governance principles Good for listed companies in 2017 (CG Code) at least once a year.

### 6.3.2 Other Improvements on Corporate Governance Policies, Guidelines and System

In 2022, the Company received the results of the assessment on corporate governance as follows:

- The results of the Corporate Governance Survey of Listed Companies for the year 2022 by the Thai Institute of Directors Association (IOD) were at a very good level with a score of 91%.
- The results of the assessment of the quality of the Annual General Meeting of Shareholders for the year 2022 by the Thai Investors Association scored 100%.

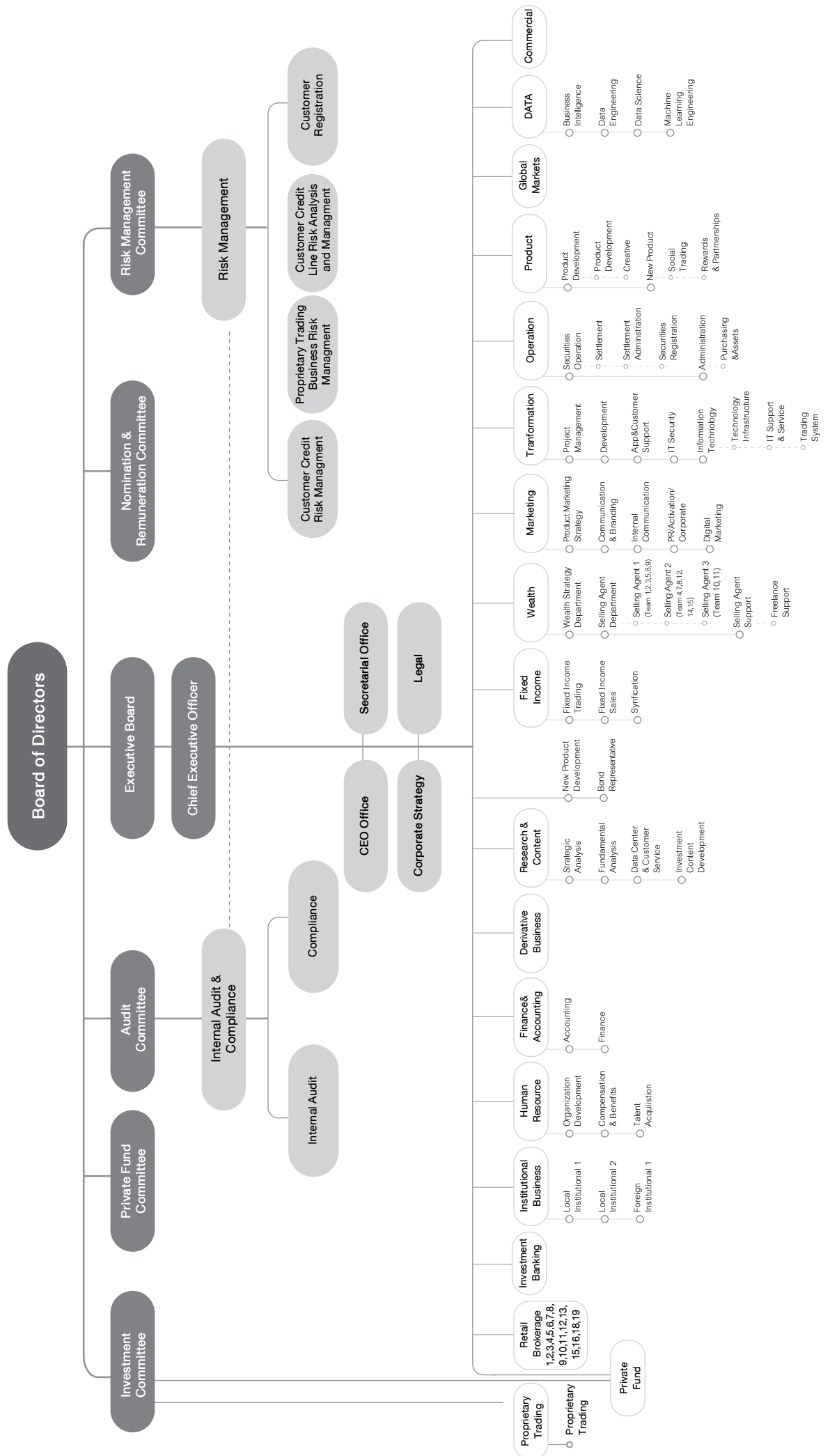
## Country Group Holdings Public Company Limited

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graph TD;
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    CommitteesRow --- InvestmentCom([Investment Committee]);
    CommitteesRow --- RiskMgmtCom([Risk Management Committee]);
    CommitteesRow --- CGCom([Corporate Governance Committee]);
    CommitteesRow --- AuditCom([Audit Committee]);
    CommitteesRow --- NomCom([Nomination & Remuneration Committee]);
    Board --- Chair((Chairperson of Executive Board of Director));
    Chair --- CEO((Chief Executive Officer));
    CEO --- DivisionsRow;
    DivisionsRow --- InvestmentDiv([Investment Division]);
    DivisionsRow --- FinanceDiv([Finance & Accounting Division]);
    DivisionsRow --- GenAdminDiv([General Administration Division]);
    DivisionsRow --- MktCom([Marketing Communication & Public Relations Department]);
    InvestmentCom -.-> InvestmentDiv;
    RiskMgmtCom -.-> RiskMgmtDiv([Risk Management Division]);
    RiskMgmtCom -.-> BODSec([BOD Secretary & Legal Division]);
    CGCom -.-> ComplianceDiv([Compliance Division]);
    CGCom -.-> InternalAuditDiv([Internal Audit Division]);
    AuditCom -.-> ComplianceDiv;
    AuditCom -.-> InternalAuditDiv;
    InvestmentDiv -.-> InvDept([Investment Department]);
    InvestmentDiv -.-> IRDept([Investor Relations Department]);
    FinanceDiv -.-> FinDept([Finance Department]);
    FinanceDiv -.-> AccDept([Accounting Department]);
    GenAdminDiv -.-> HRDept([Human Resources & Administration Department]);
    GenAdminDiv -.-> ITDept([IT Department]);
```

90 Country Group Holdings PCL

# Pi Securities Public Company Limited (Previously Country Group Securities (CGS))

Organization Chart as of 31 December 2022



## 7.2 STRUCTURE OF THE BOARDS

### 7.2.1 Board composition

As of December 31, 2022, the Board of Directors has a total of 9 members, consisting of 4 independent directors, 7 non-executive directors and 2 executive directors. The proportion of independent directors is 44% and the proportion of non-executive directors Management accounted for 78%, and there were 2 female directors, accounting for 22% of the total number of directors.

The Board of Directors has a diverse composition in terms of professional skills, specific expertise, age, gender and other important qualifications that are necessary and in line with the Company's policies and business directions and to comply with good corporate governance principles. The Chairman of the Board and the Chief Executive Officer are not the same person.

### 7.2.2 Board of Directors

As of December 31, 2022, the Company has 9 directors as follows:

NAME	POSITION	SUBSIDIARY POSITION
1. Mr. Sadawut Taechaubol	Chairperson	-
2. Mr. Surabhon Kwunchaithunya	Vice Chairperson	Chairperson of Risk Management Committee and Chairperson of Investment Committee
3. Mr. Tommy Taechaubol	Director and Chief Executive Officer	Member of Investment Committee
4. Mr. Dej Namsirikul	Independent Director	Chairperson of Nomination and Remuneration Committee and Member of Good Corporate Governance Committee
5. Mr. Nipphon Wisityuthasart	Independent Director	Chairperson of Audit Committee and Member of Nomination and Remuneration Committee
6. Pol.Gen. Werapong Chuenpagdee	Independent Director	Member of Audit Committee and Member of Nomination and Remuneration Committee and Chairperson of Good Corporate Governance Committee
7. Mrs. Jitmanee Suwannapool	Independent Director	Member of Audit Committee
8. Ms. Chularat Suteethorn	Director	-
9. Mr. Pisuth Viriyamettakul	Director	-

### Authorized Directors

Mr. Sadawut Taechaubol or Mr. Tommy Taechaubol sign with the company's common seal being affixed.

## Directors of Pi Securities PCL.

As of December 31, 2022, the PI's Directors consisted of 6 directors as follows:

NAME	POSITION	SUBSIDIARY POSITION
1. Mr. Surabhon Kwunchaithunya	Chairperson	-
2. ACM. Permkiat Lavanamal	Independent Director	Chairperson of Audit Committee and Chairperson of Nomination and Remuneration Committee
3. Dr. Supachai Sukhanindr	Independent Director	Member of Audit Committee and Member of Nomination and Remuneration Committee
4. Ms. Sharinee Kalayanamitr*	Independent Director	Member of Audit Committee and Member of Nomination and Remuneration Committee
5. Mr. Thanachote Rungsitivat	Director	-
6. Mr. Bob Wouters**	Director and Chief Executive Officer	-

Remark : Dr. Procham Anranyakananda resigned on May 16, 2022

Dr. Veeraphat Phetcharakupt resigned on October 31, 2022

\* Ms. Sharinee Kalayanamitr has been approved to be Independent Director, Member of Audit Committee and Member of Nomination and Remuneration Committee on July 4, 2022

\*\* Mr. Bob Wouters has been approved to be Director and Chief Executive Officer on November 14, 2022

## Authorized Directors

Either Mr. Surabhon Kwunchaithunya, Mr. Thanachote Rungsitivat and Mr. Bob Wouters, two of three directors jointly sign with company's seal affixed.

As of December 31, 2022, Directors and Executives with degree of control over the subsidiary

NAME-SURNAME	COUNTRY GROUP HOLDINGS PCL	SUBSIDIARIES		ASSOCIATES			
		PI SECURITIES PCL	GENKI CAPITAL CO.,LTD	MFC ASSET MANAGE- MENT PCL	BOUND AND BEYOND PCL	COUNTRY GROUP DEVELOPMENT PCL	CRYPTO MIND GROUP HOLDINGS CO.,LTD
1. Mr. Sadawut Taechaubol	xxxx	-	-	///, xxx	xxxx	-	-
2. Mr. Surabhon Kwunchaithunya	xx	xxxx	-	///, //	-	-	-
3. Mr. Dej Namsirikul	///	-	-	-	-	-	-
4. Mr. Nipphon Witsiyuthasart	///	-	-	-	-	-	-
5. Pol.Gen. Werapong Chuenpagdee	///	-	-	-	-	///	-
6. Mrs. Jitmanee Suwannapool	///	-	-	-	-	-	-
7. Mr. Tommy Taechaubol	///, x	-	///	-	xxx, ///	-	///
8. Mr. Pisuth Viriyamettakul	///	-	-	-	-	-	-
9. Ms. Chularat Suteethorn	///	-	-	-	-	-	-
10. Mr. Voradej Suruchugul*	/	-	///	-	-	-	-

Remark : Mr. Voradej Suruchugul effective for Genki Capital Co.,Ltd's director as of June 15, 2021

xxxx = Chairperson

xxx = Executive Chairperson

xx = Vice Chairperson

x = Chief Executive Officer

/// = Director

// = Executive Director

/ = Executive (According to SEC regulations)

As of December 31, 2022, Securities holding of directors of the Company and subsidiaries, including a spouses and minor child

NAME	SHARES		
	JAN 2022	31 DEC 2022	CHANGE INCREASE DECREASE (SHARE)
1. Mr. Sadawut Taechaubol	55,200,326	55,200,326	-
2. Mr. Surabhon Kwunchaithunya	10	10	-
3. Mr. Tommy Taechaubol	960,357,368	960,357,368	-
4. Mr. Dej Namsirikul	-	-	-
5. Mr. Niphon Wisityuthasart	-	-	-
6. Pol.Gen. Werapong Chuenpagdee	-	-	-
7. Mrs. Jitmanee Suwannapool	-	-	-
8. Ms. Chularat Suteethorn	-	-	-
9. Mr. Pisuth Viriyamettakul	15,600,000	18,000,000	2,400,000

### 7.2.3 Roles and responsibilities of the Board of Directors

The Board of Directors has roles, duties and responsibilities in overseeing the Company's operations in accordance with the principles of good corporate governance as well as in compliance with good practices for directors of listed companies of the Stock Exchange of Thailand as follows:

- Directing the Company's business under the specified scope of objectives in compliance with regulations and laws and the shareholders' resolution with honesty and regard to maintain highest benefits of the shareholders.
- Setting the direction for business operation and monitor the performances of the Company and its subsidiaries in accordance with rules and regulations of the supervisory organizations, as well as oversee the Company's disclosure on information with respect to the practice of Good Governance.
- Developing corporate good governance practice within the Company by documenting, reviewing and evaluating the performance annually.
- Approving transactions regarding or concerning acquisition or disposal of assets/ sales or dismissal of properties including any other transactions, stated by law, that require the Board or Shareholder meeting approval.
- The Board of Directors may appoint any number of executives as Sub-Committees to assist in managing, monitoring and regulating the Company's operation to ensure achievements in accordance with the practice of Good Governance.
- Approving the Company's investment plan proposed by the management under Investment Committee's approval. The Board has approved the investment policy No.1/2015 dated 15 May 2015 that allows the investment in equity market and provide guidelines on Company's investment to ensure highest benefits, good internal control and efficient risk management.

- Approving the Company's investment in business expansion or joint venture that bring highest benefits to the Company and its subsidiary.
- Establishing business ethics and consistently communicate such practice to director, management and all employees along with developing corporate culture in order to prevent corruption and monitoring the result regularly.
- Establishing good internal control and audit to protect the information and assets of the Company and its subsidiaries, clients, shareholders and stakeholders. Ensuring accurate accounting and finance to certify appropriate business operation with reasonable returns. Conduct annual evaluation on internal control and provide advices accordingly.
- Establishing risk management practice within the Company and its subsidiaries by assigning Risk Management Committee to set up policy concerning risk management in every business aspect as well as conduct reviews and evaluations with respect to the specified policy at least once a year.
- Endorsing the Company's financial statements presented in annual report.
- Appointing the Chief Executive Officer and Managing Director and monitor their performances with respect to entitled authorities and scope of responsibilities.
- Providing secretaries to the Company to comply with the regulations of the supervisory organization as well as to oversee the activities of the Board and examine the Company's performance with respect to the policies set by the Board. With additions of promoting the practice of Good Governance, securing documents and information and communicating with shareholders and supervisory organizations.
- Providing effective communication channels between the Company and shareholders, stakeholders as well as the public.
- Evaluating performance of the Company's board of directors annually to jointly examine the result and concerns in order to develop efficient solutions.
- Managing and monitoring its subsidiaries as the Company's unit – oversee their operations with respect to the Company's regulations.

#### **7.2.4 Roles and responsibilities of the Chairperson**

- Setting the agenda for meetings between the Board of Directors and the Chairperson while ensuring that the Directors receive accurate, thorough, and clear information in a timely fashion prior to the meeting so that they are properly prepared.
- Serving as the Board of Directors' leader and chairing meetings of the Board
  - Ensuring that the Board proceeds via agendas, regulations, and laws.
  - Providing appropriate amounts of time and encouraging all Directors to fully and freely exchange opinions, while also carefully engaging in decision making that is mindful of all stakeholders.
  - Summarizing meeting resolutions and what is needed to proceed in manner
- Taking a leading role at Annual General Shareholders' Meetings and ensuring that they proceed according to their agenda, the Company's regulations, and laws by providing a proper amount of time and giving shareholders opportunities to express their opinions, while also carrying out question and answer sessions for shareholders in an appropriate and transparent manner.

- Supporting and serve as a role model in following Good Governance principles and CGH's ethics policy.
- Fostering a strong relationship between the Board and Management. Providing support to CEO and the fulfillment of Management's duties based on the Company's policies.
- Supervising the disclosure of information and transparency in management in the event of a conflict of interest.
- Ensuring that the Board is properly structured and organized.
- Overseeing the operations of the Board and others, including sub-committees and individual Directors, in order to ensure that work is completed efficiently and successfully.
- Supervising the performance of the Board of Directors as a whole, as well as that of individual Directors, the Chairperson, and sub-committees. This is done with the intent of improving performance and improving the knowledge and abilities of Directors and sub-committees.
- Screening the annual budget as the Company, the Subsidiary, or Affiliated Companies within the Group prepare and present their proposals to the Board for approval with the agreement of the Executive Board.
- Ordering/coordinating policies or business strategies that the Board has approved to Management and the Subsidiary so that they may fulfil their expected duties.
- Monitoring and supervising operations and the risk management process. Following up on assessments of the Company and the Subsidiary's Management to ensure that they are following set policies.
- Studying and providing suggestions, consultation, and advice for establishing solutions to problems, as well as encoring the development of procedures in the Company and its Subsidiary.
- Studying and providing advice about rules, discipline, and regulations in the Subsidiary's major business operations so that they comply with the Company's policies.
- Having the power to issue orders, set regulations, make announcements, and keep records so that business operations are in order and follow Company policies, with this benefiting the Company in terms of corporate governance and internal corporate discipline.
- Appointing or relocating personnel depending on their work, examining the Company and its Subsidiary's Management's goodwill and remuneration and presenting them to the Board for approval with the Executive Board's agreement..

### **7.2.5 Roles and responsibilities of the CEO**

- Studying the goals, business direction, and investment policies, as well as the Company and its Subsidiary's business strategy for the purpose of presenting it to the Board
- Studying, approving, monitoring, and regulating the Company's operations so that they comply with the policies, plans, and investment strategy that the Board has approved with the approval of the Executive Board.

### 7.3 SUB-COMMITTEES

The Board of Directors has appointed sub-committees consisting of Audit Committee, Nomination and Remuneration Committee, Risk Management Committee, Corporate Governance Committee and Investment Committee to supervise the company in various fields. The chairperson of the board must not be a chairperson or member of a sub-committee so that the sub-committee's performance is truly independent. The details of sub-committees are as follows:

#### Audit Committee

As of December 31, 2022, there are total of three Audit Committees, of which are 3 independent directors as follows:

NAME	POSITION
1. Mr. Niphon Wisityuthasart	Chairperson of the Audit Committee
2. Pol. Gen. Werapong Chuenpagdee	Member of the Audit Committee
3. Mrs. Jitmanee Suwannapool	Member of the Audit Committee

#### Roles and responsibilities of the Audit Committee

- Ensuring accuracy and transparency on financial reports of the Company and its Subsidiary together with the Company's Auditor and the concerned Management.
  - Ensuring compliance with the law concerning the Securities Company Act, SET regulations, and other applicable laws.
  - Ensuring accountable internal controls within the Company and its Subsidiaries. Ensure independence of Internal Audit Unit and oversee its operation as proposed by Management. Provide approval on transfers, removal, and evaluations of the Internal Audit Manager.
  - Consider the performance of the auditor and make proposals to the Board of Directors for approval to appoint, re-appoint, terminate employment and determine the remuneration of the Company's auditors from the shareholders' meeting; Discrepancies with respect to financial reports or limitations in auditing practice.
- Ensuring legal compliance concerning related transactions or transactions with conflicts of interest to maintain the Company's benefit.
  - Preparing and disclosing Audit Committee reports in the annual reports that are endorsed by the Chairperson of the Audit Committee. The reports must consist of the following:
    - Observing on financial information disclosure in terms of accuracy and accountability
    - Observing on the Company's internal controls
    - Observing on the appropriateness of the auditors
    - Observing on compliance with SEC and SET regulations and any other applicable laws
    - Observing on the Company's conflicts of interest
    - Observing on any transactions concerning interests of shareholders or investors within the scope of authorities provided by the Board.
  - Conducting any other responsibilities as deemed appropriate by the Board.

## Nomination and Remuneration Committee

As of December 31, 2022, there are total of 3 Nomination and Remuneration Committees, which have 3 independent directors as follows:

NAME	POSITION
1. Mr. Dej Namsirikul	Chairperson of the Nomination and Remuneration Committee
2. Mr. Niphon Wisityuthasart	Member of the Nomination and Remuneration Committee
3. Pol.Gen. Werapong Chuenpagdee	Member of the Nomination and Remuneration Committee

### Roles and responsibilities of the Nomination and Remuneration Committee

- Recruiting eligible persons and nominate them as the Company's Directors, members of sub-committees, CEO/Managing Director candidates to the Board or the shareholders, provided that the candidates are eligible in accordance with the qualifications set by the Board and the regulations of the supervisory organizations.
- Nominating eligible persons as candidates for Independent Director by which the evaluations on their autonomy are conducted prior to the nominations.
- Providing reliable advice on any amendments in the number of the Company's Directors to the Board of Directors as needed or deemed appropriate.
- Reviewing remuneration plans and policies of the Company and its Subsidiaries with respect to the Company's and its subsidiaries' annual business plans and benefits of shareholders
- Developing policies and regulations concerning the remunerations of the Directors, the Sub-Committees, the CEO/Managing Director and propose them to meetings of the Board or shareholders for approval.
- Developing remuneration structures for the Directors, the Sub-Committees, the CEO/Managing Director that correlate with their responsibilities and are able to retain or attract qualified persons to the Company and propose them to meetings of the Board or shareholders for approval.
- Reviewing remuneration structures of the employees in the Company and its Subsidiaries and propose suggestions to the Board to seek approval prior to annual remuneration.
- Reviewing contract fees and other benefits for management and employees holding significant positions (if any) as well as the agreements on employment of authorities and make proposals to Management.

## Risk Management Committee

As of December 31, 2022, there are total of 3 Risk Management Committees:

NAME	POSITION
1. Mr. Surabhon Kwunchaithunya	Chairperson of the Risk Management Committee
2. Mr. Kanin Pavadechochai	Member of the Risk Management Committee
3. Mr. Voradej Suruchugul	Member of the Risk Management Committee

### Roles and responsibilities of the Risk Management Committee

- Providing assistance to the Board in managing risk and set up risk management policies, strategies, and risk control measures in every aspect of the Company and its Subsidiaries to guarantee systematic risk control.
- Defining risk control practice to each unit of the Company and its Subsidiaries, as well as monitor and manage risk within the specified realm and ensure compliance with the risk management principles stated by supervisory organizations.
- Ensuring adequate risk assessments and risk management – from internal and external factors - for the Company and its Subsidiaries, as well as conducting an analysis and proposing solutions.
- Monitoring and evaluating risk management in each department, and ensure that the Company and its Subsidiaries possess sufficient infrastructure, resources, and adequate risk control systems.
- Reviewing the Company and its Subsidiaries' risk management systems to ensure total coverage of all business transactions, as well as assigning individuals or sub-committees to oversee and manage large-scale risk and report to the Risk Management Committee.
- Preparing annual performance evaluation reports for the Risk Management Committee, set up performance targets for the following year, and make proposals to the Board.
- Conducting any other responsibilities as deemed appropriate by the Board and the Risk Management Committees.

## Corporate Governance Committee

As of December 31, 2022, there are total of 2 Corporate Governance Committees, on which are 2 independent directors:

NAME	POSITION
1. Pol. Gen. Werapong Chuenpagdee	Chairperson of the Corporate Governance Committee
2. Mr. Dej Namsirikul	Member of the Corporate Governance Committee

### Roles and responsibilities of the Corporate Governance Committee

- Defining the boundaries of the good governance of the Company and its Subsidiaries as well as recommend the guidelines of good governance and make proposals to the Board.
- Monitoring the operations of the Board and management to ensure compliance with the good governance practice stated by the Company and the supervisory organizations.
- Reviewing and revising the good governance guidelines of the Company and its Subsidiaries to keep up with international standards and make proposals to the Board.
- Reviewing the autonomy of the Board and any conflicts of interest that may occur.
- Proposing methods for evaluating the Board and Sub-Committees as well as overseeing the evaluation and reporting to the Board for future improvement.
- Reviewing the performance evaluation process of the Board and the Sub-Committees annually.

## Investment Committee

As of December 31, 2022, there are total of 2 Investment Committees:

NAME	POSITION
1. Mr. Surabhon Kwunchaithunya	Chairperson of the Investment Committee
2. Mr. Tommy Taechaubol	Member of the Investment Committee

## Roles and responsibilities of the Investment Committee

- Defining the Company and its Subsidiary's investment plans that comply with the Board policies approved during Board Meeting Number 1/2015 on May 15, 2015.
- Defining and review the investment policy of the Company and its Subsidiaries corresponding with the investment conditions to maximize the Company's interests and make proposals to the Board.
- Reviewing risk management policies and measures so they match the Company's policies on investment.
- Overseeing the Company's investment policy to comply with the policy set by the Board.
- Reviewing the Company's annual investment plan and make proposals to the Board.
- Conducting a study on targeted businesses or enterprises in order to ensure maximum returns and make proposals to the Board is authorized to utilize the Company's expenses to invite or employ external experts as advisors for joint investment.
- Nominating the Company's representative for election as Director or Executive of the invested company upon the Board's approval.
- Overseeing investments with respect to the Company's guidelines and report on the performance of the investment to the Board.
- Proposing a change in capital investment or a termination of a joint investment to the Board.
- Conducting any other responsibilities as deemed appropriate by the Board and the Risk Management Committees.

## 7.4 MANAGEMENT

### 7.4.1 The Company

As of December 31, 2022, the Management of the Company consists of the 3 following members:

NAME	POSITION
1. Mr. Sadawut Taechaubol	Chairperson of Executive Committee
2. Mr. Tommy Taechaubol	Chief Executive Officer
3. Mr. Voradej Suruchugul	Vice President, Finance and Accounting (Chief Financial Officer)

## The Securities Company

As of December 31, 2022, Management of the Securities Company consists of the following 23 members:

NAME	POSITION
1. Mr. Bob Wouters	Chief Executive Officer
2. Ms. Nattcharinphon Jesadapisit	Chief Commercial Officer
3. Mr. Weerayut Chenpanitsap	Chief Operation Officer
4. Mr. Chatchawan Sangpredeekorn	Chief Marketing Officer
5. Mr. Nikun Khoongumjorn	Chief Product Officer
6. Mr. Norathep Siriprasertchok	Chief Transformation Officer
7. Mr. Ashwani Ahuja	Managing Director of Investment Banking
8. Mr. Sumritchai Thangharat	Managing Director of Investment Banking
9. Mr. Chamras Kuanha	Managing Director of Fixed Income Business Division
10. Mr. Chalernpol Neaimsri	Managing Director of Brokerage Retail Division 3
11. Ms. Rathanapath Naowaratthanakorn	Managing Director of Brokerage Retail Division 4
12. Mr. Puvadon Charnchiew	Managing Director of Brokerage Retail Division 5
13. Ms. Sabaijai Vongkasikorn	Managing Director of Brokerage Retail Division 6
14. Mr. Thawatchai Thongdee	Managing Director of Brokerage Retail Division 8
15. Mr. Krisnason Terapornamornrat	Managing Director of Brokerage Retail Division 9
16. Mr. Supat Apiratimai	Managing Director of Brokerage Retail Division 10
17. Mr. Tanapatra Boontarapong	Managing Director of Brokerage Retail Division 12
18. Mr. Kavee Chukitkasem	Head of Research and Content Division
19. Mr. Sanjay Kishore Motwani	Head of Product Social Trading Division
20. Mr. Dem Goradetsky	Head of Product of Global Markets Division
21. Ms. Deeksha Malik	Head of Data of Data Division
22. Ms. Lalida Teekhasaenee	Head of Finance & Accounting Division
23. Ms. Kanchanok Junlabon	Head of Human Resource Division

## 7.4.2 Remuneration Policy for Executive Directors and Executives

The Company has a policy to determine the remuneration of directors and executives at a level that is comparable to the market and listed companies of similar size, as well as in accordance with the Company's performance, duties, responsibilities and performance of directors. and each executive to motivate and retain qualified directors and executives with the Company by setting the remuneration of directors and executives of the Company consisting of salaries, bonuses, meeting allowances and directors' bonuses by the Company will be paid to directors and executives based on their performance and the number of times they participate in the meeting.

## 7.4.3 Remuneration for Directors and Management

### Remuneration

The Company has criteria for remuneration payment to Management by considering knowledge, capability, experience, and previous performance, as well as comparisons with other companies in the same business. As of December 31, 2022, compensation for 3 Executives including salary, bonus and other remuneration totaling 21.42 million baht.

### Other Remuneration

The Company has provided provident fund for executives and employees. In 2022, contributing a provident fund for 3 executives totaling 1.55 million baht, which were calculated using percentage of salary as follows:

WORKING PERIOD	PERCENTAGE OF SALARY
Not over 3 years	4
Over 3 years but not over 6 years	6
6 years and up	8

## Remuneration for Directors and Management

### Remuneration

In 2022, the remunerations for 3 directors and 25 managements paid as salaries, bonuses, and other remuneration (excluding meeting allowances mentioned above.) amounted to 126.84 million baht.

### Other remuneration of executives

Pi Securities has provided a provident fund with contributions at the rate of 3-5 percent of salary. In 2022, Pi Securities paid a contribution to the provident fund for executives in the amount of 2.01 million baht.

In the resolution of Board Meeting Number 18/2002 on October 22, 2002, a provident fund was agreed upon that was then registered according to the Provident Reserve Funds Act B.E. 2530 (1987) and the Amendment Act B.E. 2542 (1999). The Company's Provident Fund was officially established on December 25, 2002 and On July 1, 2009, the Company assigned MFC Asset Management, which manages and registered the Provident Fund under the name "MFC Master Fund." This fund is categorized as a Master Pooled Fund.

According to the Fund's regulations under the approval of the Board's Resolution Number 18/2002, the Company shall contribute to the Fund with an amount equivalent to its staff's contributions, and each staff shall contribute to the Fund the amount calculated on the percentage of salary as follows:

WORKING PERIOD	PERCENTAGE OF SALARY
Not over 3 years	3
Over 3 years but not over 5	4
Over 5 years	5

## 7.5 PERSONNEL

### Number of employees

As of December 31, 2022, the Company and its subsidiaries had the following numbers of employees and forms of compensation between 2021– 2022:

DIVISIONS	NUMBER OF EMPLOYEES	
	2022	2021
1. Management Division	5	5
2. Corporate Strategy Division	3	2
3. Investment Division	1	4
4. Company Secretary and Legal Division	2	2
5. Internal Audit and Compliance Division	-	-
6. Financial and Accounting Division	3	3
7. Subsidiaries' employees	626	539
Total	640	555
Compensation (MB)	875.23	876.17

## **Significant changes in the number of employees in the past 1 year**

### **The number of employees in the Company**

As of December 31, 2022, The Company employees decreased from the year 2021 by 2, mainly in the Investment Division, Corporate Strategy Division and Financial and Accounting Division, which was not a significant change.

### **The number of employees in the Securities Company**

As of December 31, 2022, The Securities Company decreased by 87 employees from 2021.

- Serious labor disputes in the past three years
- none –

## **Staff development policy**

The Company has a policy to develop personnel to develop potential, skills, knowledge, and ability to work for employees thoroughly and regularly by continually developing training for employees both inside and outside the company to increase efficiency in performing duties by leading The knowledge gained can be applied to work or to improve operations and to equip employees with creative skills, adding innovative value to the work that can increase the competitiveness of the company through guidelines. as follows:

1. Organizing an orientation for new employees to have knowledge and understanding of the company's business The organizational structure, rules, guidelines, and policies used in the work to encourage employees to have integrity and ethics to work honestly and to keep company information confidential.
2. There is a training program for employees in order to provide employees with knowledge. Understanding can perform the job correctly and appropriately in each position. It focuses on aligning employees' ideas and working methods to cope with uncertain and volatile environments to ensure that the company remains competitive and able to grow steadily.
3. Provide internal training to develop potential, concept, attitude and knowledge and competence for both executives and employees in working in accordance with the Company's goals. including the current competitive situation

4. Provide external training by sending employees to attend training courses or seminars to improve their knowledge and abilities with external training institutions. including sending employees to see work both in the country and abroad.

## **7.6 NAMES OF ACCOUNTING HEAD, CORPORATE SECRETARY, INTERNAL AUDIT HEAD, COMPLIANCE, AND INVESTOR RELATIONS OFFICER**

### **Chief Financial Officer (CFO)**

The Company had assigned Mr. Voradej Suruchugul Vice President, Finance and Accounting to be the highest responsibility in finance and accounting and the person supervising accounting.

### **Corporate Secretary**

The Board of Directors Meeting No. 8/2021, dated September 29, 2021, resolved to appoint Ms. Supaporn Akaradechachai to perform the duties of the Company's secretary with responsibility in accordance with the regulations of the Securities and Exchange Act, which is responsible for the meeting arrangements including overseeing the meeting. Activities of the Board of Directors to enable directors to perform their duties with efficiency and effectiveness and to bring the best benefits to the Company, including preparation and keeping of documents such as registration of directors, notice of board meetings, minutes of board meetings and annual reports of the Board of Directors. The company notices the shareholders' meeting, the minutes of the shareholders' meeting, and maintains a report of interests reported by the directors or executives.

### **Internal Audit Head and Compliance**

The Audit Committee Meeting No. 4/2021 resolved to appoint Ms. Supaporn Akaradechachai to act as the head of the Compliance and Internal Audit Department to oversee the operations of the Company and its subsidiaries to comply with the rules. The relevant regulations include strictly the Company's policies and shall be reported to the Audit Committee as well as the Company's top executives.

### Investor Relations Officer

Tel: +662 256 7999 ext. 1709

Email: supaporn@cgholdings.co.th

Website: <https://www.cgholdings.co.th/th/contact>

Address: 132 Sindhorn Tower 3. 20th Floor, Wireless Road Lumpini, Pathumwan Bangkok 10330

### 7.7 AUDIT FEES

As per the resolution of the 2022 Annual Shareholders' Meeting has approved the appointment of auditors from EY Office Company Limited is the Company's auditor for the year 2022 with the following details:

TRANSACTIONS	2021	2022
Auditor's Office	EY Office Limited	EY Office Limited
Audit Fee	950,000	1,050,000
Non-Audit Fee	-	-
Name of auditor / Number of years of being an auditor	Mrs. Poonnard Paocharoen / 1 year	Mrs. Poonnard Paocharoen / 2 year

### 7.8 OUTSOURCED AND CONTACT INFORMATION FOR COORDINATING IN THAILAND

- None -

# 8

## REPORT ON IMPORTANT OPERATIONAL RESULTS OF CORPORATE GOVERNANCE

### 8.1 PERFORMANCE OF THE BOARD OF DIRECTORS IN THE PREVIOUS YEAR

#### 8.1.1 Nomination , Developing and evaluating the performance of the Board of Directors

##### • Nomination of Directors

As concluded by the Board Meeting No. 2/2014 on June 24, 2014, the Nomination and Remuneration Committee was appointed to examine the appropriateness of the structure of the Company's Board of Directors as well as to specify the qualifications and eligibilities of Directors and top executives and their evaluations.

According to the Company's Articles of Association, a shareholder has one vote per share as stated by the Public Limited Companies Act of B.E. 2535 (1992). The selection of directors in Articles 17 – 38 of Section 5 of the Company's Articles of Association can be summarized as follows:

- The Board consists of at least five, but no more than 12 Directors, with at least half of the total number having to be residents of Thailand. The Board members are not required to hold shares.
- The qualifications for Directors are as follows:
  - They must be natural, sui juris persons
  - They must not be bankrupt or incapable
  - They must never have been imprisoned for charges concerning illegal asset possession
  - They must never have been punished, fired, or removed from positions as a civil servants or government officers due to charges of fraudulent practices
- If any Director lacks qualifications mentioned in item 2 or the Shareholders' Meeting resolves to remove him or her from the position, the Director must leave his or her position. Resignation notices should be presented to the Company and are considered effective on the date they are received.
- The selection of Directors is carried out during Shareholders' Meetings following the regulations below.
  - Each shareholder has one vote per share.
  - The candidates may receive votes as individuals or as groups at a time depending on the decisions of Shareholders' Meetings. In each voting session, shareholders have to exercise all their existing votes without breaking down to vote for different candidates or groups of candidates.
  - Candidates are appointed to vacant positions in respect to the number of votes they receive. In case of a tie, the Chairman of the meeting has casting the vote.
- In every Annual Shareholder Meeting, one-third of Directors should leave their positions. If the concurrent number of Directors are not divisible by three, the approximation can be applied. Directors who have left their positions may be re-elected. During the first two years after the Company's registration, Directors are randomly chosen and asked to leave their positions, whereas the Directors with the longest office terms are to leave their positions afterward.

- Apart from serving a complete term, a Director is to leave his or her position in cases of:
  - Death
  - Resignation
  - Lacking qualifications or possessing any conditions prohibited by the Public Limited Companies Act;
  - Resolution of Shareholders' Meetings in relation to item 8
  - Removal by court orders
- Any Director who wishes to resign should submit their resignation letter to the Company. The resignation is effective on the date the letter is received.
- The Shareholders' Meeting resolves to remove Directors from their position by votes of more than three quarters of the number of shareholders attending the meeting with voting rights by which the total number of shares accounts for more than half of the overall number of shares held by the attending shareholders with voting rights.
- In cases where a Director position has been left vacant due to reasons other than the expiration of the associated term, the Board is to appoint a qualified individual who is not prohibited from the position due to the Public Limited Company Act B.E. 2535 (1992) or the Securities and Exchange Act B.E. 2535 (1992) to serve as a substitute for the Director at the next Board meeting. Barring cases where the remaining tenure of the position is less than two months, the individual replacing the Director will stay in the title only until the term expires. The Board Resolution indicated in the first paragraph must be made with no less than three quarters of the remaining Directors.
- In cases where the position of Director is vacant, leaving the number of remaining Directors insufficient for Board Meetings, the rest of the Directors can only act on behalf of the Board in setting up Shareholders' Meetings in order to select new Directors to fill the vacant positions. As per the first paragraph, such meetings must take place within a month of the day in which the Director positions were left vacant to the extent which there were an insufficient number of Directors officially a Board Meeting. The individuals filling the vacant positions as per the first paragraph will stay in those positions until the end of the previous Directors' remaining term.
- In cases where all the Directors have left their positions, they are to hold the title of 'Acting Director' to continue running the Business as is necessary until a new set of Directors take over the positions, barring cases where courts of law have otherwise ordered the removal of the Board. The Company must arrange a Shareholders' Meeting to select a new Board within a month of the old one having left their positions. The invitations for the meeting must be sent to shareholders no less than 14 days prior to the event.
- Directors have the right to receive no more than 10 percent of the Company's net profit as remuneration. This is within their discretion, and they are also entitled to attendance fees, transportation fees, benefits, and other forms of compensation, as well as reimbursement for entertainment and other work-related expenses as per Company regulations. The text in the first paragraph does not impact the rights of Directors selected from staff and any of the Company's employees to receive compensation or benefits as staff members or employees of the Company.
- The Board is to directly elect one of their members as its Chairperson as the Board sees fit, and can select one or more Directors to hold the position of Vice-Chairperson. The Chairperson will assign the new Vice-Chairperson their duties according to regulations.
- At least two-thirds of all Directors must attend a meeting for it to meet the quorum. The Chairperson acts as the head of Board Meetings. In cases where the Chairperson is unable to attend or fulfill their duties, if the Vice Chairperson is present, they will head the meeting. However, if they are not present or unable to fulfill the duty, the Directors attending the meeting are to choose one Director who will act as the head of the meeting. Decisions of Board Meetings come from majority votes. One Director has one vote with the exception of those with a vested interest in an issue, who cannot vote on that item. If the votes in favor and those against are equal in number, the head of the meeting will have an extra vote in order to make casting the vote.

- When calling for meetings, the Chairperson or appointed individuals must send meeting invitations to the Directors no less than seven days prior to the meeting except in urgent cases. In order to protect the Company's rights and benefits, the notifications are to be done via other means, with it being possible to set meetings even earlier than that.
- Directors must fulfill their duties according to the law, objectives, articles of association, and Shareholders' Meeting resolutions with honesty, integrity, and care for the sake of the Company.
- Directors are prohibited from operating similar types of businesses and competing directly with the Company or being partners in a limited partnership or other PLC that operates in the same business and is competing with the Company regardless of whether it is done for their own benefit or that of others unless the Shareholders' Meeting is notified prior to the appointment of the relevant Directors.
- Directors must notify the Company immediately in cases where they directly or indirectly benefit from any contracts that the Company has made or when the number of the Company or its Affiliates' shares or debentures that the Director is holding increases or decreases.
- The Board must hold meetings at least every three months in the province of its headquarters, or in nearby provinces, or at other locations with set times, dates, and sites based upon the Chairperson's discretion. Two or more Directors may make a request for the Chairperson to call a Board Meeting. In such cases, the Chairperson or a Director appointed by the Chairperson will set a meeting date within 14 days of the date the request was made.
- When signing (in a legally binding manner) on behalf of the Company, either the Chairperson or Executive Chairperson will sign and stamp the Company's seal, or two other Directors can jointly sign and stamp the seal.

The Board has the power to study and change Directors empowered to sign legally binding documents on behalf of the Company.

- If Director purchases Company assets, sells assets to the Company, or operates any businesses dealing with the Company without approval from the Board, any transactions will not be binding to the Company whether the Director does so in their own or another person's name.
- Directors are to notify the Company immediately when they hold stock or debentures in the Company or its Affiliates by indicating the increase or decrease in their total value during the fiscal year.

#### • **Nomination of Independent Directors**

On the appointment of independent director, the Board shall consider the candidate's eligibility in accordance with the minimum requirements of the SEC and assigned responsibilities stated within the announcement on Eligibilities and Scope of Audit Committee of the SET as follow:

- Holds shares of no more than one percent of the number of shares with voting rights of the Company, its subsidiaries, affiliates, or related companies. The shareholding also includes those shares held by the Independent Director's related parties.
- Does not hold or has never held a position in the Company as a Director involved in employee management, or a position/consultant receiving a salary or any other significant positions of the Company unless they were out of such a position for a least two years prior to the latest appointment. The aforementioned condition does not apply to Independent Directors with former experience as civil servants of a public sector with major shareholding proportions.
- Is not a close family member, by blood or by law, i.e. parents, spouses, siblings, children and their spouses, of a member of Management, major shareholders with significant control over the Company, or candidates of such positions in the Company and its Subsidiaries.

- Has never had business relationship with the Company, its Subsidiaries, Affiliates, major shareholders, or individuals who have authority to control the Company in any way that impacts judgement. In addition to never having been a major shareholder of the Company, its Subsidiaries, its Affiliates, or individuals with direct control over the Company's business, unless the candidate has been out of such a position for at least two years prior to the appointment.
- Has never been an auditor of the Company, its Subsidiaries, Affiliates, major shareholders, significant authorities, or a partner of the audit service provider unless the individual has been out of such a position for at least two years prior to the appointment.
- Has never worked in any service profession that includes legal or financial counseling that receive service fees greater than two million baht per year from the Company, its Subsidiaries, Affiliates, major shareholders, shareholders/individuals with the authority to control, or partners of service professions unless the candidate has been out of such a position for at least two years prior to the appointment.
- Is not an Independent Director who has been appointed on behalf of the Company's Directors, major shareholders, or shareholders with relations to major shareholders.
- Is not in a business with similar objectives or in competition with the Company and its Subsidiaries. Is not a partner or a director involved in employee management, or a position or Consultant receiving salary, or a shareholder with more than one percent of the total number of shares with voting right of any company with similar objectives or in competition with the Company and its Subsidiaries.
- Not being in any other conditions that may affect judgment regarding the Company's operations.

#### • **Succession plan for top management position**

Board Meeting 07/2017 on 13 November 2017 approved the succession plan for top management position under the presentation from the Nomination and Remuneration Committee, which is shown below.

The company has a succession plan and processes which are related to the vision, mission, business goals, and corporate culture to ensure smooth succession of top management position. The process is also including the preparation of replacement process to prevent the interruption of the company's business operations. The succession plan had been prepared by the Nomination and Remuneration Committee to propose to the Board of Directors for approval. The process starts with the Human Resources Department to determine the criteria for consideration and select potential top executive candidate based on knowledge, competency, skills required, and other criterias. Through the evaluation process, the Human Resources Department will present executive information to replace top management position for the Nomination and Compensation Committee's approval who will present to the Board of Directors for further approval.

#### • **Board Diversity Policy**

In its nomination of directors, the Company emphasizes various factors. It has prepared a Board Skill Matrix to set and inspect the qualifications of potential Directors, considering skills and the lack of them, including those qualities that might comply with the Organization's business strategies.

The Company also has to consider Board diversity. The Board sets criteria for its Directors' education levels, knowledge, ability, skills, careers, working experience, and areas of expertise. Furthermore, they must have leadership skills and vision, both of which are useful in business operations. Other criteria include honesty, integrity, and ethics, while race, languages, and religion are not issues.

- **Number of Listed Company of Directors Entitlement Policy**

To ensure that Directors devote their time to working efficiently. The Board limits Directors to holding positions in no more than five registered companies.

- **Number of Listed Company of Chief Executive Office entitlement Policy**

The Executive Chairperson is encouraged to devote their time to fulfilling their duties efficiently. The Board allows for the holding of director positions in no more than five other registered companies.

- **Development of Directors and Executives**

- Encouraging Directors to attend training courses about their roles and duties as intermediaries in the investment business to acquire knowledge and understanding of their expected roles and responsibilities in order to fulfill them thoroughly and properly. The Company sent two directors to participate in training courses at the IOD, as specified earlier in regard to the Company's policy on personnel development.
- Newly elected or re-elected Directors must be approved by the Office of the SEC. The Company must have complied with the above prior to the newly appointed Directors beginning to undertake their duties.
- Any first-time directors will be informed of the Company's regulations and Director's Manual.

- **Evaluation Measurement**

- **Performance Evaluation of Board of Directors and Sub-committees**

The Board of Directors provides an evaluation of the performance of the Board of Directors and sub-committees both individually and individually by requiring that the Board of Directors be assessed every year for the Board of Directors to jointly consider their performance. Problems and obstacles for further improvement will be considered in assessing the performance of duties in the relevant areas as follows: Structure and qualifications of the Board Roles/duties and responsibilities of the Board of Directors Board meetings and duties of directors Relationship with management and self-development of directors and executive development After the Board of Directors has completed the self-assessment, the performance evaluation form will be sent back to the Company Secretary section to collect and summarize the results of the Board's assessment of the previous year and report to the Board of Directors for acknowledgment.

SCORES (%)	SCORING RANGE	DEFINITION
90-100	Excellent	High standard of job performance with no or little improvement needed.
80-89	Above Average	Standard of job performance with higher than expectation.
70-79	Met Expectations	Standard of job performance with meets expectation.
60-69	Adequate	Standard of job performance but lower than expectation and improvement can be done.
Below 60	Needs Improvement As soon as possible	Below acceptable standard of job performance and urgent improvement needed.

- **Summary of performance evaluation of Board of Directors and Sub-committees in 2022**

PERFORMANCE EVALUATION OF BOARD OF DIRECTORS	SCORE	SUMMARY OF EVALUATION CRITERIA
Board of Directors	96/100	Outstanding
Individual Directors	96/100	Outstanding

SUB-COMMITTEES	SCORE	SUMMARY OF EVALUATION CRITERIA
Audit Committee	100/100	Outstanding
Nomination and Remuneration Committee	97/100	Outstanding
Risk Management Committee	91/100	Outstanding
Good Corporate Governance Committee	95/100	Outstanding
Investment Committee	91/100	Outstanding

- **Performance Evaluation of Chief Executive Officer**

The Nomination and Remuneration Committee is in charge of the evaluation of Chief Executive Office work that is to be presented to the Board of Directors. The assessment will follow the same rules as those used for the Board and sub-committees. The subjects under assessment will be divided into 10 areas: Leadership, Strategy, Implementation of strategy, Planning and financial procedures, Relationship with directors, Relationship with outsiders, Management and relationship with Personnel, Line of succession, knowledge of Product and Service and Personal qualifications. In summary, the performance evaluation of the Chief Executive Officer in 2022 got 96 points, meaning as good as expected.

### 8.1.2 Meeting Attendance of Directors and Directors' Remuneration

- **Directors' Meeting Attendance policy**

Board Meetings are held every three months, with special meetings possibly being held whenever necessary. To encourage Directors to regularly attend Board Meetings,

the Board requires that meetings and votes require at least two-thirds of Directors must attend to meet the quorum. Each Director should attend at least 75 percent of all meetings in a year. The Company prepares Board Meeting schedules a year in advance and sends out meeting invitations with agendas five working days before meetings so that Directors have sufficient time to prepare.

Directors who are not members of Management, Independent Directors, and Audit Directors can meet between themselves as deemed appropriate to discuss issues regarding parts of their areas of interest without having Management in attendance.

When necessary, Directors who are unable to attend any Board Meetings can give notification of their reasons for doing so to the Chairperson at the first opportunity before the meeting.

- **The Board of Directors meeting**

In 2022, there were 7 meetings of the Board of Directors and Sub-Committee meetings. Also, there were 6 of Audit Committee meeting, 2 of Nomination and Remuneration Committee meetings, 4 of Investment Committee meetings, 2 of corporate Governance Committee meeting and 4 of Risk Management Committee meetings. The details for the meetings are as follows:

NAME - SURNAME	NO. OF ATTENDANCE / NO. OF ALL MEETINGS (TIMES)						
	BOARD OF DIRECTORS	AUDIT COMMITTEE	NOMINATION AND REMUNERATION COMMITTEE	RISK MANAGEMENT COMMITTEES	CORPORATE GOVERNANCE	INVESTMENT COMMITTEE	AGM
1. Mr. Sadawut Taechaubol	6/7						1/1
2. Mr. Surabhon Kwunchaithunya	7/7			4/4		4/4	1/1
3. Mr. Tommy Taechaubol	7/7					4/4	1/1
4. Mr. Dej Namsirikul	7/7		2/2		2/2		1/1
5. Mr. Niphon Wisityuthasart	7/7	6/6	2/2				1/1
6. Pol.Gen Werapong chuenpagdee	7/7	6/6	2/2		2/2		1/1
7. Mrs. Jitmanee Suwannapool	7/7	6/6					1/1
8. Ms. Chularat Suteethorn	7/7						1/1
9. Mr. Pisuth Virayamettakul	7/7						1/1

- **The Board of Directors meeting (The Securities Company)**

In 2021 and 2022 there were the meetings of the Board of Directors. The details of the meetings amount are as follows.

NAME	NO. OF ATTENDANCE / NO. OF ALL MEETINGS (TIMES)	
	2021	2022
1. Mr. Surabhon Kwunchaithunya	10/10	10/10
2. ACM Permkiat Lavanamal	10/10	10/10
3. Dr. Supachai Sukhanindr	2/2	10/10
4. Ms. Sharinee Kalayanamitr*	-	4/4
5. Mr. Thanachote Rungsitivat	10/10	10/10
6. Mr. Bob Wouters**	-	-
7. Mr. Pat Jungkankul	6/6	-
8. Mr. Vasu Chewprecha	8/8	-
9. Dr. Porcham Aranyakananda	10/10	5/5
10. Dr. Veeraphat Phetcharakupt	10/10	9/9

Remark: Dr. Porcham Aranyakananda resigned on May 16, 2022.

Dr. Veeraphat Phetcharakupt resigned on October 31, 2022.

\* Ms. Sharinee Kalayanamitr has been approved to be Independent Director, Member of Audit Committee and Member of Nomination and Remuneration Committee on July 4, 2022

\*\* Mr. Bob Wouters has been approved to be Director and Chief Executive Officer on November 14, 2022

- **Remuneration for Directors and Executives**

The Company has clearly and transparently set out details for Directors' remuneration in regard to attendance fees, the compensation for which received approval at the Annual General Shareholders' Meeting. Directors were assigned additional duties and responsibilities, and example being their roles as members of sub-committees, for which they will receive added compensation at a level appropriate to the tasks and responsibilities assigned. This was based on the resolution made at the Annual General Shareholders' Meeting on April 28, 2022. The Board intends to act transparently and according to Good Governance principles, with Directors receiving remuneration abstaining from voting on the matter.

The Nomination and Remuneration Committee sets the evaluation criteria for the executives as well as setting fair and clear remunerations for them. In the case where new shares are to be issued for the executives, the Committee will need to provide its opinion and justification for cases where more than five percent of the shares are allocated. No Directors or Executives that are to receive more than five percent of the Company's shares are to be members of the Committee.

Disclosure of all relevant remuneration for the Directors and the Executives is given in annual reports and on the Company's website.

## • Remuneration for Directors

The 2022 Annual General Meeting held on April 28, 2022, approved of an increase in remunerations for the Board of Directors from the 2021 rates, while Sub-Committee remuneration rates remained the same as the previous year, with these policies becoming effective as of May 2022. It was decided that the Chairperson and directors would be paid at the same rate as the Audit Committee and the allowance was paid during months of the meetings and to the directors attending the Company's meetings at the following rates:

POSITION	RESOLUTION BY AGM 2020 (BAHT /MONTH)	RESOLUTION BY AGM 2021 (BAHT /MONTH)	RESOLUTION BY AGM 2022 (BAHT /MONTH)
Chairperson	100,000	100,000	100,000
Vice Chairperson	55,000	55,000	55,000
Director	45,000	45,000	45,000
Chairperson of Audit Committee	30,000	30,000	30,000
Member of Audit Committee	20,000	20,000	20,000
Other sub-committees			
- Chairperson	30,000	30,000	30,000
- Directors	20,000	20,000	20,000

### The criteria for remuneration were as follows:

- 1) In regard to the Company's remuneration for the Board of Directors, Audit Committee, and other Sub-Committees, compensation is paid monthly and only during months of the meetings, and even then only to committee members who attend the meetings.
- 2) Management who are part of the Board of Directors will receive compensation at rates similar to that for other Directors, while management who are members of Sub-Committees will not receive such compensation.
- 3) Those above criteria were effective on May 2022 after the approval of the 2018 Annual General Meeting.

### Criteria for Director and Committee remuneration:

- 1) Remuneration would be paid to each committee no more than 4 times of the monthly compensation. Moreover, the Chairperson of each sub-committee, including

the Audit Committee, the Investment Committee, the Nomination and Remuneration Committee, the Risk Management Committee, and the Good Corporate Governance Committee would receive 1 time of the compensation.

- 2) Directors entitled to receive remuneration must fulfill their duties throughout the 2022 business year (From January 1, 2022 - December 31, 2022). Each committee member's compensation was based on their attendance at 2022 meetings.
  - a) Directors with attendance rates exceeding 75 percent will receive 100 percent of calculated remuneration.
  - b) Directors with attendance rates up to or less than 75 percent will receive 50 percent of calculated remuneration.

### Other benefits

-None-

Details of remuneration payments in 2022 are as follows:

NAME – SURNAME	MEETING ALLOWANCES							TOTAL (BAHT)
	BOARD OF DIRECTORS	AUDIT COMMITTEE (BAHT)	NOMINATION AND REMUNERATION COMMITTEE (BAHT)	INVESTMENT COMMITTEE (BAHT)	CORPORATE GOVERNANCE COMMITTEE (BAHT)	RISK MANAGEMENT COMMITTEE (BAHT)	PENSION (BAHT)	
Mr. Sadawut Taechaubol	1,000,000.00						400,000.00	1,400,000.00
Mr. Surabhon Kwunchaithunya	550,000.00			120,000.00		60,000.00	275,000.00	1,005,000.00
Mr. Tommy Taechaubol	450,000.00						180,000.00	630,000.00
Mr. Dej Namsirikul	450,000.00		120,000.00		40,000.00		225,000.00	835,000.00
Mr. Nipon Wisityuthasart	450,000.00	120,000.00	80,000.00				225,000.00	875,000.00
Pol.Gen Werapong Chuenpagdee	450,000.00	80,000.00	80,000.00		60,000.00		225,000.00	895,000.00
Mrs. Jitmanee Suwannapool	450,000.00	80,000.00					180,000.00	710,000.00
Ms. Chularat Suteethorn	450,000.00						180,000.00	630,000.00
Mr. Pisuth Viriyamettakul	450,000.00						180,000.00	630,000.00
Total	4,700,000.00	280,000.00	280,000.00	120,000.00	100,000.00	60,000.00	2,700,000.00	7,610,000.00

• **Remuneration for Directors (The Securities Company)**

NAME	POSITION	BOD'S REMUNERATION (MILLION BAHT)	
		2021	2022
1. Mr. Surabhon Kwunchaithunya	Chairperson	1.30	1.10
2. ACM Permkiat Lavanamal	Independent Directors, Chairperson of the Audit Committee, Chairperson of the Nomination and Remuneration Committee	0.77	0.75
3. Dr. Supachai Sukhanindr	Independent Directors, Member of the Audit Committee, Member of the Nomination and Remuneration Committee	0.12	0.62
4. Ms. Sharinee Kalayanamitr*	Independent Director, Member of Audit Committee and Member of Nomination and Remuneration Committee	-	0.20
5. Mr. Thanachote Rungsitvat	Directors	0.52	0.44
6. Mr. Bob Wouters**	Director and Chief Executive Officer	-	-
7. Mr. Pat Jungkankul	Independent Directors, Member of the Audit Committee, Member of the Nomination and Remuneration Committee	0.28	-
8. Mr. Vasu Chewprecha	Independent Directors, Member of the Audit Committee	0.34	-
9. Dr. Porcham Aranyakananda	Independent Directors, Member of the Audit Committee, Member of the Nomination and Remuneration Committee	0.56	0.24
10. Dr. Veeraphat Phetcharakupt	Directors	0.52	0.24
Total		5.65	4.51

Remark: Dr. Procham Anranyakananda resigned on May 16, 2022.

Dr. Veeraphat Phetcharakupt resigned on October 31, 2022.

\* Ms. Sharinee Kalayanamitr has been approved to be Independent Director, Member of Audit Committee and Member of Nomination and Remuneration Committee on July 4, 2022

\*\* Mr. Bob Wouters has been approved to be Director and Chief Executive Officer on November 14, 2022

### 8.1.3 Corporate Governance of Subsidiaries and Affiliated Companies

The Company's Board of Directors has imposed a policy regarding the regulation and monitoring of Subsidiary and Affiliated Companies in order to secure accountability and transparency. This is to ensure efficient control over the business directions of Subsidiary and Affiliated Companies as they are monitored and regulated by the Company's internal unit, by which investors and stakeholders' benefits credibility are secured.

Through the appointment of the Company's Executives, who are eligible and qualified under the regulations of the Capital Market Supervisory Board, as members of the Boards of Directors of the Subsidiary and Affiliated Companies, their performances are well monitored in addition to the use of standardized practices on information disclosures, data mining, and accounting

### 8.1.4 Monitoring the Compliance Policies and Guidelines

#### Conflicts of Interest

The Board has set clear guidelines to prevent conflicts of interest as per the corporate ethics handbook. These are listed below as follows:

- To have a well-structured organization chart, whereby each functional unit can be monitored for performance with relevant committees to oversee internal controls and adherence with external regulatory bodies.
- To encourage all executives and employees to adhere to good corporate governance by promoting working principles of integrity, professional ethics, client confidentiality, and no usage of inside information for one's own interests.
- For situations where the decision making may result in conflicts of interest or where the interests of the Company may not be in line with stakeholders, the Board of Directors and management will consider such matters carefully, honestly, reasonably, and independently for the best benefit to the Company. Such decisions will be disclosed to shareholders.

- In cases where there are potential conflicts of interest or related transactions, all related directors must disclose such information to the meeting immediately and shall not have the right to attend nor vote for that agenda.
- Directors, executives, and all employees must avoid any transactions that may lead to conflicts of interest for the Company and stakeholders. This includes contacting the Company's customers and competitors, seeking opportunities, receiving information from being Directors or employees of the Company for pursuing personal interests, performing activities that compete with the Company or working on other jobs apart from that of the Company's that could have impact on their own duties within the Company.
- Directors, executives, and all employees must avoid holding competitors' shares as this might affect their duties or responsibilities. In the case that a person holds shares before being employed, the person must report to his/her relevant supervisors and send a copy of the report to the Audit and Compliance Department.

In 2022, The Company was not found that the Directors, Executive and employee had conflicts of interest.

#### Policy on Internal information usage

The Company has set a policy to control and regulate internal information usage, so there are measures to prevent and handle it efficiently. This is also to prevent usage of internal information personal beneficially or cronyism and complies with the principles of Good Corporate Governance and transparency. Details are as follows:

- The Board of Directors and Management, along with spouse and underage children, must report their assets according to SEC and SET regulations.
- Directors, executives, and staff at relevant departments (along with their spouses and underage children) are prohibited from participating in any of the Company's securities trading activities during the 14 days prior to the disclosure of the quarterly and annual financial statements.

- Levels of secrecy are used to indicate the degrees to which insider information must remain a business secret. Levels are divided based upon importance. For example, this might include disclosable information, undisclosable information, secret information, and highly confidential information. Usage of this information must be within the frame of duty and assigned responsibility. One cannot disclose the Company's secret information if doing so would damage it or affect its ability to compete regardless of whether said data is related to electronics, finances, procedures, future business plans, or any other information while employed at, or following employment at, the Company.
- Disclosing information to public requires approval from the Chairperson, executives, division, or appointed individuals.
- Regulations are to be established regarding putting preventive measures and insider information usage in writing. There will be lines of communication to broadcast such policies and regulations to Directors, executives, and staff at all levels of the Organization on a continuous basis so that everyone recognizes their duties and responsibilities based on what the Company has set clearly through their policies and rules. Anyone who fails to obey this policy will be punished accordingly.

In 2022, there are no directors, executives, including those holding executive positions in accounting or finance, trading in securities during the period that the company suspends trading.

### **Anti-Corruption**

The Company attaches importance to transparent and fair business operations, as well as its determination not to support and against bribery and corruption, therefore has established a policy against bribery and corruption. Corruption in order for directors, executives and employees to adhere to the principles of good corporate governance. In addition, the Company also provides communication channels for employees and stakeholders to report clues, complaints, and recommendations to the Company in order to investigate the facts in accordance with the

process and bring appropriate improvements for sustainable development of the organization in the future and the company has been certified for being a member of Thai Private Sector Collective Action Against Corruption (CAC) for the second consecutive time by Thai Institute of Directors (IOD).

In the year 2022, there are no directors, executives and employees that cause corruption.

### **Whistleblowing**

The Board of Directors provides procedures and channels for receiving and dealing with complaints of stakeholders by defining preventive and anti-corruption measures to be used as guidelines for directors, executives and employees to adhere to, including being able to file complaints. If directors, management, employees, or other individuals have suspicions or evidence of directors, management, personnel, or others engaging in corruption on behalf of the Company, they must report the incident or make a complaint to the Company. The Company will keep information regarding the individuals making the report confidential and will use this knowledge in administration and interior operations, but may disclose it if issued orders by authorities such as courts of law, the SEC, or other relevant regulatory bodies. The individuals notifying the Company must do so with good intentions. If the Company finds any evidence of dishonesty in the message or finds that it was made with malicious intent to damage, defame, or otherwise harm others, it will take the appropriate further actions. Directors, management, personnel, and stakeholders are able to directly submit a complaint personally or in writing through the following channels:

- (1) Telephone: 02-256-7999 ext. 1712
- (2) Facsimile: 02-256-7888
- (3) E-mail: CompanySec@cgholdings.co.th
- (4) Letters indicating the sender's first name, last name, and telephone number with the complaint, must be sent to the recipient of the complaint at the following address:

Country Group Holdings PCL  
132 Sindhorn Tower 3. 20th Floor, Wireless Road  
Lumpini, Pathumwan Bangkok 10330

The recipient of the complaint may be one of the following four:

- Chairperson of the Board
- Chairperson of the Audit Committee
- Chief Executive Officer
- Head of Compliance and Internal Audit

In 2022, The Company did not receive a complaints reported or the whistleblowing of legal offenses

### 8.1.5 Review of the vision, mission and strategy

The Board of Directors reviews the vision, mission and strategy annually to ensure they are in line with future business goals and strategies, and monitors the implementation of the strategy and monitors the performance of the management.

## 8.2 PERFORMANCE OF THE AUDIT COMMITTEE IN THE PREVIOUS YEAR

Country Group Holdings PCL's Audit Committee is appointed by the Board of Directors and consists of three independent directors who are well qualified in the areas of finance, accounting, law and full qualifications as stipulated in the Audit Committee Charter prepared in accordance with the guidelines and requirements of the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET).

NAME	NO. OF ATTENDANCE / NO. OF ALL MEETINGS (TIMES)
1. Mr. Nipphon Wisityuthasart	6/6
2. Pol. Gen. Werapong Chuenpagdee	6/6
3. Mrs. Jitmanee Suwannapool	6/6

In 2022, the Audit Committees held six meetings in total. The Audit Committee fulfils its duties independently from Management due to the boundaries of its duties and assigned responsibilities., the essential duties of the Committee were as follows:

- 1) Reviewing and confirming financial statements and consolidated financial statements (quarterly and annual), including ensuring the sufficient disclosure of vital and relevant data. These statements have already passed the review and inspection process from the Auditor prior to being presented to the Board for approval. The Board has met with the Management of the Accounting Division and the Auditor before giving its approval in order to ensure the accuracy and trustworthiness of such reports based on accounting standards. This should prove useful for shareholders and investors.
- 2) Studying and making comments about lists of links and areas of potential conflicts of interest so that the Company might act carefully, reasonably, and with consideration to all stakeholders. Such information much be disclosed with transparency in its entirety in a manner befitting SET regulations.
- 3) The Company's internal audit system worked with the Audit and Control Division, the Auditor, and Management to review the effectiveness of the internal controls system in risk management and found that in the past year, the internal controls system was sufficient for such purposes. This concurred with comments from the Auditor's review which stated that there was nothing noticeably amiss with the system.

- 4) Reviewed the efficiency and sufficiency of the internal control system, the risk management system and the internal audit system together with the Audit and Compliance Department, the auditor and the management department, and considered the audit plan and the internal audit results of the Audit Committee. Audit and supervisory departments on a quarterly and yearly basis as well as follow up on the correction of deficiencies from the audits by internal auditors and auditors, as well as provide recommendations for auditing and supervision. Supervise more effective and in accordance with the rules, regulations, policies that external regulatory agencies and companies set by professional standards.
- 5) Review the anti-bribery and corruption practice to ensure compliance with anti-bribery and corruption policies and measures.
- 6) Consider, select and propose an auditor appointment and the suitability of the audit fee for the year 2022 based on the quality of service, knowledge, capability, expertise, experience, independence and relevant work to present the annual auditor appointment. 2023 to the Board of Directors before proposing for approval to the shareholders' meeting.

From the duties listed above, the Audit Committee feels that overall, the Company has sufficient and proper internal controls systems for its business operations given that they appropriately cover risks and follow relevant laws with Good Governance. The preparations for the Company's financial reports and data were disclosed transparently in a trustworthy manner.

### 8.3 PERFORMANCE OF THE SUB-COMMITTEES

#### Number of meeting times and attendance of sub-committees

NAME	NO. OF ATTENDANCE / NO. OF ALL MEETINGS (TIMES)
1. Mr. Dej Namsirikul	4/4
2. Mr. Niphon Wisityuthasart	4/4
3. Pol. Gen. Werapong Chuenpagdee	4/4

#### Risk Management Committee

NAME	NO. OF ATTENDANCE / NO. OF ALL MEETINGS (TIMES)
1. Mr. Surabhon Kwunchaithunya	4/4

### Corporate Governance Committee

NAME	NO. OF ATTENDANCE / NO. OF ALL MEETINGS (TIMES)
1. Mr. Dej Namsirikul	2/2
2. Pol. Gen. Werapong Chuenpagdee	2/2

### Investment Committee

NAME	NO. OF ATTENDANCE / NO. OF ALL MEETINGS (TIMES)
1. Mr. Surabhon Kwunchaithunya	4/4
2. Mr. Tommy Taechaubol	4/4

# 9

## INTERNAL CONTROLS AND RELATED PARTY TRANSACTIONS

### 9.1 INTERNAL CONTROLS

#### 9.1.1 The Board of Directors' opinions

The Company has assigned the Audit Committee, an independent group whose duty is to review the sustainability of each step-in internal control system operations, to report, monitor, and disclose sufficient, thorough, and accurate information in order to ensure that its internal auditing of operation and systematic development reviews prove consistently effective. Meetings are held between management and the licensed auditor in order to prevent and correct mistakes with the proper criteria and effectiveness. Each quarter, the Company sets up at least one meeting of the Audit Committee. In 2022, there were 6 Audit Committee meetings.

The Board carried out an assessment of the sufficiency of its internal control system and assessment form with three members of the Audit Committee in attendance. The review consisted of analyzing information and different reports, along with question-and-answer sessions by management regarding the efficiency of five areas in particular:

- The organization and environment
- Risk management
- Management operation control
- Information and communication systems
- The monitoring system

Following the assessment, the Board decided that the Company already possessed a proper and sufficient internal control system with enough personnel to proceed efficiently under such a system. Mrs. Poonnard Paocharoen, Auditor

of EY Office Limited, the Company's auditor for the quarter and 2022 in general, did not reveal any errors within the interior control system in the audit report.

Furthermore, the Company has also established a control mechanism to oversee its subsidiaries and affiliates through having its agents serve as members of their individual Boards of Directors at proportions matching the stakes held in each company. This serves to allow administration and monitoring of their work processes to ensure that they are following Company policy, as well as set up preventative and risk-reducing mechanisms within these groups' activities in order to avoid damages or losses that may otherwise occur. In addition, it also allows for the carrying out of regular monitoring and assessments at least once a quarter, with the Company having insured the directors, personnel, and the firm's own responsibilities to the amount of 100 million baht to reduce and soften the impact of possible risks from the Group's business activities.

#### 9.1.2 Head of the Auditor and Compliance Division

The Company's Audit and Internal Audit Divisions' duties are to ensure that its business activities and related work follow the law and its policies by reporting directly to the Audit Committee, including senior executives, and serve in an advisory role in regard to rules and regulations.

Following Meeting Number 4/2021 on November 2, 2021, the Committee appointed Ms. Supaporn Akaradechachai to oversee the business processes of the Company and its subsidiaries in order to ensure that they follow the rules and regulations under its policy

## 9.2 RELATED PARTY TRANSACTIONS

### 9.2.1 Related parties are those parties linked to the Group and Company by common shareholders or directors.

Details of significant related parties' transactions of the Company are as follows:

CONNECTED PARTIES	NATURE OF TRANSACTION	AMOUNT (MILLION BAHT)		NECESSITY AND REASONABILITY OF TRANSACTION ACCORDING TO THE AUDIT COMMITTEE'S OPINION
		2022	2021	
Pi Securities Public Company Limited  (Old name: Country Group Securities Public Company Limited)	Trade and other receivables	71.83	294.20	Entrance into securities trading transactions fall within the normal course of business for the Subsidiary Company. This is done at the market price, which offers the same rates as general clients
	Trade and other payables	0.04	0.01	
	Other current financial assets	350.00	500.00	
	Fee and service expenses	0.12	0.18	
	Interest income	10.97	25.80	
	Other Revenue	-	0.20	
	Investment in subsidiary company	2,470.53	2,470.53	Entrance into investments is within the normal course of business for the Company
	Debenture	0.2	-	
	Finance costs	2.70	4.03	
	Dividend income	-	-	Dividend payments were per the resolution from the Annual General Shareholders' Meeting
MFC Asset Management Public Company Limited	Investment in associated company	675.01	675.01	Entrance into investments is within the normal course of business for the Company
	Dividend income	67.42	34.49	Dividend payments were per the resolution from the Annual General Shareholders' Meeting
	Fee and service fees	0.02	0.02	Management fees are part of the Company's normal business procedures at estimated market price
Bound and Beyond Public Company Limited (Old: Padaeng Industry Public Company Limited)	Investment in associated company	1,392.44	1,392.44	Entrance into investments is within the normal course of business for the Company
	Others-Accounts Payable	0.30	-	Entrance into such transactions fall within the normal course of business for the Company.
	Service charge	2.24	-	

CONNECTED PARTIES	NATURE OF TRANSACTION	AMOUNT (MILLION BAHT)		NECESSITY AND REASONABILITY OF TRANSACTION ACCORDING TO THE AUDIT COMMITTEE'S OPINION
		2022	2021	
Country Group Development Public Company Limited	Other non-current financial assets	260.60	296.97	Entrance into investments is within the normal course of business for the Company
Genki Capital Co., Ltd.	Investment in subsidiary company	25.00	25.00	Entrance into investments is within the normal course of business for the Company
	Trade and other receivables	0.79	1.29	
	Short-term loan to subsidiaries	37.90	40.90	Short-term loan from subsidiary company is a form of financial support that falls under the normal course of business for the company and its subsidiary
	Interest incomes	2.50	2.93	
Genki Power One Co., Ltd.	Short term loan to subsidiary company	69.13	69.13	Short-term loan from subsidiary company is a form of financial support that falls under the normal course of business for the company and its subsidiary
	Interest income	4.29	4.29	
	Trade and other receivables	11.72	7.43	
Pi Ventures Co., Ltd.	Investment in subsidiary company	128.75	-	Entrance into investments is within the normal course of business for the Company
	Income from sales of investments measured pass other comprehensive income	33.74	-	
	Short-term loan to subsidiaries	340.30	-	Short-term loan from subsidiary company is a form of financial support that falls under the normal course of business for the company and its subsidiary
	Trade and other receivables	10.91	-	
	Interest incomes	10.91	-	
Pi Digital Co.,Ltd.	Investment in subsidiary company	50.00	-	Entrance into investments is within the normal course of business for the Company

Details of significant related parties' transactions of the Subsidiary are as follows:

CONNECTED PARTIES	NATURE OF TRANSACTION	AMOUNT (MILLION BAHT)		NECESSITY AND REASONABILITY OF TRANSACTION ACCORDING TO THE AUDIT COMMITTEE'S OPINION
		2022	2021	
Country Group Holdings Public Company Limited	Brokerage fee – Securities and derivative	0.15	2.04	Entrance into securities trading transactions and SBL transaction fall within the normal course of business for the Subsidiary Company. This is done at the market price, which offers the same rates as general clients.
	Securities business receivables	-	-	
	Securities business payables	-	-	
	Deposit for customer's account	12.56	148.91	
	Fee and service income	2.85	-	
	Non-collateralised investment	200.00	-	Entrance into investments is within the normal course of business for the Company
	Debt and other borrowings	350.00	500.00	Entrance into transactions fall within the normal course of business for the Subsidiary Company.
	Finance cost	10.96	25.78	
	Other liabilities	2.11	2.17	Entrance into debt instruments trading transactions fall within the normal course of business for the Subsidiary Company.
	Other assets	0.04	0.02	

CONNECTED PARTIES	NATURE OF TRANSACTION	AMOUNT (MILLION BAHT)		NECESSITY AND REASONABILITY OF TRANSACTION ACCORDING TO THE AUDIT COMMITTEE'S OPINION
		2022	2021	
Bound and Beyond Public Company Limited (Old: Padaeng Industry Public Company Limited)	Brokerage fee – Securities	-	0.50	Entrance into securities trading transactions fall within the normal course of business for the Subsidiary Company. This is done at the market price, which offers the same rates as general clients.
	Securities sold under sell and buy back agreements	154.15	-	Transactions for the purpose of bond trading are within the Company's normal business procedures, and rates are fixed to the market rate.
	Fee and service income	5.36	0.40	Fee income from services provided as an agent of stock warrant acceptance and underwriting fee and bond representative fee fall within the Company's normal course of business procedures.
	Other liabilities	0.46	-	
	Non-collateralised investment	4.99	-	Entrance into transactions fall within the normal course of business for the Subsidiary Company
	Collateralized investment	154.83	-	
MFC Asset Management Public Company Limited and Mutual fund managed by associate	Brokerage fee – Securities	61.46	63.32	Entrance into securities trading transactions and SBL transaction fall within the normal course of business for the Subsidiary Company. This is done at the market price, which offers the same rates as general clients.
	Fee and service expense	0.20	0.49	
	Securities business receivable	16.56	38.81	
	Other assets	0.74	0.20	
	Securities business payable	-	-	

CONNECTED PARTIES	NATURE OF TRANSACTION	AMOUNT (MILLION BAHT)		NECESSITY AND REASONABILITY OF TRANSACTION ACCORDING TO THE AUDIT COMMITTEE'S OPINION
		2021	2020	
MFC Asset Management Public Company Limited and Mutual fund managed by associate	Selling agent fee	3.68	11.75	Selling agent fee is in the normal course of business for the Subsidiary Company. At the market price which is the same rate as general clients.
	Fee and service fees income	0.17	0.16	Fee and service fees are in the normal course of business for the Subsidiary Company. At the market price which is the same rate as general clients.
	Non-collateralised investment	6.74	10.82	Entrance into transactions fall within the normal course of business for the Subsidiary Company
Country Group Development Public Company Limited	Non-collateralised investment	136.31	460.57	Entrance into investments is within the normal course of business for the Subsidiary Company.
	Collateralized investment	242.52	39.80	
	Fee and service expense	0.60	0.60	Underwriting fee and bond representative fee fall within the normal course of business for the Subsidiary Company. This is done at the market price, which offers the same rates as general clients.
	Other liabilities	0.45	0.45	
	Securities sold under sell and buy back agreements	241.44	39.87	Selling agent fee is in the normal course of business for the Subsidiary Company. At the market price which is the same rate as general clients.
EDP Enterprise Company Limited	Premises and equipment expenses	1.37	1.37	Warehouse rental expenses are in the normal course of the Subsidiary Company.
Related persons	Brokerage fee - Securities and derivative	0.70	1.77	Entrance into securities trading transactions fall within the normal course of business for the Subsidiary Company. This is done at the market price, which offers the same rates as general clients.
	Deposit for customer's account	10.34	3.05	
	Securities business receivables	153.91	161.81	
	Finance cost	0.01	0.02	
	Interest income	7.40	13.22	

The audit committee has opinion that all aforementioned transactions have pricing policies and conditions in line with the normal business, necessity, appropriate and reasonable. Moreover, accuracy and completion of information disclosure related to these transaction are completed with the SET regulations.

### **9.2.2 Measures and procedures for Related Party Transactions**

The Company has set up measures for controlling related party transactions between the Company, its subsidiary, and others who may have conflicts of interest, personal interest, or possible future conflicts of interest in accordance with the notifications of the SEC or SET. The Audit Committee will provide opinions about the necessity of transactions and the appropriate market price, as well as comparing prices with those outside the Company to propose to the board of director meeting to consider and approve.

In the event that the Audit Committee lacks the expertise to handle any related party transactions, the Company will arrange for an independent expert or the Company's Auditor to comment on such transactions in order to provide comments to those of the Audit Committee and/or the Board of Directors and/or shareholders, depending on the situation. Those with conflicts of interest or personal interests will not be able to vote on resolutions regarding related party transactions.

Furthermore, the Company will disclose information on connected transactions and vital asset acquisitions or dispositions of the Company and its Subsidiaries in accordance with the notifications of the SEC and the SET, as well as the accounting standards of the Federation of Accounting Professions under the Royal Patronage of his Majesty the King (FAP).

### **9.2.3 Policies or tendencies for future Related Party Transactions**

The Company and its subsidiary may enter into related party transactions with the potential for conflicts of interest down the line. In the event of normal business transactions and normal business supporting transactions under general trade conditions with individuals who may have conflicts of interest, the Company has set a policy for preparing prices which can be compared with those from outsiders. This operates according to and strictly follows Board-approved guidelines under the Securities and Exchange Act B.E. 2535 (1992). Prices must be set clearly and fairly, and terms must not lead to any transfers of benefits. Because more people may have potential conflicts of ties increase after the restructuring is complete. The majority of such transactions will be business deals related to securities trading.

However, in the event of new transactions or changing conditions, the Internal Audit and Compliance Department will review the information and prepare and submit a report to the Audit Committee so that the latter may consider it and make decisions regarding the appropriateness of prices and reasonableness of transactions on the quarterly basis. In the case of normal business transactions, normal business support transactions, and other related party transactions, the Company will follow the above measures to control related party transactions.

# 03

## FINANCIAL STATEMENTS

# THE BOARD OF DIRECTORS' REPORT ON ITS RESPONSIBILITY TO FINANCIAL REPORT

The Board of Directors is responsible for the consolidated financial statements of Country Group Holdings Public Company Limited and its subsidiaries (the "Group") and the separate financial statements of Country Group Holdings Public Company Limited (the "Company"), including financial information as appeared in this annual report. The financial statements were stated in accordance with generally accepted accounting principles, applying the appropriate accounting policies and consistently adhered with careful discretion and best estimation in the preparation. Besides, significant information was disclosed sufficiently in the notes accompanying the financial statements for the benefit of shareholders and investors in a transparent manner.

The Board of Directors has provided and maintained the appropriate and efficient internal control system to reasonably ensure that the accounting data are accurate, complete, and sufficient to maintain its assets and to prevent fraud and materially irregular operation.

In this regard, the Board of Directors has appointed the Audit Committee to review the accounting policies, the quality of the financial reports, the internal control, and internal audit systems. The opinions of the Audit Committee with regard to the matters, which appear in the Report of the Audit Committee, are already shown in this annual report.

The consolidated financial statements and the separate financial statements of the Company have been audited by the Company's Auditor, namely EY office Limited. In auditing, the Board of Directors provided all relevant information and documents to enable the Auditor to examine and express his opinion in conformity with generally accepted auditing standards. The Auditor's opinion, which appears in the auditor's report, is already shown in this annual report.

The Board of Directors is of the opinion that the overall internal control system of the Company is satisfactory and can bring about reasonable confidence that the consolidated financial statements and the separate financial statements of the Company for the year ending December 31, 2022 were reliable and prepared in conformity with generally accepted accounting principles and carried out accurately in accordance with law and all relevant rules and regulations and were sufficiently disclosed.



**SADAWUT TAECHAUBOL**  
Chairperson and  
Chairperson of Executive Committee



**TOMMY TAECHAUBOL**  
Director and  
Chief Executive Officer

# REPORT OF THE INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

To the Shareholders of Country Group Holdings Public Company Limited

## 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 2022, 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 2022, 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.

### Emphasis of Matter

I draw attention to Note 16 to the consolidated financial statements. In August 2021, the Company invested in ordinary shares of Bound and Beyond Plc. (formerly known as "Padeang Industry Plc.") at a price of Baht 565 million. The Company completed the measurement of fair value of the identifiable assets acquired and liabilities assumed at the acquired date in August 2022 to reflect the fair value of the identifiable assets acquired and liabilities assumed of Bound and Beyond Plc. as from the acquisition date. My opinion is not modified in respect of this matter.

## **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**

During the year, the Group has invested in digital assets, including cryptocurrencies and digital tokens, which is a new investment policy of the Group. As at 31 December 2022, the Group had a balance of right to acquire digital assets of Baht 107 million by entering into a purchase agreement with a company, and invested Baht 54 million in digital assets through overseas digital asset exchanges, and have been stored in the Group's private digital asset wallet. As these digital assets are electronic data units built on an electronic system or network, they are at risk of 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 digital asset exchanges by inquiring about and observing the logins 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 as at 31 December 2022 by inquiring about and observing digital asset transactions and reconciling their balances with the Group's report and transactions occurring on the blockchain including controls over private key. In addition, I have engaged blockchain technology expert to assess the credibility of the data sources and verify transactions occurring on the blockchain. Furthermore, I read digital assets purchase agreement and submitted a letter to a company to confirm the Group's right to acquire digital assets as at 31 December 2022, 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.

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 2023

# FINANCIAL STATEMENT

Country Group Holdings Public Company Limited and its subsidiaries

Statement of financial position

As at 31 December 2022

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2022	2021	2022	2021
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents	6	1,090,846,074	907,149,794	254,759,516	189,060,857
Trade and other receivables	7	205,807,248	131,108,145	96,555,596	336,498,479
Receivables from Clearing House and broker - dealers	8	225,305,609	321,905,292	-	-
Securities and derivatives business receivables	9	1,499,612,549	1,765,743,808	-	-
Derivative assets	10	1,344,300	-	-	-
Short-term loans to subsidiaries	41	-	-	447,329,058	110,032,650
Current portion of long-term loans to other company	13	37,350,105	-	-	-
Inventories - digital assets	11	53,616,291	108,633,733	-	108,633,733
Other current financial assets	12	1,506,974,440	1,692,165,208	522,941,290	835,882,650
<b>Total current assets</b>		<b>4,620,856,616</b>	<b>4,926,705,980</b>	<b>1,321,585,460</b>	<b>1,580,108,369</b>
<b>Non-current assets</b>					
Other non-current financial assets	12	750,121,905	552,277,185	262,268,398	352,771,245
Long-term loans to other company - net of current portion	13	-	40,189,863	-	-
Investments in subsidiaries	15	-	-	2,674,277,877	2,495,527,937
Investments in associates	16	2,626,163,124	2,784,572,122	2,067,448,120	2,067,448,120
Investment in venture capital	17	29,999,900	14,999,900	29,999,900	14,999,900
Investment properties	18	35,265,091	36,356,810	-	-
Property, plant and equipment	19	138,075,892	144,546,855	438,568	334,196
Right-of-use assets	28	90,726,918	20,167,952	14,556,053	2,397,558
Intangible assets	20	221,246,177	143,777,626	-	-
Deferred tax assets	38	295,984,238	303,990,396	160,785,120	159,260,130
Other non-current assets	21	198,780,026	187,532,176	2,828,218	2,599,015
<b>Total non-current assets</b>		<b>4,386,363,271</b>	<b>4,228,410,885</b>	<b>5,212,602,254</b>	<b>5,095,338,101</b>
<b>Total assets</b>		<b>9,007,219,887</b>	<b>9,155,116,865</b>	<b>6,534,187,714</b>	<b>6,675,446,470</b>

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

Country Group Holdings Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 31 December 2022

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2022	2021	2022	2021
Liabilities and shareholders' equity					
Current liabilities					
Short-term borrowings from financial institutions	22	500,000,000	305,000,000	-	-
Securities sold under sell and buy back agreements	23	648,885,345	306,699,669	-	-
Trade and other payables	24	366,207,058	370,550,778	218,567,617	219,489,184
Payables to Clearing House and broker - dealers	25	45,717	-	-	-
Securities and derivatives business payables	26	766,107,882	1,198,254,733	-	-
Derivative liabilities	10	-	3,438,531	-	-
Current portion of long-term debentures	27	142,327,205	723,959,742	-	722,271,650
Current portion of lease liabilities	28	40,722,223	15,995,970	6,132,667	2,525,179
Income tax payables		6,488,298	20,854,268	-	-
Total current liabilities		2,470,783,728	2,944,753,691	224,700,284	944,286,013
Non-current liabilities					
Long-term debentures - net of current portion	27	660,651,775	141,578,558	658,863,810	-
Lease liabilities - net of current portion	28	51,622,896	4,838,042	8,657,128	-
Provision for long-term employee benefits	29	53,770,173	48,675,781	7,782,463	9,097,034
Other non-current liabilities		1,170,833	1,780,205	-	-
Total non-current liabilities		767,215,677	196,872,586	675,303,401	9,097,034
Total liabilities		3,237,999,405	3,141,626,277	900,003,685	953,383,047

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

Country Group Holdings Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 31 December 2022

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2022	2021	2022	2021
<b>Shareholders' equity</b>					
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
Retained earnings					
Appropriated - statutory reserve	31	175,084,055	172,988,468	60,806,193	60,806,193
Unappropriated		1,349,872,678	1,501,749,614	514,502,863	552,642,079
Other components of shareholders' equity		(516,986,561)	(422,284,459)	(441,048,917)	(391,308,739)
Equity attributable to owners of the Company		5,755,221,568	5,999,705,019	5,634,184,029	5,722,063,423
Non-controlling interests of the subsidiaries		13,998,914	13,785,569	-	-
<b>Total shareholders' equity</b>		<b>5,769,220,482</b>	<b>6,013,490,588</b>	<b>5,634,184,029</b>	<b>5,722,063,423</b>
<b>Total liabilities and shareholders' equity</b>		<b>9,007,219,887</b>	<b>9,155,116,865</b>	<b>6,534,187,714</b>	<b>6,675,446,470</b>

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

Country Group Holdings Public Company Limited and its subsidiaries

Statement of comprehensive income

For the year ended 31 December 2022

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2022	2021	2022	2021
<b>Profit or loss:</b>					
<b>Revenues</b>					
Brokerage fees	32	1,176,969,120	1,336,290,012	-	-
Fees and service income	33	98,467,525	117,445,947	-	-
Interest revenue calculated using the effective interest method	34	139,296,106	145,761,997	37,187,297	40,222,207
Gains and return on financial instruments	35	68,944,885	122,084,580	101,067,180	113,327,723
Other income		42,574,604	75,941,222	19,461,686	53,953,358
<b>Total revenues</b>		<b>1,526,252,240</b>	<b>1,797,523,758</b>	<b>157,716,163</b>	<b>207,503,288</b>
<b>Expenses</b>					
Employee benefits expenses		875,234,340	876,172,487	53,393,848	53,957,788
Fees and service expenses		269,575,585	284,773,660	2,821,861	4,401,793
Impairment loss on financial assets (reversal)	14	(3,198,388)	8,622,757	1,258,320	-
Other expenses		287,296,059	290,803,382	19,563,214	37,476,400
<b>Total expenses</b>		<b>1,428,907,596</b>	<b>1,460,372,286</b>	<b>77,037,243</b>	<b>95,835,981</b>
<b>Profit from operating activities</b>		<b>97,344,644</b>	<b>337,151,472</b>	<b>80,678,920</b>	<b>111,667,307</b>
Finance costs	37	(123,632,443)	(118,811,202)	(72,660,148)	(70,808,527)
Share of profit (loss) from investments in associates	16	(40,930,122)	616,498,235	-	-
<b>Profit (loss) before income tax expenses</b>		<b>(67,217,921)</b>	<b>834,838,505</b>	<b>8,018,772</b>	<b>40,858,780</b>
Income tax expenses	38	(53,561,001)	(69,022,014)	(17,959,640)	(9,828,031)
<b>Profit (loss) for the year</b>		<b>(120,778,922)</b>	<b>765,816,491</b>	<b>(9,940,868)</b>	<b>31,030,749</b>

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

Country Group Holdings Public Company Limited and its subsidiaries

Statement of comprehensive income (continued)

For the year ended 31 December 2022

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2022	2021	2022	2021
<b>Other comprehensive income:</b>					
<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	(98,955)	468,703	-	
Other comprehensive income to be reclassified to profit or loss in subsequent periods - net of income tax		(98,955)	468,703	-	-
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods:</i>					
Actuarial gain (loss) - net of income tax	29	-	(3,676,988)	-	1,881,262
Loss on change in value of investment in equity securities designed at fair value through other comprehensive income - net of income tax		(73,431,743)	(116,506,291)	(77,938,526)	(116,720,234)
Share of other comprehensive income from investments in associates - net of income tax		(49,960,545)	67,424,217	-	-
Other comprehensive income not to be reclassified to profit or loss in subsequent periods - net of income tax		(123,392,288)	(52,759,062)	(77,938,526)	(114,838,972)
<b>Other comprehensive income for the year</b>		<b>(123,491,243)</b>	<b>(52,290,359)</b>	<b>(77,938,526)</b>	<b>(114,838,972)</b>
<b>Total comprehensive income for the year</b>		<b>(244,270,165)</b>	<b>713,526,132</b>	<b>(87,879,394)</b>	<b>(83,808,223)</b>
<b>Profit (loss) attributable to:</b>					
Equity holders of the Company		(120,983,805)	764,748,591	(9,940,868)	31,030,749
Non-controlling interests of the subsidiaries		204,883	1,067,900		
		(120,778,922)	765,816,491		
<b>Total comprehensive income attributable to:</b>					
Equity holders of the Company		(244,469,037)	712,505,040	(87,879,394)	(83,808,223)
Non-controlling interests of the subsidiaries		198,872	1,021,092		
		(244,270,165)	713,526,132		
<b>Earnings (losses) per share</b>	39				
Basic earnings (losses) per share - attributable to equity holders of the Company (Baht)		(0.0302)	0.1874	(0.0025)	0.0076
Diluted earnings (losses) per share - attributable to equity holders of the Company (Baht)		(0.0302)	0.1874	(0.0025)	0.0076

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

Country Group Holdings Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity

For the year ended 31 December 2022

(Unit: Baht)

Consolidated financial statements																		
Equity attributable to owners of the Company																		
Other components of equity																		
Other comprehensive income																		
Share of other comprehensive income																		
Fair value reserve																		
Treasury stocks - ordinary shares																		
Unappropriated																		
Appropriated																		
Premium on ordinary shares																		
Issued and paid-up share capital																		
Total equity attributable to owners of the Company																		
Equity attributable to non-controlling interests of the subsidiaries																		
Total shareholders' equity																		
Note	Balance as at 1 January 2021	Decrease in capital by disposal of treasury shares	Profit for the year	Other comprehensive income for the year	Total comprehensive income for the year	Increase in shares capital from exercise of warrants	Loss on disposals of equity securities at fair value through other comprehensive income	Transfer to statutory reserve	Balance as at 31 December 2021	Balance as at 1 January 2022	Profit (loss) for the year	Other comprehensive income for the year	Total comprehensive income for the year	Non-controlling interest purchase common stock of the subsidiaries	Loss on disposals of equity securities at fair value through other comprehensive income	Transfer to statutory reserve	Balance as at 31 December 2022	
30	4,336,913,230	(331,378,200)	669,079,930	163,831,167	877,411,093	(258,746,978)	(428,308,546)	(72,932,432)	5,287,247,464	12,711,778	5,299,959,242	-	-	-	-	-	-	-
	-	-	-	-	764,748,591	-	-	-	764,748,591	1,067,900	765,816,491	-	-	-	-	-	-	-
	-	-	-	-	(3,638,749)	-	(116,497,722)	67,892,920	(52,243,551)	(46,808)	(52,290,359)	-	-	-	-	-	-	-
30	-	-	-	-	761,109,842	-	(116,497,722)	67,892,920	712,505,040	1,021,092	713,526,132	-	-	-	-	-	-	-
	2,607	2,607	-	-	-	-	-	-	5,214	-	5,214	-	-	-	-	-	-	-
31	-	-	-	-	(127,561,321)	-	127,561,321	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	9,157,301	(9,210,000)	-	-	-	(52,699)	52,699	-	-	-	-	-	-	-	-
	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	-	-	-	-	-	-	-
	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	-	-	-	-	-	-	-
	-	-	-	-	(120,983,805)	-	-	-	(120,983,805)	204,883	(120,778,922)	-	-	-	-	-	-	-
	-	-	-	-	-	-	(73,425,733)	(50,059,500)	(123,485,233)	(6,011)	(123,491,244)	-	-	-	-	-	-	-
	-	-	-	-	(120,983,805)	-	(73,425,733)	(50,059,500)	(244,469,038)	198,872	(244,270,166)	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	60	60	-	-	-	-	-	-	-
31	-	-	-	-	(28,783,131)	-	28,783,131	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	2,095,587	(2,110,000)	-	-	-	(14,413)	14,413	-	-	-	-	-	-	-	-
	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	-	-	-	-	-	-	-

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

Country Group Holdings Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity (continued)

For the year ended 31 December 2022

(Unit: Baht)

Separate financial statements									
	Note	Issued and paid-up share capital	Premium on ordinary shares	Retained earnings		Treasury stocks - ordinary shares	Other components of equity		Total shareholders' equity
				Appropriated	Unappropriated		Fair value	reserve	
<b>Balance as at 1 January 2021</b>		4,336,923,080	1,421,742,574	59,256,193	648,562,961	(258,746,978)	(401,871,398)		5,805,866,432
Decrease in capital by disposal of treasury shares	30	(331,378,200)	72,631,222	-	-	258,746,978	-	-	-
Profit for the year		-	-	-	31,030,749	-	-	-	31,030,749
Other comprehensive income for the year		-	-	-	1,881,262	-	(116,720,234)	-	(114,838,972)
Total comprehensive income for the year		-	-	-	32,912,011	-	(116,720,234)	-	(83,808,223)
Increase in share capital from exercise of warrants	30	2,607	2,607	-	-	-	-	-	5,214
Loss on disposals of equity securities at fair value through other comprehensive income		-	-	-	(127,282,893)	-	127,282,893	-	-
Transfer to statutory reserve	31	-	-	1,550,000	(1,550,000)	-	-	-	-
<b>Balance as at 31 December 2021</b>		4,005,547,487	1,494,376,403	60,806,193	552,642,079	-	(391,308,739)		5,722,063,423
<b>Balance as at 1 January 2022</b>		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	-	-
<b>Balance as at 31 December 2022</b>		4,005,547,487	1,494,376,403	60,806,193	514,502,863	-	(441,048,917)		5,634,184,029

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

**Country Group Holdings Public Company Limited and its subsidiaries**

**Cash flows statement**

**For the year ended 31 December 2022**

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
<b>Cash flows from operating activities</b>				
Profit (loss) before tax	(67,217,921)	834,838,505	8,018,772	40,858,780
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:				
Depreciation and amortisation	83,002,474	65,798,701	6,756,525	9,391,527
Expected credit loss (reversal)/ Impairment loss on financial assets (reversal)	(3,198,388)	8,622,757	1,258,320	-
Gain on changes in fair value of derivatives	(3,141,735)	(9,299,417)	(3,141,735)	(9,299,417)
Loss on diminution in value of inventories - digital assets (reversal)	2,908,337	11,954,596	(11,867,871)	11,954,596
(Gain) loss on changes in fair value of investments	23,313,476	(728,440)	6,010,981	6,340,193
Loss on disposals and write-off of equipment and intangible assets	3,344,443	16,775,198	-	-
Gain on disposals of investments	(8,899,536)	(64,480,639)	(35,389,198)	(74,399,196)
Gain on disposals of investment properties	-	(10,192,671)	-	-
Share of (profit) loss from investments in associates	40,930,122	(616,498,235)	-	-
Amortisation of deferred debentures issuing cost	6,617,421	32,460,363	8,422,501	9,409,991
Long-term employee benefit expenses	11,136,729	10,197,283	848,429	927,799
Finance costs	117,015,022	86,350,839	64,237,647	61,398,536
Interest income	(139,296,106)	(145,761,997)	(37,187,297)	(40,222,207)
Dividend income	(9,432,664)	(12,375,448)	(68,547,228)	(35,969,303)
Profit (loss) from operating activities before changes in operating assets and liabilities	57,081,674	207,661,395	(60,580,154)	(19,608,701)
Operating assets (increase) decrease				
Trade and other receivables	(46,531,188)	42,890,770	285,972,935	(95,213,817)
Receivables from Clearing House and broker - dealers	96,599,683	(125,915,765)	-	-
Securities and derivatives business receivables	274,814,833	282,606,561	-	-
Derivatives assets	(1,344,300)	2,113,700	-	-
Inventories - digital assets	52,109,105	(120,588,330)	120,501,604	(120,588,330)
Investments at fair value through profit or loss	100,626,637	1,551,052,620	104,555,629	141,286,727
Other non-current assets	(19,894,312)	(35,295,336)	-	-
Operating liabilities increase (decrease)				
Securities sold under sell and buy back agreements	342,185,676	(980,584,562)	-	-
Trade and other payables	(11,375,918)	12,863,928	(2,843,129)	(27,587,360)
Payables to Clearing House and broker - dealers	45,717	(230,871,919)	-	-
Securities and derivatives business payables	(450,580,296)	217,382,057	-	-
Derivative liabilities	(3,438,531)	3,438,531	-	-
Provision for long-term employee benefits	(6,042,336)	(5,954,537)	(2,163,000)	-
Other non-current liabilities	(609,373)	(682,146)	-	-
Cash from (paid for) operating activities	383,647,071	820,116,967	445,443,885	(121,711,481)
Interest paid	(60,119,883)	(58,206,683)	(11,694,743)	(9,974,276)
Interest received	139,966,705	153,420,402	23,402,936	35,141,464
Cash received from (paid for) income tax	(33,159,835)	(47,220,668)	(229,202)	692,035
<b>Net cash flows from (used in) operating activities</b>	<b>430,334,058</b>	<b>868,110,018</b>	<b>456,922,876</b>	<b>(95,852,258)</b>

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

**Country Group Holdings Public Company Limited and its subsidiaries**

**Cash flows statement (continued)**

**For the year ended 31 December 2022**

(Unit: Baht)

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2022	2021	2022	2021
<b>Cash flows from investing activities</b>				
Cash paid for purchase of investments at fair value through profit or loss	(64,998,304)	(50,000,000)	-	(50,000,000)
Cash received from disposal of investments at fair value through profit or loss	56,283,630	-	56,283,630	-
Cash paid for purchase of investment at fair value through other comprehensive income	(278,985,235)	(606,246,602)	(67,349,406)	(362,572,631)
Cash received from disposal of investments at fair value through other comprehensive income	55,710,601	410,481,072	61,547,136	584,946,602
Cash paid for purchase of securities at amortised cost	-	-	(1,650,000,000)	(2,350,000,000)
Cash received from disposal of securities at amortised cost	-	82,000,000	1,800,000,000	2,782,000,000
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 associate	-	(564,999,000)	-	(564,999,000)
Cash paid for purchase of investment in venture capital	(15,000,000)	(14,999,900)	(15,000,000)	(14,999,900)
Cash received from (paid for) short-term loans to subsidiaries	-	-	(337,296,408)	20,100,000
Cash received from long-term loan to other company	2,839,758	17,964,058	-	-
Cash paid for purchase of equipment and intangible assets	(111,830,825)	(80,399,038)	(304,466)	(368,828)
Proceed from disposal of investment properties	-	21,000,000	-	-
Proceed from disposal of equipment and intangible assets	1,869,626	167,500	-	-
Cash received from exercise of warrants	-	5,214	-	5,214
Dividend income from investments in securities	9,432,664	12,386,849	1,127,851	1,475,668
Dividend income from investment in associate	67,419,378	34,493,635	67,419,378	34,493,635
<b>Net cash flows from (used in) investing activities</b>	<b>(277,258,647)</b>	<b>(738,146,212)</b>	<b>(262,322,225)</b>	<b>80,080,760</b>
<b>Cash flows from financing activities</b>				
Net cash received from (paid for) short-term borrowings from financial institutions	195,000,000	(45,000,000)	-	-
Net cash paid for other short-term borrowings	-	(20,000,000)	-	-
Cash paid for debt securities - debentures	(727,500,000)	(39,000,000)	(727,500,000)	(39,000,000)
Cash received from debt securities - debentures	658,323,259	141,102,705	655,669,659	-
Repayment of liabilities under lease agreements	(44,559,429)	(40,328,973)	(7,030,270)	(7,464,270)
Interest paid	(50,642,961)	(50,637,188)	(50,041,381)	(51,560,293)
<b>Net cash flows from (used in) financing activities</b>	<b>30,620,869</b>	<b>(53,863,456)</b>	<b>(128,901,992)</b>	<b>(98,024,563)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>183,696,280</b>	<b>76,100,350</b>	<b>65,698,659</b>	<b>(113,796,061)</b>
Cash and cash equivalents at beginning of year	907,149,794	831,049,444	189,060,857	302,856,918
<b>Cash and cash equivalents at end of year</b>	<b>1,090,846,074</b>	<b>907,149,794</b>	<b>254,759,516</b>	<b>189,060,857</b>

**Supplemental cash flows information**

Non-cash transactions:

(Gain) loss on changes in value of investments at fair value through other comprehensive income	55,713,542	(14,253,300)	62,175,222	(13,203,323)
Decrease in capital by disposal of treasury shares	-	258,746,978	-	258,746,978
Increase in right-of-use assets and lease liabilities	112,243,979	9,160,515	18,714,925	-
Increase in payables from acquisitions of equipment and intangible assets	4,606,575	-	-	-

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

# NOTES TO THE FINANCIAL STATEMENTS

## Country Group Holdings Public Company Limited and its subsidiaries

### Notes to consolidated financial statements

For the year ended 31 December 2022

#### 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, 20<sup>th</sup> 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, 2<sup>nd</sup> Floor and 3<sup>rd</sup> Floor and Sindhorn Tower 3, 17<sup>th</sup> Floor, 18<sup>th</sup> Floor, 20<sup>th</sup> Floor, Wireless Road, Lumpini, Pathumwan, Bangkok 10330. The Subsidiary has 7 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.

On 18 February 2022, the Subsidiary registered the change of its name with the Ministry of Commerce from “Country Group Securities Public Company Limited” to “Pi Securities Public Company Limited”.

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.

On 5 April 2022, Country Group Advisory Company Limited, a subsidiary of the Company, is engaged in advisory and investment banking registered the change of its name with the Department of Business Development, the Ministry of Commerce to “Pi Advisory Company Limited”.

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.

## 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	
			2022 (%)	2021 (%)
<u>Subsidiaries</u>				
Pi Securities Public Company Limited	Securities business	Thailand	99.3	99.3
Genki Capital Company Limited	Pawnbroking	Thailand	100.0	100.0
Pi Ventures Company Limited	Investing in securities or digital assets	Thailand	99.9	-
Pi Digital Company Limited	Digital assets brokerage	Thailand	99.9	-
<u>Indirect subsidiaries</u>				
Pi Advisory Company Limited	Advisory and investment banking	Thailand	99.9	99.9
Genki Power One Company Limited	Energy	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 2022. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and 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 2023**

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 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 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 have an indefinite useful life such as derivative business membership, securities license and computer software when there is no foreseeable limit to the period over which the assets are expected to generate net cash inflows for the Group.

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

During the current year, the Group changed in estimated useful lives of its intangible assets from indefinite useful lives to finite useful lives.

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	2 - 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 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.

## **4.24 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.

#### **4.25 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.

#### **4.26 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.

#### **4.27 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	
	2022	2021	2022	2021
Cash, short-term deposit, and promissory notes with maturities not later than 3 months from acquisition date	3,656,739	3,104,196	254,760	189,061
Less: Deposits for customers' account of the subsidiary *	(2,565,893)	(2,197,046)	-	-
Total	1,090,846	907,150	254,760	189,061

\* 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	
	2022	2021	2022	2021
Collaterals pledged for securities trading	168	69	67,152	291,083
Collaterals pledged for digital asset trading *	-	28,924	-	28,924
Receivables from sales of securities and derivatives	-	-	2,734	1,015
Advance for right to acquire digital assets	107,478	-	-	-
Prepaid expenses	43,769	47,104	695	1,589
Accrued income	37,099	37,792	25,306	11,524
Collateral receivables	20,197	16,801	-	-
Others	3,691	2,260	1,927	2,363
Less: Allowance for expected credit losses	(6,595)	(1,842)	(1,258)	-
Total	205,807	131,108	96,556	336,498

\* 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	
	2022	2021
Receivables from Clearing House	1,255,240	1,207,112
Receivables from foreign securities brokers	5,153	-
Less: Receivables from Clearing House for customers' account of the Subsidiary *	(1,035,087)	(885,207)
Total	225,306	321,905

\* 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	
	2022	2021
<u>Securities business receivables</u>		
Customers' cash accounts	609,029	802,549
Margin loans	847,648	725,490
Collaterals pledged deposit receivables	19,785	212,214
Securities borrowing and lending receivables	-	4,340
Other receivables		
Receivables under litigation	387,522	387,522
Other receivables	624	624
Total securities business receivables	1,864,608	2,132,739
Less: Allowance for expected credit losses	(366,995)	(366,995)
Securities business receivables	1,497,613	1,765,744

	(Unit: Thousand Baht)	
	Consolidated	
	financial statements	
	2022	2021
<u>Derivatives business receivables</u>		
Receivables under litigation	11,743	36,743
Other receivables	7,259	5,311
Total derivatives business receivables	19,002	42,054
Less: Allowance for expected credit losses	(17,002)	(42,054)
Derivatives business receivables	2,000	-
Total	1,499,613	1,765,744

As at 31 December 2022 and 2021 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		
	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)

	(Unit: Thousand Baht)		
	Consolidated financial statements		
	2021		
	Securities and derivatives business receivables and interest receivables	Exposure at default	Allowance for expected credit losses
<u>Securities business receivables</u>			
Performing receivables	1,744,593	1,744,593	-
Receivables with significant increase in credit risk	-	-	-
Non-performing receivables	388,146	366,995	(366,995)
Total	2,132,739	2,111,588	(366,995)

(Unit: Thousand Baht)

Consolidated financial statements			
2021			
	Securities and derivatives business receivables and interest receivables	Exposure at default	Allowance for expected credit losses
<u>Derivatives business receivables</u>			
Performing receivables	-	12,626,223	-
Receivables with significant increase in credit risk	-	-	-
Non-performing receivables	42,054	42,054	(42,054)
Total derivatives business receivables	42,054	12,668,277	(42,054)
Total	2,174,793	14,779,865	(409,049)

**10. Derivative assets and liabilities****10.1 Details of derivative assets and liabilities**

(Unit: Thousand Baht)

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

(Unit: Thousand Baht)

	Consolidated financial statements			
	2021			
	Assets		Liabilities	
	Fair value	Notional amounts	Fair value	Notional amounts
Underlying assets				
Equity price	-	-	3,472	507,387
SET50 index	-	-	(33)	8,684
Total	-	-	3,439	516,071

**10.2 Proportion of derivative transactions classified by type of counterparties**

As at 31 December 2022 and 2021, details of counterparties for derivatives assets and liabilities are as follows:

	Consolidated financial statements			
	Assets		Liabilities	
	2022	2021	2022	2021
	(%)	(%)	(%)	(%)
Counterparties				
Clearing House	100	-	-	100
Total	100	-	-	100

## 11. Inventories - digital assets

As at 31 December 2022 and 2021, details of balances of inventories - digital assets are as follows.

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

As at 31 December 2022, digital assets are assets with a high market capitalisation, most of which are stored in electronic wallets owned by the Group.

Consolidated/Separate financial statements				
2021				
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	55,221	(11,949)	43,177	43,221
Stablecoins	65,362	-	65,457	65,631
Total	120,583	(11,949)	108,634	108,852

As at 31 December 2021, digital assets are assets with a high market capitalisation, most of which are stored in electronic wallets at two digital asset exchanges licensed by the Office of the Securities and Exchange Commission of Thailand and a digital asset exchange licensed by the U.S. Securities and Exchange Commission.

## 12. Other financial assets

### 12.1 Book value and fair value

(Unit: Thousand Baht)						
	Consolidated financial statements			Separate financial statements		
	2022			2022		
	Non-collateralised investments	Collateralised investments	Total	Non-collateralised investments	Collateralised investments	Total
<b>Other current financial assets:</b>						
<b>Investments at FVTPL</b>						
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

(Unit: Thousand Baht)

	Consolidated financial statements			Separate financial statements		
	2022			2022		
	Non-collateralised investments	Collateralised investments	Total	Non-collateralised investments	Collateralised investments	Total
<b>Investments at FVOCI</b>						
Equity instruments:						
- Listed securities	74,565	-	74,565	74,565	-	74,565
Total	74,565	-	74,565	74,565	-	74,565
<b>Investments at amortised cost</b>						
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
<b>Total other current financial assets</b>	<b>783,583</b>	<b>723,391</b>	<b>1,506,974</b>	<b>522,941</b>	<b>-</b>	<b>522,941</b>

\* 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
<b>Other non-current financial assets</b>						
<b>Investments at FVTPL</b>						
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
<b>Investments at FVOCI</b>						
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
<b>Total other non-current financial assets</b>	<b>750,122</b>	<b>-</b>	<b>750,122</b>	<b>262,268</b>	<b>-</b>	<b>262,268</b>

(Unit: Thousand Baht)						
	Consolidated financial statements			Separate financial statements		
	2021			2021		
	Non-collateralised investments	Collateralised investments	Total	Non-collateralised investments	Collateralised investments	Total
<b>Other current financial assets:</b>						
<b>Investments at FVTPL</b>						
Equity instruments:						
- Listed securities	337,389	-	337,389	18,346	-	18,346
- Unit trust	29,250	-	29,250	29,250	-	29,250
Total equity instruments	366,639	-	366,639	47,596	-	47,596
Debt instruments:						
- Debentures	802,026	-	802,026	162,007	-	162,007
- Securities sold under sell and buy back agreements	-	307,010	307,010	-	-	-
Total debt instruments	802,026	307,010	1,109,036	162,007	-	162,007
Total	1,168,665	307,010	1,475,675	209,603	-	209,603
<b>Investments at FVOCI</b>						
Equity instruments:						
- Listed securities	126,280	-	126,280	126,280	-	126,280
Total	126,280	-	126,280	126,280	-	126,280
<b>Investments at amortised cost</b>						
Debt instruments:						
- Debentures	-	-	-	500,000	-	500,000
- Bills of exchange	139,000	-	139,000	-	-	-
Less: Allowance for expected credit losses	(139,000)	-	(139,000)	-	-	-
Total debt instruments	-	-	-	500,000	-	500,000
Deposits at financial institutions:						
- Fixed deposits	3,153,548	90,010	3,243,558	-	-	-
Less: Deposit in customers' account of the Subsidiary *	(3,153,348)	-	(3,153,348)	-	-	-
Total deposits at financial institutions	200	90,010	90,210	-	-	-
Total	200	90,010	90,210	500,000	-	500,000
<b>Total other current financial assets</b>	<b>1,295,145</b>	<b>397,020</b>	<b>1,692,165</b>	<b>835,883</b>	<b>-</b>	<b>835,883</b>

\* 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		
	2021			2021		
	Non-collateralised investments	Collateralised investments	Total	Non-collateralised investments	Collateralised investments	Total
<b>Other non-current financial assets</b>						
<b>Investments at FVTPL</b>						
Debt instruments:						
- Debentures	166,093	-	166,093	1,462	-	1,462
- Investment in digital asset strategy *	54,022	-	54,022	54,022	-	54,022
Total	220,115	-	220,115	55,484	-	55,484

(Unit: Thousand Baht)						
	Consolidated financial statements			Separate financial statements		
	2021			2021		
	Non-collateralised investments	Collateralised investments	Total	Non-collateralised investments	Collateralised investments	Total
<b>Investments at FVOCI</b>						
Equity instruments:						
- Equity securities	47,986	-	47,986	-	-	-
- Unit trust	10,818	-	10,818	-	-	-
- Listed securities	315,188	-	315,188	297,287	-	297,287
Less: Allowance for impairment loss on investments	(41,830)	-	(41,830)	-	-	-
<b>Total</b>	<b>322,162</b>	<b>-</b>	<b>322,162</b>	<b>297,287</b>	<b>-</b>	<b>297,287</b>
<b>Total other non-current financial assets</b>	<b>552,277</b>	<b>-</b>	<b>552,277</b>	<b>352,771</b>	<b>-</b>	<b>352,771</b>

\* Investment in private digital asset strategy is managed by Elkrem Capital Company Limited, a subsidiary of Cryptomind Group, with a strategy to invest in DeFi platforms, which have been verified for security and returns in accordance with the strategy manager's policy. The fair value of the strategy is calculated from the fair value of net assets. The investment is in accordance with resolutions approved by the Board of Directors' meeting on 21 July 2021.

## 12.2 Fair value of collateralised investments in debt instruments and equity instruments classified by type.

	(Unit Thousand Baht)	
	Consolidated financial statements	
	2022	2021
Securities borrowing and lending	-	177,275
Securities pledged as collateral	90,010	90,010
Securities sold under sell and buy back agreements	633,381	307,010
<b>Total collateralised securities</b>	<b>723,391</b>	<b>574,295</b>

## 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	
	2022	2021
Guarantees for overdraft and loans	90,000	90,000
Others	10	10
<b>Total</b>	<b>90,010</b>	<b>90,010</b>

## 13. Loans to other company

As at 31 December 2022 and 2021, 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	
	2022	2021
Net book value as at 1 January 2022		40,190
Decrease during the year		(2,840)
<b>Net book value as at 31 December 2022</b>		<b>37,350</b>

#### 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 2021	-	-	366,781	366,781
Change in ECL	-	-	214	214
As at 31 December 2021	-	-	366,995	366,995
As at 31 December 2022	-	-	366,995	366,995
<u>Derivatives business receivables</u>				
As at 1 January 2021	-	-	42,029	42,029
Change in ECL	-	-	109	109
Amount refund	-	-	(84)	(84)
As at 31 December 2021	-	-	42,054	42,054
Write-off	-	-	(2,000)	(2,000)
Amount refund	-	-	(23,052)	(23,052)
As at 31 December 2022	-	-	17,002	17,002
<u>Investments in debt instruments</u>				
As at 1 January 2021	-	-	139,000	139,000
As at 31 December 2021	-	-	139,000	139,000
As at 31 December 2022	-	-	139,000	139,000
<u>Other assets</u>				
As at 1 January 2021	-	-	11,518	11,518
Change in ECL	-	-	8,384	8,384
As at 31 December 2021	-	-	19,902	19,902
Change in ECL	-	-	21,974	21,974
Amount refund	-	-	(120)	(120)
As at 31 December 2022	-	-	41,756	41,756

(Unit: Thousand Baht)

	Separate financial statements			
	Allowance for performing financial assets	Allowance for under-performing financial assets	Allowance for non-performing financial assets	Total
<u>Other assets</u>				
As at 1 January 2021	-	-	-	-
As at 31 December 2021	-	-	-	-
Change in ECL	-	-	1,258	1,258
As at 31 December 2022	-	-	1,258	1,258

## 15. Investments in subsidiaries

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

Company	(Unit: Million Baht)					
	Paid-up share capital		Shareholding percentage		Cost	
	2022	2021	2022	2021	2022	2021
			(%)	(%)		
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	-	99.9	-	128	-
Pi Digital Company Limited	50.0	-	99.9	-	50	-
Genki Capital Company Limited	25.0	25.0	100.0	100.0	25	25
Total					2,674	2,496

During the years ended 2022 and 2021, 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 2022 and 2021, the Company pledged 513 million ordinary shares of subsidiary, representing 33 percent of its shareholding in the Subsidiary, 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		Carrying amounts based on equity method		Cost	
			2022	2021	2022	2021	2022	2021
			(%)	(%)				
MFC Asset Management Plc.	Asset management	Thailand	24.96	24.96	524	549	675	675
Bound and Beyond Plc.	Hotel	Thailand	39.12	39.12	2,102	2,236	1,392	1,392
Total					2,626	2,785	2,067	2,067

On 24 August 2021, the Company invested in 56,499,900 ordinary shares of Bound and Beyond Plc. (formerly known as “Padeang Industry Plc.”) totaling Baht 565 million. The additional investment resulted in the increase of shareholding percentage from 24.99 to 39.12.

The Company arranged for the assessment of the fair value of the identifiable assets acquired and liabilities assumed at the acquisition date. The assessment was completed during the quarter 3 of 2022, which was within the period of 1 year from the business acquisition date allowed by Thai Financial Reporting Standard 3 Business Combinations.

The aggregate of the consideration transferred, acquisition-related costs and fair values of the identifiable assets acquired and liabilities assumed from Bound and Beyond Plc. as at the acquisition date were summarised below.

(Unit: Thousand Baht)

Current assets	4,052,389
Non-current assets	2,639,390
Current liabilities	865,262
Non-current liabilities	271,135
Deferred tax liabilities	142,368
Total identifiable net assets	5,413,014
Percentage increase in investment	14.12
Total identifiable net assets in proportion to increase in shareholding	764,318
Less: Consideration transferred - cash paid	(564,999)
Difference between cost of acquisition and fair value recorded in share of profit from investments	199,319

## 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		Share of other comprehensive income		Separate financial statements Dividend income	
	Share of profit (loss)					
	2022	2021	2022	2021	2022	2021
MFC Asset Management Plc.	55,190	76,425	(12,691)	20,022	67,419	34,494
Bound and Beyond Plc.	(96,120)	540,073	(37,369)	47,871	-	-
<b>Total</b>	<b>(40,930)</b>	<b>616,498</b>	<b>(50,059)</b>	<b>67,893</b>	<b>67,419</b>	<b>34,494</b>

## 16.3 Financial information of associates

### Summarised information about financial position

(Unit: Million Baht)

	MFC Asset Management Plc.		Bound and Beyond Plc.	
	2022	2021	2022	2021
Assets	1,563	1,739	13,346	14,106
Liabilities	337	419	7,243	7,693
<b>Net assets</b>	<b>1,226</b>	<b>1,320</b>	<b>6,103</b>	<b>6,413</b>
Shareholding percentage (%)	24.96	24.96	39.12	39.12
<b>Share of net assets</b>	<b>306</b>	<b>330</b>	<b>2,387</b>	<b>2,509</b>
Elimination entries	218	219	(285)	(273)
<b>Carrying amounts of associates based on equity method</b>	<b>524</b>	<b>549</b>	<b>2,102</b>	<b>2,236</b>

### Summarised information about comprehensive income

(Unit: Million Baht)

	MFC Asset Management Plc.		Bound and Beyond Plc.	
	2022	2021	2022	2021
Revenue	1,096	1,526	2,285	1,362
Profit (loss)	221	306	(342)	878
Other comprehensive income	(51)	80	32	124
<b>Total comprehensive income</b>	<b>170</b>	<b>386</b>	<b>(310)</b>	<b>1,002</b>

## 17. Investment in venture capital

As at 31 December 2022 and 2021, investment in venture capital is as follows.

(Unit: Thousand Baht)

Company	Nature of business	Country of incorporation	Shareholding percentage		Fair Value		Cost	
			2022	2021	2022	2021	2022	2021
			(%)	(%)				
Cryptomind Group Holdings Co., Ltd.	Money market and capital market management	Thailand	25.0	12.5	30,000	15,000	30,000	15,000
Total					30,000	15,000	30,000	15,000

A reconciliation of the net book value of investment in venture capital for the years ended 31 December 2022 and 2021 is presented below.

(Unit: Thousand Baht)

	Consolidated/Separate financial statements	
	2022	2021
Net book value at beginning of year	15,000	-
Acquisition of investment	15,000	15,000
Net book value at end of year	30,000	15,000

On 21 May 2021, the Company invested in Cryptomind Group Holdings Co., Ltd. in 32,625 ordinary shares, totaling Baht 15 million. The investment resulted in a shareholding percentage of 12.5%.

Subsequently, 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 2022 and 2021 is presented below.

(Unit: Thousand Baht)

	Consolidated financial statements			
	Land	Buildings	Building improvement	Total
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
As at 31 December 2021:				
Cost	33,084	15,110	4,861	53,055
Less: Accumulated depreciation	-	(14,874)	(1,824)	(16,698)
Net book value	33,084	236	3,037	36,357

A reconciliation of the net book value of investment properties for the years 2022 and 2021 is presented below.

	(Unit: Thousand Baht)	
	Consolidated financial statements	
	2022	2021
Net book value at beginning of year	36,357	48,348
Disposals - net book value	-	(10,807)
Depreciation charged	(1,092)	(1,184)
Net book value at end of year	35,265	36,357

Additional information of the investment properties as at 31 December 2022 and 2021 is as below:

	(Unit: Thousand Baht)	
	Consolidated financial statements	
	2022	2021
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 (2021: Baht 33 million) as collateral against credit facilities received from a commercial bank.

## 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
<b>Cost</b>						
1 January 2021	69,160	119,735	186,669	16,273	-	391,837
Additions	-	8,853	18,911	-	11,558	39,322
Disposals/write-off	-	-	(40,131)	-	-	(40,131)
31 December 2021	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)
As at 31 December 2022	69,160	144,402	180,600	15,026	-	409,188
<b>Accumulated depreciation</b>						
As at 1 January 2021	-	87,293	160,726	10,716	-	258,735
Depreciation for the year	-	13,443	11,729	1,432	-	26,604
Depreciation on disposals/write-off	-	-	(39,370)	-	-	(39,370)
As at 31 December 2021	-	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

(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
<b>Allowance for impairment loss</b>						
As at 1 January 2021	-	509	760	-	-	1,269
Decrease during the year	-	-	(757)	-	-	(757)
As at 31 December 2021	-	509	3	-	-	512
As at 31 December 2022	-	509	3	-	-	512
<b>Net book value</b>						
As at 31 December 2021	69,160	27,343	32,361	4,125	11,558	144,547
As at 31 December 2022	69,160	31,568	33,579	3,769	-	138,076
<b>Depreciation included in other expenses for the year</b>						
2021						26,604
2022						26,879

(Unit: Thousand Baht)

## Separate financial statements

	Buildings and building/ leasehold improvement	Furniture, fixtures and office equipment	Total
<b>Cost</b>			
As at 1 January 2021	12,986	6,815	19,801
Additions	-	369	369
As at 31 December 2021	12,986	7,184	20,170
Additions	-	305	305
As at 31 December 2022	12,986	7,489	20,475
<b>Accumulated depreciation</b>			
As at 1 January 2021	11,294	6,166	17,460
Depreciation for the year	1,692	684	2,376
As at 31 December 2021	12,986	6,850	19,836
Depreciation for the year	-	200	200
As at 31 December 2022	12,986	7,050	20,036
<b>Net book value</b>			
As at 31 December 2021	-	334	334
As at 31 December 2022	-	439	439
<b>Depreciation included in other expenses for the year</b>			
2021			2,376
2022			200

As at 31 December 2022, 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 205 million (2021: Baht 199 million) (the Company only: Baht 20 million, 2021: Baht 20 million).

## 20. Intangible assets

(Unit: Thousand Baht)

Consolidated financial statements						
	Using derivatives business fee	Computer software	Securities license	Derivative business membership	Computer software under installation	Total
<b>Cost</b>						
As at 1 January 2021	1,541	124,461	2,658	15,945	5,496	150,101
Additions	-	4,373	-	-	36,704	41,077
Write-off	-	(33,920)	-	-	-	(33,920)
Transfers in (out)	-	12,671	-	-	(12,671)	-
As at 31 December 2021	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
<b>Accumulated amortisation</b>						
As at 1 January 2021	1,541	26,654	-	-	-	28,195
Amortisation for the year	-	39	-	-	-	39
Amortisation on write-off	-	(14,753)	-	-	-	(14,753)
As at 31 December 2021	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
<b>Allowance for impairment loss</b>						
As at 1 January 2021	-	2,228	-	-	-	2,228
Decrease during the year	-	(2,228)	-	-	-	(2,228)
As at 31 December 2021	-	-	-	-	-	-
As at 31 December 2022	-	-	-	-	-	-
<b>Net book value</b>						
As at 31 December 2021	-	95,645	2,658	15,945	29,529	143,777
As at 31 December 2022	-	127,945	2,524	15,142	75,635	221,246
<b>Amortisation included in other expenses during the year</b>						
2021						39
2022						13,347

As at 31 December 2022, 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 7 million (2021: Baht 7 million).

## 21. Other non-current assets

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
Clearing fund	130,054	109,929	-	-
Deposits	19,968	19,938	2,240	2,240
Withholding tax	616	9,249	588	359
Others	83,303	66,477	-	-
Less: Allowance for expected credit losses	(35,161)	(18,061)	-	-
Total	198,780	187,532	2,828	2,599

## 22. Short-term borrowings from financial institutions

	Consolidated financial statements			
	2022			
	Interest rate per annum (%)	Remaining periods to maturity		
		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

	Consolidated financial statements			
	2021			
	Interest rate per annum (%)	Remaining periods to maturity		
		Within 1 year	1 - 5 years	Total
		(Thousand Baht)	(Thousand Baht)	(Thousand Baht)
<u>Borrowings from financial institutions</u>				
Promissory notes	2.3 - 2.9	305,000	-	305,000

The loan agreements contain covenants which require the Group to maintain financial conditions as prescribed in the agreements.

As at 31 December 2022, the borrowings from financial institutions with book value amounted to Baht 200 million (2021: Baht 200 million) are secured by the pledge of investment properties of the Group as described in Note 18.

## 23. Securities sold under sell and buy back agreements

	(Unit: Thousand Baht)	
	Consolidated financial statements	
	2022	2021
Private sector debt securities	648,885	306,700
Total	648,885	306,700

## 24. Trade and other payables

	Consolidated financial statements		(Unit: Thousand Baht) Separate financial statements	
	2022	2021	2022	2021
Securities payables	199,581	198,886	199,581	198,886
Accrued expenses	155,621	156,387	18,567	19,653
Others	11,005	15,278	420	950
Total	366,207	370,551	218,568	219,489

## 25. Payables to Clearing House and broker-dealers

	(Unit: Thousand Baht) Consolidated financial statements	
	2022	2021
Payables to Clearing House	46	-
Total	46	-

## 26. Securities and derivatives business payables

	(Unit: Thousand Baht) Consolidated financial statements	
	2022	2021
Payables under cash account	766,108	1,020,980
Payables under securities borrowing and lending business	-	177,275
Total	766,108	1,198,255

## 27. Long-term debentures

As at 31 December 2022 and 2021 detail of outstanding long-term debentures are as follows.

Series	Maturity date	No. of units (Thousand units)	Par value (Baht)	Interest rate (% p.a.)	Term of interest payment	(Unit: Thousand Baht) Carrying amount			
						Consolidated financial statements		Separated financial statements	
						2022	2021	2022	2021
1	Entirely redeemed on 15 May 2022 (2 years)	329	1,000	6.75	Every 3 months	-	329,300	-	329,300
2	Entirely redeemed on 25 September 2022 (2 years)	398	1,000	6.75	Every 3 months	-	398,200	-	398,200
3	Entirely redeemed on 14 May 2023 (2 years)	143	1,000	5.25	Every 3 months	142,600	142,600	-	-
4	Entirely redeemed on 11 May 2024 (2 years)	534	1,000	5.50	Every 3 months	534,000	-	534,200	-
5	Entirely redeemed on 11 May 2025 (3 years)	132	1,000	5.75	Every 3 months	132,300	-	132,300	-
Less: Deferred debentures issuing costs						(5,921)	(4,561)	(7,636)	(5,228)
Total						802,979	865,539	658,864	722,272
Less: Portion due within one year						(142,327)	(723,960)	-	(722,272)
Long-term debentures, net of current portion						660,652	141,579	658,864	-

As at 31 December 2022, long-term debentures were unsubordinated debentures denominated in THB, carrying interest at a fixed rate, with fair value of Baht 810 million (2021: Baht 869 million). The book value of debentures is Baht 659 million (2021: Baht 722 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 2022 and 2021 are summarised below.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
Net book value at beginning of year	865,539	730,976	722,272	751,862
Additions	658,323	141,103	655,670	-
Repayments	(727,500)	(39,000)	(727,500)	(39,000)
Amortisation of deferred long-term debentures issuing cost	6,617	32,460	8,422	9,410
Net book value at end of year	<u>802,979</u>	<u>865,539</u>	<u>658,864</u>	<u>722,272</u>

On 11 May 2022, the Company issued Baht 667 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 5.50 percent per annum, payable for every 3 months, and mature on 11 May 2024.

The Series#2 debentures bear interest at a fixed rate of 5.75 percent per annum, payable for every 3 months, and mature on 11 May 2025.

Subsequently, on 17 May 2022 and 26 September 2022, the Company made the repayment of the matured debentures Baht 728 million.

## 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 2022 and 2021 are summarised below:

(Unit: Thousand Baht)

	Consolidated financial statements		
	Buildings	Motor vehicles	Total
1 January 2021	43,955	5,024	48,979
Additions	7,969	1,191	9,160
Depreciation for the year	(34,534)	(3,437)	(37,971)
31 December 2021	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

(Unit: Thousand Baht)

	Separate financial statements		
	Buildings	Motor vehicles	Total
1 January 2021	8,414	1,000	9,414
Depreciation for the year	(6,310)	(706)	(7,016)
31 December 2021	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

## 28.2 Lease liabilities

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Lease payments	97,663	21,411	15,681	2,550
Less: Deferred interest expenses	(5,318)	(577)	(891)	(25)
Total	92,345	20,834	14,790	2,525
Less: Portion due within one year	(40,722)	(15,996)	(6,133)	(2,525)
Lease liabilities - net of current portion	51,623	4,838	8,657	-

Movements of the lease liability account during the years ended 31 December 2022 and 2021 are summarised below:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Balance at beginning of year	20,834	50,373	2,525	9,691
Additions	112,244	9,160	18,715	-
Accretion of interest	3,826	1,630	580	298
Repayments	(44,559)	(40,329)	(7,030)	(7,464)
Balance at end of year	92,345	20,834	14,790	2,525

A maturity analysis of lease payments is disclosed in Note 44.1 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	
	2022	2021	2022	2021
Depreciation expense of right-of-use assets	41,685	37,971	6,557	7,016
Interest expense on lease liabilities	3,826	1,630	580	298
Expense relating to short-term leases	5,874	4,599	-	-

### 28.4 Others

The Group had total cash outflows for leases for the year ended 31 December 2022 of Baht 50 million (2021: Baht 45 million) (the Company only: Baht 7 million, 2021: 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	
	2022	2021	2022	2021
<b>Provision for long-term employee benefits at beginning of year</b>	48,676	39,837	9,097	10,521
Included in profit or loss:				
Current service cost	10,361	9,547	763	851
Interest cost	775	650	85	77
Included in other comprehensive income:				
Actuarial (gain) loss arising from				
Demographic assumptions changes	-	(4,574)	-	(2,725)
Financial assumptions changes	-	5,762	-	976
Experience adjustments	-	3,409	-	(603)
Benefits paid during the years	(6,042)	(5,955)	(2,163)	-
<b>Provision for long-term employee benefits at end of year</b>	<u>53,770</u>	<u>48,676</u>	<u>7,782</u>	<u>9,097</u>

The Group expects to pay Baht 6 million (2021: Baht 6 million) of long-term employee benefits during the next year (the Company only: None, 2021: Baht 2 million).

As at 31 December 2022, the weighted average duration of the liabilities for long-term employee benefit is 5 - 8 years (2021: 5 - 8 years) (the Company only: 5 years, 2021: 5 years).

Significant actuarial assumptions are summarised below:

	(Unit: percent per annum)			
	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
Discount rate	0.9 - 1.5	0.9 - 1.5	0.9	0.9
Salary increase rate	2.5 - 4.5	2.5 - 4.5	4.5	4.5
Employee turnover rate	0.0 - 22.0	0.0 - 22.0	0.0 - 20.0	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 2022 and 2021 are summarised below:

	(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

	(Unit: Thousand Baht)			
	2021			
	Consolidated financial statements		Separate financial statements	
	Increase 1%	Decrease 1%	Increase 1%	Decrease 1%
Discount rate	(3,332)	3,635	(93)	99
Salary increase rate	3,665	(3,547)	101	(91)
Employee turnover rate	(3,543)	1,046	(102)	45

### 30. Share capital

Movements of number of ordinary shares for the years ended 31 December 2022 and 2021 are calculated below.

	(Unit: Share)	
	Consolidated/ Separate financial statements	
	Registered share capital	Paid-up share capital
Ordinary shares as at 1 January 2021	6,143,905,902	4,336,923,080
Increase in registered capital	1,001,386,220	-
Warrants to purchase ordinary shares	-	2,607
Decrease in ordinary shares	(692,743,060)	(331,378,200)
Ordinary shares as at 31 December 2021	6,452,549,062	4,005,547,487
Ordinary shares as at 31 December 2022	6,452,549,062	4,005,547,487

On 25 February 2021, the Company's Board of Directors resolved to decrease the Company's registered capital from Baht 4,336,923,080 to Baht 4,005,544,880 by cancelling 331,378,200 unsubscribed shares amounting to Baht 258,746,978. The Company registered the capital decrease with the Ministry of Commerce on 25 March 2021.

On 28 April 2021, the 2021 Annual General Meeting of Shareholders resolved to decrease registered capital from Baht 5,812,527,702 to Baht 5,451,162,842 by cancelling 361,364,860 unsubscribed shares with the par value of Baht 1 each and resolved to increase registered capital from Baht 5,451,162,842 to Baht 6,452,549,062 by issuing 1,001,386,220 new ordinary shares with the par value of Baht 1 each to certify the exercise of CGH-W4 warrants to purchase ordinary shares. The Company registered the capital decrease and increase with the Ministry of Commerce on 28 May 2021 and 31 May 2021, respectively.

During the year 2021, shareholders exercised CGH-W3 warrants of 2,607 units to convert to 2,607 ordinary shares, resulting to the increase in the Company's issued and paid-up share capital from Baht 4,005,544,880 to Baht 4,005,547,487. The Company registered the capital increase with the Ministry of Commerce on 4 June 2021.

The CGH-W3 warrants to purchase ordinary shares expired from listed securities on 29 May 2021.

#### **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
Exercise Period	:	Fourth time on 30 May 2023, fifth time on 30 November 2023, and last time on 30 May 2024
First Exercise Date	:	30 November 2021
Last Exercise Date	:	30 May 2024

During the year 2022 and 2021, there was no exercised CGH-W4 warrants.

### **31. 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.

### **32. Brokerage fees**

	(Unit: Thousand Baht)	
	Consolidated financial statements	
	2022	2021
Brokerage fees from securities business	636,022	869,927
Brokerage fees from derivatives business	540,947	466,363
Total	1,176,969	1,336,290

**33. Fees and service income**

(Unit: Thousand Baht)

	Consolidated financial statements	
	2022	2021
Underwriting fee	30,629	36,632
Financial advisory fee	38,192	47,798
Others	29,647	33,016
Total	98,468	117,446

**34. Interest income calculated using the effective interest method**

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Interest on margin loans	44,517	39,824	-	-
Interest income	94,779	105,938	37,187	40,222
Total	139,296	145,762	37,187	40,222

**35. Gain and return on financial instruments**

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Gain (loss) on investments	(44,712)	25,216	(985)	28,239
Gain on derivatives	104,224	84,493	33,505	49,120
Dividend income	9,433	12,375	68,547	35,969
Total	68,945	122,084	101,067	113,328

**36. 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 financial statements		Separate financial statements	
	2022	2021	2022	2021
Contributions to provident funds	14	13	2	2

**37. Finance cost**

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
Interest expenses on borrowings	92,989	91,294	60,254	60,631
Interest expenses on lease liabilities	3,826	1,630	580	298
Interest paid from securities payables	20,404	18,156	11,826	9,879
Interest paid from derivatives business	6,413	7,731	-	-
Total	123,632	118,811	72,660	70,809

**38. Income tax****38.1 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	
	2022	2021	2022	2021
<b>Deferred tax assets</b>				
Allowance for expected credit losses	71,198	70,247	252	-
Allowance for impairment on investments	30,800	30,800	-	-
Lease liabilities	314	129	47	26
Provision for long-term employee benefits	10,243	9,224	1,556	1,819
Deficit on re-measuring of value of investments	146,821	134,761	110,676	98,719
Unused tax losses	50,423	60,283	50,423	60,283
Others	6,791	3,167	-	-
Total	316,590	308,611	162,954	160,847
<b>Deferred tax liabilities</b>				
Surplus on re-measuring of value of investments	4,145	4,621	642	1,587
Amortisation of intangible assets	14,879	-	-	-
Others	1,582	-	1,527	-
Total	20,606	4,621	2,169	1,587
<b>Deferred tax assets - net</b>	<b>295,984</b>	<b>303,990</b>	<b>160,785</b>	<b>159,260</b>

As at 31 December 2022, the Group has deductible temporary differences and unused tax losses totaling Baht 153 million (2021: Baht 41 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 153 million will expire by 2023 - 2027.

### 38.2 Income tax expenses

Income tax expenses for the years ended 31 December 2022 and 2021 are summarised as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
<b>Current income tax:</b>				
Current income tax charge	(27,506)	(59,075)	-	-
Adjustment in respect of income tax of previous year	66	(733)	-	-
<b>Deferred tax:</b>				
Relating to origination and reversal of temporary differences	(11,242)	(9,214)	(17,960)	(9,828)
Tax expense relating to change in useful lives of intangible assets	(14,879)	-	-	-
<b>Income tax expenses reported in profit or loss</b>	<b>(53,561)</b>	<b>(69,022)</b>	<b>(17,960)</b>	<b>(9,828)</b>

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

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
Accounting profit (loss) before tax	(67,218)	834,839	8,019	40,859
Applicable tax rate	(20%)	(20%)	(20%)	(20%)
Accounting profit (loss) before tax multiplied by income tax rate	13,444	(166,968)	(1,604)	(8,172)
Adjustment in respect of income tax of previous year	66	(733)	-	-
Tax expense relating to change in useful lives of intangible assets	(14,879)	-	-	-
Share of profit (loss) from investments in associates	(8,186)	123,300	-	-
Effects of eliminated transactions	(13,569)	(6,579)	-	-
Tax losses for the year for which deferred tax assets were not recognised	(35,264)	(8,961)	(29,411)	(8,133)
Temporary differences for the year for which deferred tax were not recognised	-	(52)	-	(52)
Effects of:				
Non-deductible expenses (reversal)	(8,815)	(17,372)	(443)	(502)
Tax exempted revenue	13,642	7,200	13,498	7,031
Additional expense deductions allowed	-	1,143	-	-
Total	4,827	(9,029)	13,055	6,529
<b>Income tax expenses reported in profit or loss</b>	<b>(53,561)</b>	<b>(69,022)</b>	<b>(17,960)</b>	<b>(9,828)</b>

The amounts of income tax relating to each component of other comprehensive income for the years ended 31 December 2022 and 2021 are as follows.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
Deferred tax on loss from the change in value of financial assets measured at FVOCI	18,115	28,623	19,485	29,180
Deferred tax on actuarial (gain) loss	-	919	-	(470)
Income tax revenues reported in other comprehensive income	18,115	29,542	19,485	28,710

### 39. Earnings (losses) per share

Basic earnings 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 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 per share.

	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
<b>Basic earnings (losses) per share</b>				
Profit (losses) attributable to equity holders of the Company (Thousand Baht)	(120,964)	764,748	(9,941)	31,031
Weighted average number of ordinary shares (Thousand shares)	4,005,537	4,080,891	4,005,547	4,080,901
<b>Basic earnings (losses) per share (Baht)</b>	<u>(0.0302)</u>	<u>0.1874</u>	<u>(0.0025)</u>	<u>0.0076</u>
<b>Diluted earnings (losses) per share</b>				
Profit (losses) attributable to equity holders of the Company (Thousand Baht)	(120,964)	764,748	(9,941)	31,031
Weighted average number of ordinary shares used in calculation of basic earnings per share (Thousand shares)	4,005,537	4,080,891	4,005,547	4,080,901
Weighted average number of ordinary shares used in the calculation of diluted earnings per share (Thousand shares)	4,005,537	4,080,891	4,005,547	4,080,901
<b>Diluted earnings (losses) per share (Baht)</b>	<u>(0.0302)</u>	<u>0.1874</u>	<u>(0.0025)</u>	<u>0.0076</u>

The warrants to purchase ordinary shares - CGH-W3 expired in May 2021.

There was no calculation of diluted earnings per share for warrants to purchase ordinary shares for the years ended 31 December 2022 and 2021 since the exercise price was in excess of the weighted average fair value of the Company's ordinary shares.

#### 40. Commitments

##### 40.1 Capital commitments

As at 31 December 2022, the Group had capital commitments of approximately Baht 23 million (2021: Baht 37 million), relating to software development agreements and leasehold improvements of the Subsidiary.

##### 40.2 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.

#### 41. 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		Separate		
	financial statements		financial statements		
	2022	2021	2022	2021	Transfer pricing policy
<b>Transactions with subsidiaries</b>					
(Eliminated from consolidated financial statements)					
Sale of investments	-	-	33,738	-	Contract rates
Interest income	-	-	28,662	33,019	Normal rate charged to customers
Other income	-	-	-	199	Normal rate charged to customers
Fee and service expenses	-	-	124	182	Normal rate charged to customers
Finance cost	-	-	2,702	4,032	Contract rates

(Unit: Thousand Baht)

	Consolidated		Separate		Transfer pricing policy
	financial statements		financial statements		
	2022	2021	2022	2021	
<b>Transactions with associates</b>					
Brokerage fee from securities					
and derivatives business	61,455	63,819	-	-	Normal rate charged to customers
Brokerage fee from unit trust	3,681	11,748	-	-	Normal rate charged to customers
Fees and service income	5,529	555	-	-	Normal rate charged to customers
Dividend income	-	-	67,419	34,494	As declared
Fees and services expenses	219	511	16	16	Normal rate charged to customers
<b>Transactions with related companies</b>					
Fees and service income	600	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
<b>Transactions with related persons</b>					
Brokerage fees from securities					
and derivatives business	701	1,768	-	-	Normal rate charged to customers
Interest income	7,401	13,218	-	-	Normal rate charged to customers
Finance cost	14	19	-	-	Contract rates

The balances of accounts as at 31 December 2022 and 2021 between the Group and those related parties are as follows.

	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
<b>Deposit for customers' account</b>				
Related companies	6	6	-	-
Related persons	10,341	3,048	-	-
Total	10,347	3,054	-	-
<b>Trade and other receivables</b>				
Subsidiaries	-	-	95,246	302,920
Associates	621	200	-	-
Related companies	-	1,258	-	1,258
Total	621	1,458	95,246	304,178
<b>Securities and derivative business receivables</b>				
Associates	16,565	38,814	-	-
Related persons	153,091	161,809	-	-
Total	169,656	200,623	-	-

		(Unit: Thousand Baht)			
		Consolidated financial statements		Separate financial statements	
		2022	2021	2022	2021
<b>Other current financial assets</b>					
Subsidiaries		-	-	350,000	500,000
Associates		159,823	-	-	-
Related companies		378,823	460,573	-	-
Total		538,646	460,573	350,000	500,000
<b>Other non-current financial assets</b>					
Associate		6,941	11,139	203	321
Related companies		260,603	296,966	260,603	296,966
Total		267,544	308,105	260,806	297,287
<b>Securities sold under sell and buy back agreements</b>					
Associates		154,149	-	-	-
Related companies		241,443	39,864	-	-
Total		395,592	39,864	-	-
<b>Trade and other payables</b>					
Subsidiaries		-	-	37	15
Associates		474	1	1	1
Related companies		944	450	295	-
Total		1,418	451	333	16
<b>Securities and derivatives business payables</b>					
Associates		5,153	-	-	-
Total		5,153	-	-	-
<b>Long-term debentures</b>					
Subsidiaries		-	-	200	-
Total		-	-	200	-

#### Short-term loans to subsidiaries

As at 31 December 2022 and 2021, the balances of short-term loans to subsidiaries and the movement in loans are as follows:

		(Unit: Thousand Baht)			
		Separate financial statements			
Loans to	Interest rate	Balance as at 31 December 2021	Increase during the year	Decrease during the year	Balance as at 31 December 2022
	(%)				
Genki Power One Company Limited	6.2	69,133	-	-	69,133
Genki Capital Company Limited	6.2	40,900	-	(3,000)	37,900
Pi Ventures Company Limited	5.3	-	340,296	-	340,296
Total		110,033	340,296	(3,000)	447,329

As at 31 December 2022 and 2021, short-term loans to subsidiaries are unsecured and are repayable on call.

#### Directors and management's benefits

During the years ended 31 December 2022 and 2021 the Group had employee benefits payable to its directors and management as below.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2022	2021	2022	2021
Short-term employee benefits	148,270	112,033	21,421	21,714
Post-employment benefits	2,607	6,667	408	375
Total	150,877	118,700	21,829	22,089

#### **42. 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 2022 and 2021.

(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)

(Unit: Thousand Baht)

Consolidated financial statements					
2021					
	Securities and derivatives brokerage segment	Securities trading	Investment banking segment	Others segment	Total
Revenues					
Brokerage fees					
- At a point in time	1,336,290	-	-	-	1,336,290
Fees and services income					
- At a point in time	5,757	58,257	17,559	-	81,573
- Over time	-	-	35,873	-	35,873
Interest income	39,824	80,848	-	25,090	145,762
Gain (loss) and return on financial instruments	(855)	122,822	-	117	122,084
Other income	1,358	53,793	-	20,790	75,941
Total revenues	1,382,374	315,720	53,432	45,997	1,797,523
Total expenses					(1,579,183)
Share of profit from investments in associates					616,498
Profit before income tax expenses					834,838
Income tax expenses					(69,022)
Profit for the year					765,816

The following tables present total assets of the Group's operating segments as at 31 December 2022 and 2021:

(Unit: Thousand Baht)

Consolidated financial statements						
	Securities and derivatives brokerage segment	Securities trading	Investment banking segment	Total operating segment	Unallocated assets	Total
<b>Segment total assets</b>						
As at 31 December 2022	2,085,646	2,441,339	52,136	4,579,121	4,428,099	9,007,220
As at 31 December 2021	2,292,857	2,691,800	47,589	5,032,246	4,122,871	9,155,117

## 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 2022 and 2021, the Group has no major customer with revenue of 10 percent or more of an entity's revenues.

### 43. Fair value hierarchy

As at 31 December 2022 and 2021, 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				
	2022				
	Carrying amount	Fair value			Total
		Level 1	Level 2	Level 3	
<b>Financial assets measured at fair value</b>					
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
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	6,156	-	-	6,156	6,156
Listed securities	286,306	286,306	-	-	286,306
Unit trusts	193,151	-	193,151	-	193,151
<b>Asset measured at fair value</b>					
Investment in venture capital	30,000	-	-	30,000	30,000
<b>Assets for which fair values are disclosed</b>					
Inventories - digital assets	53,616	53,660	-	-	53,660
Investment properties	35,265	-	103,491	-	103,491

(Unit: Thousand Baht)

Consolidated financial statements					
2021					
	Carrying amount	Fair value			
		Level 1	Level 2	Level 3	Total
<b>Financial assets measured at fair value</b>					
Other current financial assets					
Investments designated at FVTPL					
<u>Equity investments</u>					
Listed securities	337,389	337,389	-	-	337,389
Unit trusts	29,250	-	29,250	-	29,250
<u>Debt investments</u>					
Debentures	802,026	-	802,026	-	802,026
Securities sold under sell and buy back agreements	307,010	-	307,010	-	307,010
Investments designated at FVOCI					
<u>Equity investments</u>					
Listed securities	126,280	126,280	-	-	126,280
Other non-current financial assets					
Investments designated at FVTPL					
<u>Debt investments</u>					
Debentures	166,093	-	166,093	-	166,093
Investment in digital assets strategy	54,022	-	54,022	-	54,022
Investments designated at FVOCI					
<u>Equity investments</u>					
Listed securities	315,188	315,188	-	-	315,188
Equity securities	6,156	-	-	6,156	6,156
Unit trusts	10,818	-	10,818	-	10,818
<b>Asset measured at fair value</b>					
Investment in venture capital	15,000	-	-	15,000	15,000
<b>Assets for which fair values are disclosed</b>					
Inventories - digital assets	108,634	108,852	-	-	108,852
Investment properties	36,357	-	103,491	-	103,491
<b>Financial liabilities measured at fair value</b>					
Derivative liabilities					
Future contracts	3,439	3,439	-	-	3,439

(Unit: Thousand Baht)

	Separate financial statements				
	2022				
	Carrying amount	Fair value			Total
		Level 1	Level 2	Level 3	
<b>Financial assets measured at fair value</b>					
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
<b>Asset measured at fair value</b>					
Investment in venture capital	30,000	-	-	30,000	30,000

(Unit: Thousand Baht)

	Separate financial statements				
	2021				
	Carrying amount	Fair value			Total
		Level 1	Level 2	Level 3	
<b>Financial assets measured at fair value</b>					
Other current financial assets					
Investments designated at FVTPL					
<u>Equity investments</u>					
Listed securities	18,346	18,346	-	-	18,346
Unit trusts	29,250	-	29,250	-	29,250
<u>Debt investments</u>					
Debentures	162,007	-	162,007	-	162,007
Investments designated at FVOCI					
<u>Equity investments</u>					
Listed securities	126,280	126,280	-	-	126,280
Other non-current financial assets					
Investments designated at FVTPL					
<u>Debt investments</u>					
Debentures	1,462	-	1,462	-	1,462
Investment in private digital asset strategy	54,022	-	54,022	-	54,022
Investments designated at FVOCI					
<u>Equity investments</u>					
Listed securities	297,287	297,287	-	-	297,287
<b>Asset measured at fair value</b>					
Investment in venture capital	15,000	-	-	15,000	15,000
<b>Assets for which fair values are disclosed</b>					
Inventories - digital assets	108,634	108,852	-	-	108,852

#### **44. Financial instruments**

##### **44.1 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 2022 and 2021, 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 2022 and 2021 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										
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
<b>Financial assets</b>										
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
<b>Financial liabilities</b>										
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	-	-
Long-term debentures	-	-	142	661	-	-	-	803	-	5.3 - 6.8
Lease liabilities	-	-	41	51	-	-	-	92	-	3.4 - 4.9

(Unit: Million Baht)

Consolidated financial statements										
2021										
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
<b>Financial assets</b>										
Cash and cash equivalents	555	-	-	-	-	-	352	907	0.1 - 0.8	-
Trade and other receivables	-	-	-	-	-	-	131	131	-	-
Receivables from Clearing										
House and broker - dealers	-	-	-	-	-	-	322	322	-	-
Securities and derivatives										
business receivables	726	-	-	-	-	-	1,040	1,766	6.3 - 18.0	-
Other current financial assets	-	-	1,199	-	-	-	493	1,692	-	0.2 - 7.5
Other non-current financial										
assets	-	-	-	-	166	-	386	552	-	1.5
Long-term loans to other										
companies	-	-	-	40	-	-	-	40	-	7.0

(Unit: Million Baht)

Consolidated financial statements									
2021									
Outstanding balances of net financial instruments									
Floating interest rate	Fixed interest rate					No Interest	Total	Interest rate	
	Repricing or maturity dates							(% per annum)	
	On demand	Within 1 year	1 - 5 years	Over 5 years	No maturity			Floating rate	Fixed rate
<b><u>Financial liabilities</u></b>									
Short-term borrowings from financial institutions	-	300	5	-	-	-	305	-	2.3 - 2.9
Securities sold under sell and buy back agreements	-	-	307	-	-	-	307	-	3.1 - 7.0
Trade and other payables	-	-	-	-	-	371	371	-	-
Securities and derivatives business payables	-	-	-	-	-	1,198	1,198	-	-
Derivative liabilities	-	-	-	-	-	3	3	-	-
Long-term debentures	-	-	724	142	-	-	866	-	5.3 - 6.8
Lease liabilities	-	-	16	5	-	-	21	-	4.1 - 4.8

(Unit: Million Baht)

Separated financial statements										
2022										
Outstanding balances of net financial instruments										
Floating interest rate	Fixed interest rate						Total	Interest rate		
	Repricing or maturity dates							(% per annum)		
	On demand	Within 1 year	1 - 5 years	Over 5 years	No maturity	No Interest		Floating rate	Fixed rate	
<b>Financial assets</b>										
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
<b>Financial liabilities</b>										
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

(Unit: Million Baht)

Separated financial statements										
2021										
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				
<b>Financial assets</b>										
Cash and cash equivalents	186	-	-	-	-	-	3	189	0.1	-
Trade and other receivables	-	-	-	-	-	10	326	336	-	0.2
Short-term loans to subsidiaries	-	110	-	-	-	-	-	110	-	6.2
Other current financial assets	-	-	662	-	-	-	174	836	-	3.2 - 7.5
Other non-current financial assets	-	-	-	-	1	-	352	353	-	1.5
<b>Financial liabilities</b>										
Trade and other payables	199	-	-	-	-	-	20	219	-	-
Long-term debentures	-	-	722	-	-	-	-	722	-	6.8
Lease liabilities	-	-	3	-	-	-	-	3	-	4.3 - 4.7

### 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 2022 and 2021 were as follows:

(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
<b>Financial assets</b>						
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
<b>Financial liabilities</b>						
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
Long-term debentures	-	142	661	-	-	803
Lease liabilities	-	41	51	-	-	92

(Unit: Million Baht)

Consolidated financial statements						
2021						
Outstanding balances of net financial instruments						
	At call	Within 1 year	1 - 5 years	Over 5 years	No maturity	Total
<b>Financial assets</b>						
Cash and cash equivalents	-	-	-	-	907	907
Trade and other receivables	-	131	-	-	-	131
Receivables from Clearing House and broker - dealers	-	322	-	-	-	322
Securities and derivatives business receivables	726	1,019	-	-	21	1,766
Other current financial assets	-	1,692	-	-	-	1,692
Other non-current financial assets	-	-	-	166	386	552
Long-term loans to other companies	-	-	40	-	-	40
<b>Financial liabilities</b>						
Short-term borrowings from financial institutions	300	5	-	-	-	305
Securities sold under sell and buy back agreements	-	307	-	-	-	307
Trade and other payables	-	371	-	-	-	371
Securities and derivatives business payables	-	1,198	-	-	-	1,198
Derivative liabilities	-	3	-	-	-	3
Long-term debentures	-	724	142	-	-	866
Lease liabilities	-	16	5	-	-	21

(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
<b>Financial assets</b>						
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
<b>Financial liabilities</b>						
Trade and other payables	-	219	-	-	-	219
Long-term debentures	-	-	659	-	-	659
Lease liabilities	-	6	9	-	-	15

(Unit: Million Baht)

Separated financial statements						
2021						
Outstanding balances of net financial instruments						
	At call	Within 1 year	1 - 5 years	Over 5 years	No maturity	Total
<b>Financial assets</b>						
Cash and cash equivalents	-	-	-	-	189	189
Trade and other receivables	-	336	-	-	-	336
Short-term loans to subsidiaries	110	-	-	-	-	110
Other current financial assets	-	662	-	-	174	836
Other non-current financial assets	-	-	-	1	352	353
<b>Financial liabilities</b>						
Trade and other payables	-	219	-	-	-	219
Long-term debentures	-	722	-	-	-	722
Lease liabilities	-	3	-	-	-	3

#### 44.2 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 carrying amounts of debentures and long-term loans carrying interest at rates approximating the market rate, in the statement of financial position approximates their fair value.

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

**45. Capital management**

The primary objectives 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.

**46. Approval of the financial statements**

The financial statements were authorised for issue by the Company's Board of Directors on 28 February 2023.

# ATTACHMENT

# ATTACHMENT 1

## PROFILES OF THE DIRECTORS, EXECUTIVES, ACCOUNTING AND FINANCE EXECUTIVES AND COMPANY SECRETARY



**Mr. Sadawut Taechaubol**

Chairperson and Chairperson of Executive Committee

### Age (Years) 70

### Position

- Chairperson and Chairperson of Executive Committee  
(Appointed on 15/05/2014)

### Shareholding (%)

- 1.38%

### Family Relationship

- Father of Mr. Tommy Taechaubol  
(Chief Executive Officer)

### Education

- Commerce Diploma, Davis School, Brighton, UK
- BA (Political Science), Ramkhamhaeng University / Graduation year 2002
- Honorable Degree (Business Administration), Kensington University, California, USA

### Director Role Training by Thai Institute of Directors Association (IOD)

- Directors Accreditation Program ( DAP ) Class 66/2007, Thai Institute of Directors Association ( IOD )
- Corporate Governance for Capital Market Intermediaries ( CGI ) Class 14/2016, Thai Institute of Director Association ( IOD )

### Other Training

- Capital Market Academy ( CMA ) Class 12, The Stock Exchange of Thailand / Graduation year 2011
- Thailand Energy Academy ( TEA ) Class 7 / Graduation year 2016
- Global Business Leaders ( GBL ) Class 2/2017, Lead Business Institute
- Advanced Master of Management Program, AMM, NIDA Class 3/2019

### Last 5 years experience

- Director of 3 Listed Companies

2021 – Present	Chairperson Bound and beyond PCL.
2014 – Present	Chairperson and Chairperson of the Executive Board of Directors Country Group Holdings PCL.
2012 – Present	Chairperson of the Executive Board of Directors & Director MFC Asset Management PCL.

- Director of 6 Non-Listed Companies

2016 – Present	Director Landmark Holdings Co., Ltd.
2015 – Present	Director EDP Enterprise Co., Ltd.
2015 – Present	Director Asia Zone Venture Co., Ltd.
2015 – Present	Director BBT Enterprise Co., Ltd.
2006 – Present	Director Baan Rai Taechaubol Company Limited
1994 – Present	Chairperson Country Group Company Limited

- Other important of 3 positions

2019 – Present	Honorary Adviser attached to the committee The Senate Standing Committee on Labour
2013 – Present	Executive Directors China Overseas Exchange Association
2010 – Present	Chairman Thai Chamber of Commerce & Industry



**Mr. Surabhon Kwunchaithunya**

Vice Chairperson

**Age (Years) 71**

**Position**

- Vice Chairperson (Appointed on 15/05/2014)
- Chairperson of Risk Management Committee (Appointed on 24/06/2014)
- Chairperson of Investment Committee (Appointed on 24/06/2014)

**Shareholding (%)**

- 10 Shares

**Family Relationship**

- None

**Education**

- Master of Business Administration (MBA) (sponsored by the University's scholarship), University of Washington, USA
- Bachelor of Engineering in Industrial Engineering (sponsored by the University's scholarship), University of Washington, USA
- Bachelor of Engineering in Electrical Engineering, University of Washington, USA

**Director Role Training by Thai Institute of Directors Association (IOD)**

- Director Accreditation Program (DAP), Class 14/2004
- Director Certification Program (DCP), Class 44/2004
- Role of the Chairman Program (RCP), Class 32/2013
- Corporate Governance for Capital Market Intermediaries Program (CGI), Class 8/2015

**Other Training**

- Securitization, Fannie Mae of USA
- Certificate for High Level Executive, Capital Market Academy 11 (CMA11), Class 11/2010
- Finance and Banking by HSBC (Hongkong)

**Last 5 years experience**

- Director of 3 Listed Companies
 

2019 – Present	Independent Director, Member of the Audit Committee, Member of the Nomination and Remuneration Committee Thai Rubber Latex Group PCL
2014 – Present	Vice Chairperson Chairperson of the Risk Management Committee and Chairperson of the Investment Committee Country Group Holdings PCL.
2011 – Present	Director, Executive Director, Chairperson of the Nomination and Remuneration Committee and Member of the Good Corporate Governance Committee MFC Asset Management PCL.
2003 – 2021	Independent Director and Chairperson of the Audit Committee Tycoons Worldwide Group (Thailand) PCL.
2016 – 2018	Director Triton Holding PCL.
2004 – 2010	Chairperson of the Audit Committee Prinsiri PCL
- Director of 1 Non-Listed Companies
 

2016 - Present	Chairperson Pi Securities PCL.
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- Other important of 1 positions
 

2012 – Present	Director Thai Commerce and Industry Association
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### Mr. Tommy Taechaubol

Director and Chief Executive Officer

### Age (Years) 39

### Position

- Director (Appointed on 22/05/2014)
- Chief Executive Officer (Appointed on 22/05/2014)
- Member of the Investment Committee (Appointed on 24/06/2014)

### Shareholding (%)

- 23.98%

### Family Relationship

- Son of Mr. Sadawut Taechaubol (Chairperson and Chairperson of Executive Committee)

### Education

- Master of Business Administration (MBA) (with distinction), Sasin Graduate Institute of Business Administration of Chulalongkorn University
- Bachelor of Laws, The University of New South Wales, Australia
- Bachelor of Commerce in Finance Major (with distinction) The University of New South Wales, Australia

### Director Role Training by Thai Institute of Directors Association (IOD)

- Corporate Governance for Capital Market Intermediaries Program (CGI), Class 13/2016
- Director Accreditation Program (DAP), Class 88/2011

### Other Training

- Real Estate Development RE-CU, Class 40 by The Real Estate Executive Association of Chulalongkorn University

### Last 5 years experience

- Director of 2 Listed Companies

2021 – Present	Chairman of the Executive Committee, Chairman of the Nomination and Remuneration Committee and Member of the Risk Management Committee, Bound and Beyond PCL.
2015 – Present	Director Bound and beyond PCL.
2014 – Present	Director, Chief Executive Officer and Member of the Investment Committee Country Group Holdings PCL.
2015 – 2019	Member of the Nomination and Remuneration Committee Bound and Beyond PCL.

- Director of 14 Non-Listed Companies

2022 – Present	Director, Pi Digital Co., Ltd.
2022 – Present	Director, Pi Ventures Co., Ltd.
2022 - Present	Director, Country State Company Limited
2021 – Present	Director, Urban Resort Hotel Co., Ltd.
2021 – Present	Director, Waterfront Hotel Co., Ltd.
2021 – Present	Director, Cryptomind Group Holdings Co., Ltd
2021 – Present	Director, Merkle Capital Co., Ltd..
2020 – Present	Director, Padaeng Properties Co., Ltd.
2020 – Present	Director, PDI Materials Co., Ltd.
2020 – Present	Director, PDI Tak Eco Co., Ltd.
2019 – Present	Director, Sathon Project One Co., Ltd.
2016 – Present	Director, Genki Capital Co., Ltd.
2016 – Present	Director, Genki Power One Co., Ltd.
2005 – Present	Director, Country Group Co., Ltd.
2012 – 2017	Director, Pi Securities PCL.
2006 – 2022	Director, Baan Rai Taechaubol Co., Ltd.



**Mr. Dej Namsirikul**

Independent Director

**Age (Years) 87**

**Position**

- Independent Director (Appointed on 22/05/2014)
- Member of the Good Corporate Governance Committee (Appointed on 24/06/2014)
- Chairperson of the Nomination and Remuneration Committee (Appointed on 11/11/2016)

**Shareholding (%)**

- None

**Family Relationship**

- None

**Education**

- High School Diploma, Assumption Bangrak

**Director Role Training by Thai Institute of Directors Association (IOD)**

- Director Accreditation Program (DAP), Class 98/2012
- Director Certification Program (DCP), Class 225/2016
- Corporate Governance for Capital Market Intermediaries Program (CGI), Class 5/2015

**Last 5 years experience**

- Director of 2 Listed Companies

2019 – Present	Independent Director Chairperson of the Risk Management Committee Safari Would PCL.
2014 – Present	Independent Director Chairperson of the Nomination and Remuneration and Member of the Good Corporate Governance Committee CountryGroup Holdings PCL.

- Director of 5 Non-Listed Companies

2010 – Present	Chairperson Unicca Pattaya Properties Co., Ltd.
1994 – Present	Chairperson Union Power Properties Co., Ltd.
1993 – Present	Director Vejthani Hospital PCL.
1989 – Present	Director Omnoi Complex Co., Ltd.
1982 – Present	Director D.U.K Co., Ltd.



**Mr. Nippon Wisityuthasart**

Independent Director

**Age (Years) 83**

**Position**

- Independent Director  
(Appointed on 22/05/2014)
- Chairperson of the Audit Committee  
(Appointed on 24/06/2014)
- Member of the Nomination and Remuneration Committee  
(Appointed on 24/06/2014)

**Shareholding (%)**

- None

**Family Relationship**

- None

**Education**

- Master of Public Administration,  
National Institute of Development  
Administration (NIDA)
- Bachelor of Law,  
Thammasart University

**Director Role Training by Thai Institute of Directors Association (IOD)**

- Director Accreditation Program (DAP), Class 43/2005
- Corporate Governance for Capital Market Intermediaries Program (CGI),  
Class 5/2015

**Other Training**

- Certificate for High Level Executive Capital Market Academy (CMA12)
- Advanced Certificate Course in Public relation for Executives, Class 2
- Advanced Certificate Course in Urban development class for Executives, Class 3
- Certificate in Asian Disaster Preparedness Center (ADPC)
- Thailand Energy Academy (TEA), Class 7/2016
- Advance Master Management Program (AMM)
- AC HOT UPDATE : Ready to New CG towards sustainability, FAP

**Last 5 years experience**

- Director of 2 Listed Companies

2014 – Present	Independent Director, Chairperson of the Audit Committee and Member of the Nomination and Remuneration Committee Country Group Holdings PCL.
1999 – Present	Independent Director and Chairperson of the Audit Committee Vanachai Group, PCL.

- Non-Listed Companies : None



**Pol. Gen. Werapong Chuenpagdee**

Independent Director

**Age (Years) 65**

**Position**

- Independent Director  
(Appointed on 22/05/2014)
- Member of the Audit Committee  
(Appointed on 24/06/2014)
- Chairperson of the Good Corporate Governance Committee  
(Appointed on 24/06/2014)
- Member of the Nomination and Remuneration Committee  
(Appointed on 11/11/2016)

**Shareholding (%)**

- None

**Family Relationship**

- None

**Education**

- Master of Public Administration, National Institute of Development Administration (NIDA)
- Master of Public Administration Chulalongkorn University
- Bachelor of Public Administration from the Royal Police Cadet Academy

**Director Role Training by Thai Institute of Directors**

**Association (IOD)**

- Director Accreditation Program (DAP), Class 86/2010
- Director Certification Program (DCP), Class 146/2011
- Audit Committee Program (ACP), Class 34/2011
- Financial Statements for Directors Program (FSD), Class 12/2011
- Role of the Compensation Committee Program (RCC), Class 13/2011
- Corporate Governance for Capital Market Intermediaries Program (CGI), Class 8/2015

**Last 5 years experience**

- Director of 4 Listed Companies

2018 – Present	Deputy Chairperson and Independent Director Triton Holding PCL.
2017 – Present	Chairperson and Independent Director Ainsiri Land PCL.
2014 – Present	Independent Director, Member of the Audit Committee, Chairperson of the Good Corporate Governance Committee and Member of the Nomination and Remuneration Committee Country Group Holdings PCL.
2009 – Present	Independent Director, Member of the Audit Committee and Member of the Nomination and Remuneration Committee Country Group Development PCL.

- Director of 5 Non-Listed Companies

2018 – Present	Independent Director and Chairperson of the Audit Committee Tribeca Co., Ltd.
2017 - Present	Independent Director, Member of the Audit Committee and Chairperson of the Nomination and Remuneration Committee “ICBC” Industrial and Commercial Bank of China Limited
2012 – Present	Independent Director and Chairperson of the Audit Committee Thai Hua Rubber PCL.
2012 – Present	Director Foo Sin Mining Industry Co., Ltd.
2010 – Present	Independent Director and Chairperson of the Audit Committee Sing Sian Yee Pao Co., Ltd.
2017 – 2018	Special Advisor, The Royal Thai Police
2016 – 2017	Assistant of Commissioner, The Royal Thai Police Government



**Mrs. Jitmanee Suwannapool**

Independent Director

**Age (Years) 69**

**Position**

- Independent Director  
(Appointed on 11/11/2016)
- Member of the Audit Committee  
(Appointed on 11/11/2016)

**Shareholding (%)**

- None

**Family Relationship**

- None

**Education**

- Master of Public Administration,  
National Institute of Development  
Administration (NIDA)
- Bachelor Degree in Business Law,  
Ramkhamhaeng University
- Bachelor of Business Administration  
Program in Account Ramkhamhaeng  
University

**Director Role Training by Thai Institute of Directors Association (IOD)**

- Director Certification Program (DCP), Class 197/2014
- Advanced Audit Committee Program (AACP), Class 45/2022

**Other Training**

- AC HOT UPDATE: Ready to New CG towards sustainability, FAP

**Last 5 years experience**

- Director of 2 Listed Companies

2016 – Present	Independent Director and Member of the Audit Committee Country Group Holdings PCL.
2014 - Present	Independent Director and Member of the Audit Committee and Member of the Nomination and Remuneration Committee and Chairperson of the Risk Management Committee Grand Canal Land PCL.
2015 - 2021	Independent Director and Chairperson of the Audit Committee NCL International Logistics PCL.
• Director of 1 Non-Listed Companies	
2018 - Present	Consultants Thailand Privilege Card Co., Ltd.,
2015 - 2018	Independent Director and Chairperson of the Audit Committee Thailand Privilege Card Co., Ltd.,
• Other important of 2 positions	
28 Dec 2018 – present	Member of the Audit Committee Eastern Economic Corridor (EEC)
2014 – Present	Chairperson People Develop Center Develop
2014 – 2017	Honorary counsel Economic and Finance Commission



**Miss Chularat Suteethorn**

Director

**Age (Years) 68**

**Position**

- Director (Appointed on 26/2/2020)

**Shareholding (%)**

- None

**Family Relationship**

- None

**Education**

- Master of Development Studies (MDS), Economic Policy and Planning Institute of Social, Netherlands
- Bachelor of Arts (Economics), Finance and Banking Major (Second Class Honors), Kasetsart University

**Director Role Training by Thai Institute of Directors Association (IOD)**

- Director Accreditation Program (DAP) Class 40/2005
- Director Certification Program (DCP) Class 72/2006
- Finance for Non - Finance Director (FND) Class 28/2006
- Financial Statement for Director (FSD) Class 10/2010
- Audit Committee Program (ACP) Class 39/2012
- The Role of Chairman Program (RCP) Class 28/2012
- Financial Institutions Governance Program (FGP) Class 4/2012
- Role of the Nomination and Governance Committee (RNG) Class 3/2012
- Anti - Corruption for Executive Program (ACEP) Class 10/2014
- Advance Audit Committee Program (AACP) 15/2014
- Director Certification Program Update (DCPU) Class 4/2015
- Role of the Compensation Committee (RCC) Class 20/2015
- Ethical Leadership Program (ELP) Class 7/2017
- Board Nomination and Compensation Program (BNCP) Class 1/2017
- Board Matters and Trends (BMT) Class 6/2018
- ITG Program , Class 14/2020
- Risk Management Program for Corporate Leaders (RCL) , Class 21/2020
- BMD Program, Class 10/2020

**Last 5 years experience**

- Director of 2 Listed Companies
 

2020 – Present	Director Country Group Holdings PCL.
2016 – Present	Director MFC Asset Management PCL.
2013 – 2021	Independent Director and Chairperson of the Risk Management Committee Thai Oil PCL.
- Director of 1 Non-Listed Companies
 

2019 – Present	Independent Director and Member of the Audit Committee D.T.C. Enterprise PCL
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**Mr. Pisuth Viriyamettakul**

Director

**Age (Years) 41**

**Position**

- Director (Appointed on 28/07/2015)

**Shareholding (%)**

- 0.50%

**Family Relationship**

- None

**Education**

- Master of Business Administration Finance, California State University, Long Beach, USA
- Bachelor of International Business Management, Assumption University (ABAC)

**Director Role Training by Thai Institute of Directors Association (IOD)**

- Director Accreditation Program (DCP), Class 178/2013
- Director Financial Statements For Directors Program (FSD), Class 31/2016

**Last 5 years experience**

- Director of 1 Listed Companies

2015 – Present	Director
	Country Group Holdings PCL.

- Director of 2 Non-Listed Companies

2013 – Present	Director
	Ratchada Office Building Co., Ltd.

2012 – Present	Director
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Teparak Phatthanakan Co.,Ltd.

2012 – 2021	Director and Managing Director
	D.T.C. Enterprise Co., Ltd.

## Detail of Management Team & Company Secretary



**Mr. Voradej Suruchugul**

Vice President, Finance and  
Accounting Division  
(Chief Financial Officer)

**Age (Years) 44**

### Education

- Master Degree in Business Administration, National Institute of Development Administration

### Last 5 years experience

2018 – Present	Vice President, Country Group Holdings PCL
2016 – 2018	Vice President, Country Group Securities PCL
2012 – 2015	Fund Manager, MFC Asset Management PCL



**Ms. Supaporn Akaradechachai**

Company Secretary

**Age (Years) 44**

### Education

- Master's degree, Faculty of Business Administration Banking and Finance Ramkhamhaeng University
- Bachelor's degree, Faculty of Business Administration Business Management Sripatum University

### Training

- Advance for Corporate Secretaries Program (TLCA), class 1/2018

### Last 5 years experience

2021 – Present	Company Secretary Department Manager Country Group Holdings PCL
2021 – Present	Company Secretary Department Manager Pi Securities PCL
2017 – 2021	Company Secretary Department Manager Synnex (Thailand) PCL
2012 – 2017	Budget Management Manager Synnex (Thailand) PCL
2001 – 2011	Project Financial Controller ALCATEL-LUCENT (Thailand) Co., Ltd.

### **Authorities of Company Secretary**

1. Advise the board of directors on the Company's laws, rules and regulations and ensure the directors will follow the company's laws, rules and regulations.
2. Encourage the board of directors to have knowledge and understanding of corporate governance and follow practices.
3. Prepare agenda and notice of the shareholders and board of directors meetings.
4. Arrange the shareholders and board of directors meetings in compliance with the Company's laws, rules and regulations and good practices.
5. Take minutes of the shareholders and board of directors meetings and ensure related parties will follow resolutions of the shareholders and board of directors meetings.
6. Prepare and maintain the board of directors' registration, annual reports, notice of the shareholders and board of directors meetings, and Board of Directors meetings. minutes of the shareholders
7. Monitor the directors and management to make reports on their stakeholders including related persons' stakeholders as specified by the law.
8. Maintain the stakeholder reports reported by the directors or management as specified by laws.
9. Ensure information is disclosed and report the information to the responsible regulators.
10. Coordinate with shareholders and regulators.
11. Other duties as assigned by the Board of Director.

# ATTACHMENT 2

## INFORMATION ON DIRECTORS OF SUBSIDIARIES

### 1) Board of Directors

As of December 31, 2022, the PI's structure consisted of 8 directors as follows

NAME AND SURNAME	POSITION
1) Mr. Surabhon Kwunchaithunya	Chairperson
2) ACM. Permkiat Lavanamal	Independent Director
3) Dr. Supachai Sukhanindr	Independent Director
4) Ms. Sharinee Kalayanamitr*	Independent Director
5) Mr. Thanachote Rungsitivat	Director
6) Mr. Bob Wouters**	Director and Chief Executive Officer

Remark : Dr. Procham Anranyakananda resigned on May 16, 2022

Dr. Veeraphat Phetcharakupt resigned on October 31, 2022

\* Ms. Sharinee Kalayanamitr has been approved to be Independent Director, Member of Audit Committee and Member of Nomination and Remuneration Committee on July 4, 2022

\*\* Mr. Bob Wouters has been approved to be Director and Chief Executive Officer on November 14, 2022

Ms. Supaporn Akaradechachai holds the position of Company Secretary of Securities Company

### 2) Audit Committee

As of December 31, 2022, there are total of three Audit Committees, of which are 3 independent directors as follows:

NAME AND SURNAME	POSITION
1) ACM. Permkiat Lavanamal	Chairperson of the Audit Committee
2) Dr. Supachai Sukhanindr	Member of the Audit Committee
3) Ms. Sharinee Kalayanamitr	Member of the Audit Committee

### Audit Committee Meeting

In 2021 and 2022, the number of meetings and number of attendances of the Audit Committee Meeting as follows:

NAME AND SURNAME	NO. OF ATTENDANCE / NO. OF ALL MEETING (TIMES)	
	2021	2022
1) ACM. Permkiat Lavanamal	5/5	5/5
2) Dr. Supachai Sukhanindr	1/1	5/5
3) Ms. Sharinee Kalayanamitr	-	2/2

### 3) Nomination and Remuneration Committee

As of December 31, 2022, there are total of 3 Nomination and Remuneration Committees, which have 3 independent directors as follows:

NAME AND SURNAME	POSITION
1) ACM. Permkiat Lavanamal	Chairperson of the Nomination and Remuneration Committee
2) Dr. Supachai Sukhanindr	Member of the Nomination and Remuneration Committee
3) Ms. Sharinee Kalayanamitr	Member of the Nomination and Remuneration Committee

### Nomination and Remuneration Committees Meeting

In 2021 and 2022, the number of meetings and number of attendances of the Nomination and Remuneration Committees Meeting as follows:

NAME AND SURNAME	NO. OF ATTENDANCE / NO. OF ALL MEETING (TIMES)	
	2021	2022
1) ACM. Permkiat Lavanamal	3/3	4/4
2) Dr. Supachai Sukhanindr	1/1	4/4
3) Ms. Sharinee Kalayanamitr	-	2/2

#### 4) Investment Committee

As of December 31, 2022, there are total of 2 Investment Committees:

NAME AND SURNAME	POSITION
1) Ms. Nattcharinphon Jesadapisit	Acting Chairman Director and Secretary of the Investment Committee
2) Ms. Ariya Kositwongsa	Member of the Investment Committee

#### Investment Committee Meeting

In 2021 and 2022, the number of meetings and number of attendances of the Investment Committees Meeting as follows:

NAME AND SURNAME	NO. OF ATTENDANCE / NO. OF ALL MEETING (TIMES)	
	2021	2022
1) Ms. Nattcharinphon Jesadapisit	9/9	9/9
2) Ms. Ariya Kositwongsa	9/9	9/9

#### 5) Executive Committee

As of December 31, 2022, there are total of 3 Executive Directors.

NAME AND SURNAME	POSITION
1) Mr. Bob Wouters	Chairperson of the Executive Board
2) Mr. Thanachote Rungsitivat	Executive Director
3) Ms. Nattcharinphon Jesadapisit	Executive Director

#### Executive Committee Meeting

In 2021 and 2022, the number of meetings and number of attendances of the Executive Committee Meeting as follows:

NAME AND SURNAME	NO. OF ATTENDANCE / NO. OF ALL MEETING (TIMES)	
	2021	2022
1) Mr. Bob Wouters	-	2/2
2) Mr. Thanachote Rungsitivat	20/20	20/20
3) Ms. Nattcharinphon Jesadapisit	20/20	20/20

# ATTACHMENT 3

## INFORMATION ON INTERNAL AUDIT HEAD

Name:	Ms. Supaporn Akaradechachai	
Position	Head of Internal Compliance and Audit Division (Acting)	
Age	44 years old	
Education	Master's degree, Faculty of Business Administration Banking and Finance Ramkhamhaeng University	
	Bachelor's degree, Faculty of Business Administration Business Management Sripatum University	
Training	Advance for Corporate Secretaries Program (TLCA), class 1/2018	
Education	2017 - 2021	Company Secretary Department Manager Synnex (Thailand) PCL
	2012 - 2017	Budget Management Manager Synnex (Thailand) PCL
	2001 - 2011	Project Financial Controller ALCATEL-LUCENT (Thailand) Co.,Ltd.
% Shareholding	None	
Term of the contract	No	
Duties and Responsibilities	<p>Duties and Responsibilities as follows:</p> <ol style="list-style-type: none"><li>1. Supervise business operations in accordance with laws, announcements, regulations and relevant rules prescribed by regulatory authorities, as well as develop work systems for effective supervision and in accordance with relevant rules.</li><li>2. Organize training to educate employees about the rules related to work operations.</li><li>3. To give opinions/advices on the operating criteria set by regulatory authorities to directors, executives and internal departments.</li><li>4. Acting as the secretary of the Company's Audit Committee</li><li>5. Support and cooperate with regulatory authorities upon request.</li><li>6. Strengthen and develop supervisory personnel to have sufficient and efficient knowledge and understanding of their operations.</li><li>7. Carry out activities as assigned by the company</li></ol>	

# ATTACHMENT 4

## ASSETS FOR BUSINESS OPERATION

Details of assets used in business operations appear in the form 56-1 One Report under the topic of Business Operations.

# ATTACHMENT 5

## POLICY AND GUIDELINES ON CORPORATE GOVERNANCE, BUSINESS ETHICS

### POLICY AND GUIDELINES ON CORPORATE GOVERNANCE

<https://www.cgholdings.co.th/storage/content/ir/corporate-governance/cgh-good-corporate-governance-poliy-th.pdf>



### BUSINESS ETHICS

<https://www.cgholdings.co.th/storage/content/ir/corporate-governance/cgh-code-of-conduct-th.pdf>



# ATTACHMENT 6

## AUDIT COMMITTEE REPORT FOR THE YEAR 2022

Dear Shareholders, Country Group Holdings Public Company Limited

The Audit Committee of Country Group Holdings Public Company Limited has been appointed by the Board of Directors comprising 3 independent directors who are experts in finance, accounting, law, management. and possess all qualifications as stipulated in the Audit Committee Charter prepared in accordance with the guidelines and requirements of the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand. (SET) with the names appearing as follows:

- |                                   |                                    |
|-----------------------------------|------------------------------------|
| 1. Mr. Niphon Wisityuthasart      | Chairperson of the Audit Committee |
| 2. Pol. Gen. Werapong Chuenpagdee | Member of the Audit Committee      |
| 3. Mrs. Jitmanee Suwannapool      | Member of the Audit Committee      |

In the year 2022, there are 6 Audit Committee meetings, with the Audit Committee meeting a quorum every time. In performing duties, the Audit Committee is independent from the management under the scope of duties and responsibilities. Perform the duties assigned by the summary of important matters in the performance of duties as follows:

### Financial report

The Audit Committee has reviewed and approved the quarterly and annual financial statements and consolidated financial statements, including adequate disclosure of material information, which have been reviewed and audited by the auditors. Propose to the Board of Directors for consideration and approval by meeting with the management of the accounting unit and the auditor before giving approval to ensure that the financial statements are accurate and reliable in accordance with the principles an account that is generally accepted and beneficial to shareholders and investors.

### Connected transactions or transactions that may have conflicts of interest

The Audit Committee has considered and gave opinions on connected transactions or transactions that may have conflicts of interest based on caution, reasonableness and taking into account the interests of stakeholders, including disclosure of such information. transparently, completely and sufficiently in accordance with the regulations of the Stock Exchange of Thailand

### Compliance with the law

The Audit Committee has reviewed the good corporate governance in accordance with the principles of laws and practices prescribed by the Securities and Exchange Commission, including the regulations of the Stock Exchange of Thailand, as well as relevant laws to ensure that the operation is efficient. Transparency builds confidence for shareholders and investors.

### **Internal control system and internal audit**

The Audit Committee has reviewed the efficiency and sufficiency of the internal control system, the risk management system and the internal audit system together with the Audit and Supervision Department, the auditor and the management. The internal control system is adequate and suitable for the Company's business operations. This is consistent with the auditor's opinion that the review did not find any remarks about the lack of conciseness in the internal control system.

The Audit Committee considers and recommends the audit plan and the internal audit results of the Audit and Governance Department on a quarterly and yearly basis, as well as follow up on the correction of deficiencies from both internal audits and internal audits. The auditor includes advice to make the audit and supervision more effective and in accordance with the rules, regulations, policies set by external regulatory agencies and the company with the standards of professional

### **Supervision of policies and measures against bribery and corruption**

The Audit Committee has reviewed the anti-bribery and corruption practice to ensure compliance with policies and measures against bribery and corruption

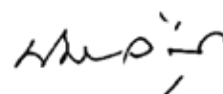
### **Consideration of the proposed appointment of auditors and audit fees**

The Audit Committee has selected and proposed the appointment of auditors and the suitability of the audit fees for the year 2023 based on the quality of service, knowledge, skills, expertise, experience, independence. and related work which the Audit Committee has considered and considered that the auditors are qualified and complete, therefore, it is resolved to propose to consider appointing the auditors for the year 2023 to the Board of Directors before proposing them to the shareholders' meeting for approval.

### **Performance Assessment**

The Audit Committee has assessed its performance by self-assessment on a panel and individual basis in accordance with the guidelines of the Stock Exchange of Thailand. The assessment results show that the Audit Committee has performed the duties and responsibilities specified. in the Charter of the Audit Committee by adhering to the principles of accuracy, prudence, prudence, transparency and sufficient independence, fairness, without limitation on access to information from management, employees and related persons, as well as providing constructive opinions and suggestions for the benefit of all stakeholders equally.

From the above performance of duties, the Audit Committee is of the opinion that, overall, the Company has an internal control system that is sufficient and suitable for the business operation that covers all risks appropriately and in accordance with the relevant laws. Good corporate governance as well as the preparation and disclosure of information in financial reports in a transparent and reliable manner.



**(Mr. Nipon Wisityuthasart)**

Chairperson of the Audit Committee

28 February 2023

# ATTACHMENT 7

## CORPORATE GOVERNANCE COMMITTEE REPORT FOR THE YEAR 2022

The Corporate Governance Committee (CG Committee) of Country Group Holdings Public Company Limited consists of two independent directors as follows:

- |                                  |  |
|----------------------------------|--|
| 1. Pol.Gen. Werapong Chuenpagdee | Chairperson of Good Corporate Governance Committee |
| 2. Mr. Dej Namsirikul            | Member of Good Corporate Governance Committee      |

The Corporate Governance Committee performed its duties as assigned by the Board of Directors, which responsibilities are prescribed in the Charter of the responsibilities are prescribed, with key responsibility in determining the policy, framework and guidelines for the development of corporate governance and corporate social responsibilities in order to ensure the transparency of business operations and fairness for all stakeholders and to support the Company's sustainable growth policy. The CG Committee also provides recommendations to the Board of Directors in accordance with the principles of good corporate governance.

### **In 2022, the CG Committee held two meetings, marking achievements as follows;**

#### 1. Regulatory Assessment

The Company has participated in the Corporate Governance Report of Thai Listed Companies 2022, to measure the level of compliance with corporate governance principles and used as information for develop corporate governance of the company. In 2022, the Company was CG Scores rated "Excellent" or 91 percent.

The Company has participated in the AGM Checklist 2022 with Thai Investors Association (TIA). In 2022, the Company received an evaluation score of 100 points out of 100, which was rated "Excellent" and was an increase from the previous year

#### 2. Performance Assessment of the Board of directors and Sub-committee

The Company has performance assessment of the board of directors and Subcommittee annually. Which accordance with the recommendation of the Stock Exchange of Thailand, to be a framework to monitor the performance of the duties of the Board of Directors, whether it has performed in accordance with the corporate governance policy, to improve the performance of the Board of Directors in accordance with the established policies and review the problems and obstacles that occurred in the past year.

3. Additional information in the Corporate Governance Compliance Report

The company has updated the information of the company from the corporate governance survey of the past year to ensure compliance with good corporate governance principles and to comply with the announcement of the Capital Market Supervisory Board No. Tor Jor. 44/. 2013 Rules, Conditions and Procedures for Disclosure of Information on Financial Status and Operations of Securities Issuing Companies which require the Board of Directors to disclose important information of the Company. Both financial and non-financial information are accurate, complete, timely, transparent through channels that can easily access information. are equal and reliable The good corporate governance compliance report is part of the annual report form 56-1 One Report to disseminate the Company's information to the public.

4. Review and acknowledge the progress of the implementation of the Corporate Governance and Sustainable Development Policy as well as the Sustainability Development Plan and environmental and social risk assessments.
5. Supervise the use of inside information from the level of directors, executives and employees, mainly taking into account transparency.

In 2022, the company has renewed its certification for being a member of Thai Private Sector Collective Action Against Corruption (CAC Certified) for the 2nd consecutive time by the Thai Institute of Directors (IOD).

The Corporate Governance Committee realizes that Good corporate governance is important and beneficial to the business operations of the Company as well as shareholders and all stakeholders and provide advice on good corporate governance as a guideline for the Company's operations to ensure efficient and effective management with transparency and verifiability for sustainable progress as can be seen from Performance over the past year reflects the company's overall development in good corporate governance.



**(Pol.Gen Werapong Chuenpagdee)**

Chairperson of the Corporate Governance Committee

21 February 2023