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These notes form an integral part of the financial statements.

The financial statements issued for Thai statutory and regulatory reporting purposes are prepared in the Thai language. These English language financial statements have been prepared from the Thai language statutory financial statements, and were approved and authorised for issue by the Board of Directors on 22 February 2023.

1. **General information**

FNS Holdings Public Company Limited (formerly Finansa Public Company Limited), the “Company”, is incorporated in Thailand. The Company’s registered office at 345 Surawong Road, 6th Floor, 345 Surawong Building, Suriyawong, Bangrak, Bangkok.

The Company’s major shareholders during the financial year was Pokachaiyapat family (43.1% shareholding).

The principal activities of the Company are to invest in and provide finance and management advisory services to its affiliated and related parties. Furthermore, the Company’s subsidiaries also provide investment business. Details of the Company’s subsidiaries as at 31 December 2022 and 2021 are given in Note 8.

On 28 April 2022, the annual general meeting of shareholders passed a resolution to change the Company’s name and seal from “Finansa Public Company Limited” to “FNS Holdings Public Company Limited”. The Company registered the change of the Company’s name with the Ministry of Commerce on 6 May 2022.

1. **Basis of preparation of the financial statements**

The financial statements are prepared in accordance with Thai Financial Reporting Standards (“TFRS”), guidelines promulgated by the Federation of Accounting Professions and applicable rules and regulations of the Thai Securities and Exchange Commission.

The financial statements are presented in Thai Baht, which is the Company’s functional currency. The accounting policies, described in Note 3, have been applied consistently to all periods presented in these financial statements.

The preparation of financial statements in conformity with TFRS requires management to make judgments, estimates and assumptions that affect the application of the Group’s accounting policies. Actual results may differ from these estimates. Estimates and underlying assumptions that are described in each note are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

1. **Significant accounting policies**
2. ***Basis of consolidation***

The consolidated financial statements relate to the Company and its subsidiaries (together referred to as the “Group”) and the Group’s interests in associates and joint venture.

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to,   
or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

When the Group loses control over a subsidiary, it derecognises the assets and liabilities and other components of equity of the subsidiary. Any resulting gain or loss is recognised in profit or loss.

Associates are those entities in which the Group has significant influence, but not control or joint control, over the financial and operating policies. A joint venture is an arrangement in which the Group has joint control, whereby the Group has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

The Group recognised investments in associates and joint venture using the equity method in the consolidated financial statements. They are initially recognised at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group’s dividend income and share of the profit or loss and other comprehensive income of equity-accounted investees, until the date on which significant influence or joint control ceases.

Intra-group balances and transactions, and any unrealised income or expenses arising from intra-group transactions, are eliminated on consolidation. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

1. ***Cash and cash equivalents***

Cash and cash equivalents comprise cash balances and call deposits.

1. ***Investments in subsidiaries, associates and joint venture***

Investments in subsidiaries, associates and joint venture in the separate financial statements are measured at cost less allowance for impairment losses. Dividend income is recognised in profit or loss on the date on which the Group’s right to receive payment is established. If the Company disposes of part of its investment, the deemed cost of the part sold is determined using the FIFO method. Gains or losses on disposal of the investments are recognised in profit or loss.

1. ***Foreign currencies***

Transactions in foreign currencies including non-monetary assets and liabilities denominated in foreign currencies are translated to the respective functional currencies of each entity in the Group at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate at the reporting date. Non-monetary assets and liabilities measured at fair value in foreign currencies are translated at the exchange rates at the dates that fair value was determined.

Foreign currency differences are generally recognised in profit or loss. However, foreign currency differences arising from the translation of an investment in equity instruments designated as at FVOCI are recognised in other comprehensive income except on impairment, in which case foreign currency differences that have been recognised in other comprehensive income are reclassified to profit or loss.

*Foreign operations*

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated to Thai Baht at the exchange rates at the reporting date. The revenues and expenses of foreign operations are translated to Thai Baht at rates approximating the exchange rates at the dates of the transactions.

Foreign exchange differences are recognised in other comprehensive income and accumulated in the translation reserve until disposal of the investment.

When a foreign operation is disposed of in its entirety or partially such that control is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal.

When the settlement of a monetary item receivable from or payable to a foreign operation is neither planned nor likely in the foreseeable future, exchange gains and losses arising from such a monetary item are considered to form part of a net investment in a foreign operation and are recognised in other comprehensive income, and presented in the translation reserve in equity until disposal of the investment.

1. ***Financial instruments***
2. *Classification and measurement*

Debt instruments issued by the Group are initially recognised when they are originated. Other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument, and measured at fair value plus or minus, for an item not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

On initial recognition, a financial asset is classified as measured at: amortised cost; fair value through other comprehensive income (FVOCI); or FVTPL. Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified prospectively from the reclassification date.

On initial recognition, financial liabilities are classified as measured at amortised cost using the effective interest method. Interest expense, foreign exchange gains and losses and any gain or loss on derecognition are recognised in profit or loss.

Financial assets measured at amortised costs are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by expected credit losses. Interest income, foreign exchange gains and losses, expected credit loss and any gain or loss on derecognition are recognised in profit or loss.

Investment in debt instruments measured at FVOCI are subsequently measured at fair value. Interest income, calculated using the effective interest method, foreign exchange gains and losses and expected credit loss are recognised in profit or loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.

Investment in equity instruments measured at FVOCI are subsequently measured at fair value. Dividend income is recognised as income in profit or loss on the date on which the Group’s right to receive payment is established, unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are never reclassified to profit or loss.

1. *Derecognition and offset*

The Group derecognises a financial asset when the contractual rights to receive the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expired. The Group also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

The difference between the carrying amount extinguished and the consideration received or paid is recognised in profit or loss.

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group currently has a legally enforceable right to set off the amounts and the Group intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

1. *Impairment of financial assets*

The Group recognises allowances for expected credit losses (ECLs) on financial assets measured at amortised cost, investment in debt instruments measured at FVOCI and loan commitments issued which are not measured at FVTPL.

The Group recognises ECLs equal to 12-month ECLs unless there has been a significant increase in credit risk of the financial instrument since initial recognition or credit-impaired financial assets, in which case the loss allowance is measured at an amount equal to lifetime ECLs.

ECLs are a probability-weighted estimate of credit losses based on forward-looking and historical experience. Credit losses are measured as the present value of all cash shortfalls discounted by the effective interest rate of the financial asset.

The Group considers a financial asset to have low credit risk when its credit rating is equivalent to the globally understood definition of ‘investment grade’. The Group recognises ECLs for low credit risk financial asset as 12-month ECLs.

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due, significant deterioration in credit rating, significant deterioration in the operating results of the debtor and existing or forecast changes in the technological, market, economic or legal environment that have a significant adverse effect on the debtor’s ability to meet its obligation to the Group.

The Group considers a financial asset to be in default when:

- the debtor is unlikely to pay its credit obligations to the Group in full, without recourse by the Group takes action such as realising security (if any is held); or

- the financial asset is more than 90 days past due.

1. *Write offs*

The gross carrying amount of a financial asset is written off when the Group has no reasonable expectations of recovering. Subsequent recoveries of an asset that was previously written off, are recognised as a reversal of impairment in profit or loss in the year in which the recovery occurs.

1. *Interest*

Interest income and expense is recognised in profit or loss using the effective interest method. In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

1. ***Building and equipment***

Building and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset and the costs of dismantling, removing the items and restoring the site on which they are located. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

Differences between the proceeds from disposal and the carrying amount of building and equipment are recognised in profit or loss.

*Depreciation*

Depreciation is calculated on a straight-line basis over the estimated useful lives of each component of an asset and recognised in profit or loss. No depreciation is provided on assets under installation.

The estimated useful lives are as follows:

|  |  |  |
| --- | --- | --- |
| Buildings | 25 and 30 | years |
| Buildings improvement | 5 | years |
| Office equipment | 3 and 5 | years |
| Furniture & fixtures | 5 | years |
| Vehicles | 5 and 8 | years |

1. ***Leases***

At inception of a contract, the Group assesses that a contract is, or contains, a lease when it conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

At commencement or on modification of a contract, the Group allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices of each component.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date, except for lease of low-value assets and short-term leases which are recognised as expenses on a straight-line basis over the respective lease terms.

Right-of-use asset is measured at cost, less any accumulated depreciation and impairment loss, and adjusted for any remeasurements of lease liability. The cost of right-of-use asset includes the initial amount of the lease liability adjusted for any prepaid lease payments, plus any initial direct costs incurred. Depreciation is charged to profit or loss on a straight-line method from the commencement date to the end of the lease term.

The lease liability is initially measured at the present value of all lease payments that shall be paid under the lease. The Group uses the Group’s incremental borrowing rate to discount the lease payments to the present value by considering from average finance costs of the Company and reflect the terms of the lease.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a lease modification. When the lease liability is remeasured, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

1. ***Goodwill***

Goodwill is measured at cost less accumulated impairment losses. In respect of equity-accounted investee, the carrying amount of goodwill is included in the carrying amount of the investment.

1. ***Other intangible assets***

Other intangible assets are measured at cost less accumulated amortisation and impairment losses. Subsequent expenditure is capitalised only when it will generate future economic benefits. Amortisation is calculated on a straight-line basis over the estimated useful lives of intangible assets and recognised in profit or loss.

The estimated useful lives are as follows:

|  |  |  |
| --- | --- | --- |
| Software | 1 - 10 | years |

1. ***Impairment of non-financial assets***

The carrying amounts of the Group’s assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the assets’ recoverable amounts are estimated. For goodwill, the recoverable amount is estimated each year at the same time.

An impairment loss is recognised in profit or loss if the carrying amount of an asset or its cash-generating units exceeds its recoverable amount, unless it reverses a previous revaluation credited to equity, in which case it is charged to equity.

The recoverable amount is the greater of the asset’s value in use and fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a   
pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

An impairment loss of asset recognised in prior years is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss in respect of goodwill is not reversed. An impairment loss is reversed only to the extent that the asset’s carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

1. ***Employee benefits***

*Defined contribution plans*

Obligations for contributions to the Group’s provident funds are expensed as the related service is provided.

*Defined benefit plans*

The Group’s net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior years. The defined benefit obligations is discounted to the present value, which performed by a qualified actuary using the projected unit credit method.

Remeasurements of the net defined benefit liability, actuarial gain or loss are recognised immediately in OCI. The Group determines the interest expense on the net defined benefit liability for the year by applying the discount rate used to measure the defined benefit obligation at the beginning of the year, taking into account any changes in the net defined benefit liability during the year as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

1. ***Provisions***

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as a finance cost.

1. ***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 market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Group has access at that date. The fair value of a liability reflects its non-performance risk.

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices in active markets for identical assets or liabilities.

- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability,

either directly or indirectly.

- Level 3: inputs for the asset or liability that are based on unobservable input.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

If an asset or a liability measured at fair value has a bid price and an ask price, then the Group measures assets and asset positions at a bid price and liabilities and liability positions at an ask price.

The best evidence of the fair value of a financial instrument on initial recognition is normally the transaction price - i.e. the fair value of the consideration given or received. If the Group determines that the fair value on initial recognition differs from the transaction price, the financial instrument is initially measured at fair value adjusted for the difference between the fair value on initial recognition and the transaction price and the difference is recognised in profit or loss immediately. However, for the fair value categorised as level 3, such difference is deferred and will be recognised in profit or loss on an appropriate basis over the life of the instrument or until the fair value level is transferred or the transaction is closed out.

1. ***Revenue from investment, advisory and management business***

Revenue is recognised when a customer obtains control of the services in an amount that reflects the consideration to which the Group expects to be entitled, excluding those amounts collected on behalf of third parties and value added tax.

*Fees and service income*

Fees and service income comprise financial advisory income and underwriting income which are recognised at a point of time when transactions are completed. Retainer fee income is recognised over time as the services are provided based on contractual rate.

1. ***Income tax***

Income tax expense for the year comprises current and deferred tax, which is recognised in profit or loss except to the extent that it relates to items recognised directly in equity or in other comprehensive income.

Current tax is recognised in respect of the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the temporary differences: the initial recognition of goodwill; the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss; and differences relating to investments in subsidiaries and joint venture to the extent that it is probable that they will not reverse in the foreseeable future.

The measurement of deferred tax reflects the tax consequences that would follow the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities, using tax rates enacted or substantively enacted at the reporting date. Current deferred tax assets and liabilities are offset in the separate financial statements.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realised.

1. ***Discontinued operations***

A discontinued operation is a component of the Group’s business that represents a separate major line of business that has been disposed of or is held for sale. Classification as a discontinued operation occurs upon disposal or when the operation meets the criteria to be classified as held for sale, if earlier. When an operation is classified as a discontinued operation, the comparative statement of comprehensive income is restated as if the operation had been discontinued from the start of the comparative period.

1. ***Earnings (loss) per share***

Basic earnings (loss) per share is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the number of ordinary shares outstanding.

1. **Related parties**

A related party is a person or entity that has direct or indirect control or joint control, or has significant influence over the financial and managerial decision-making of the Group; a person or entity that is under common control or under the same significant influence as the Group; or a person or entity over which the Group has direct or indirect control or joint control or has significant influence over the financial and managerial decision-making. The pricing policies for transactions with related parties are determined on an arm’s length basis or based on contractual agreed price.

Relationships with subsidiaries, associates and joint venture are described in notes 8 and 9. Other related parties which the Group had significant transactions with during the year were as follows:

| **Name of entities/personnel** | **Country of incorporation/ nationality** | **Nature of relationship** |
| --- | --- | --- |
| Key management personnel | Thai | Persons having authority and responsibility for planning, directly and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of the Company |

|  |  | **Consolidated** | | |  | **Separate** | | |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| ***Significant transactions with related parties*** |  | **financial statements** | | |  | **financial statements** | | |
| ***Year ended 31 December*** |  | 2022 |  | 2021 |  | 2022 |  | 2021 |
|  |  | *(in thousand Baht)* | | | | | | |
| **Continuing operation** |  |  |  |  |  |  |  |  |
| **Subsidiaries** |  |  |  |  |  |  |  |  |
| Revenue from investment, advisory |  |  |  |  |  |  |  |  |
| and management business |  | - |  | - |  | 8,000 |  | 8,000 |
| Interest income |  | - |  | - |  | - |  | 11,441 |
| Finance costs |  | - |  | - |  | 2,976 |  | - |
|  |  |  |  |  |  |  |  |  |
| **Associates** |  |  |  |  |  |  |  |  |
| Revenue from investment, advisory |  |  |  |  |  |  |  |  |
| and management business |  | 2,550 |  | 2,400 |  | 2,550 |  | 2,400 |
| Interest income |  | 19,499 |  | 1,744 |  | 19,499 |  | 1,744 |
| Dividend income |  | - |  | - |  | 41,958 |  | 42,253 |
| Rental and service income |  | - |  | 5,188 |  | - |  | 5,188 |
| Selling agent fee and other fees |  | - |  | 6,470 |  | - |  | 500 |
| Rental and service expenses |  | 1,252 |  | 830 |  | 1,252 |  | 830 |
| Finance costs |  | 195 |  | - |  | 195 |  | - |
|  |  |  |  |  |  |  |  |  |
| **Joint venture** |  |  |  |  |  |  |  |  |
| Interest income |  | 13,497 |  | 3,225 |  | 13,497 |  | 3,225 |
|  |  |  |  |  |  |  |  |  |
| **Other related parties** |  |  |  |  |  |  |  |  |
| Revenue from investment, advisory |  |  |  |  |  |  |  |  |
| and management business |  | 4,750 |  | 3,000 |  | 4,750 |  | 3,000 |
| Rental and service income |  | 62 |  | 48 |  | 62 |  | 48 |
|  |  |  |  |  |  |  |  |  |
| **Key management personnel** |  |  |  |  |  |  |  |  |
| Short-term benefits |  | 38,132 |  | 33,050 |  | 38,132 |  | 33,050 |
| Post-employment benefits |  | 1,169 |  | 1,154 |  | 1,169 |  | 1,154 |
|  |  |  |  |  |  |  |  |  |
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|  |  |  |  |  |  |  |  |  |
| **Discontinued operation** |  |  |  |  |  |  |  |  |
| **Subsidiary** |  |  |  |  |  |  |  |  |
| Revenue from investment, advisory |  |  |  |  |  |  |  |  |
| and management business |  | - |  | - |  | 5,867 |  | 17,600 |
| Dividend income |  | - |  | - |  | - |  | 86,800 |
| Gain on disposal of building and equipment |  | 298,806 |  | - |  | 298,806 |  | - |
| Rental and service income |  | - |  | - |  | 428 |  | 4,764 |
| Selling agent fee and other fees |  | - |  | - |  | - |  | 2,386 |
| Rental and service expenses |  | - |  | - |  | 613 |  | - |
| Finance costs |  | - |  | - |  | 902 |  | 13,089 |
|  |  | - |  |  |  |  |  |  |
| **Associates** |  |  |  |  |  |  |  |  |
| Revenue from securities business |  | 5,484 |  | 9,475 |  | 5,484 |  | - |
|  |  |  |  |  |  |  |  |  |
| **Other related parties** |  |  |  |  |  |  |  |  |
| Revenue from securities business |  | - |  | 4,082 |  | - |  | - |
|  |  |  |  |  |  |  |  |  |
| **Key management personnel** |  |  |  |  |  |  |  |  |
| Short-term benefits |  | 4,946 |  | 11,969 |  | - |  | - |
| Post-employment benefits |  | 187 |  | 191 |  | - |  | - |

|  | **Consolidated** | | |  | **Separate** | | |
| --- | --- | --- | --- | --- | --- | --- | --- |
| ***Balances with related parties*** | **financial statements** | | |  | **financial statements** | | |
| ***At 31 December*** | 2022 |  | 2021 |  | 2022 |  | 2021 |
|  | *(in thousand Baht)* | | | | | | |
| **Subsidiaries** |  |  |  |  |  |  |  |
| Service income receivables | - |  | - |  | - |  | 45 |
| Short-term loans and advance to  related parties | - |  | - |  | - |  | 867 |
| Short-term loans and advance from  related parties | - |  | - |  | 21,105 |  | 690,200 |
| Accrued interest expenses | - |  | - |  | - |  | 165 |
| Guarantee deposits | - |  | - |  | - |  | 1,044 |
|  |  |  |  |  |  |  |  |
| **Associates** |  |  |  |  |  |  |  |
| Service income receivables | 214 |  | 1,498 |  | 214 |  | 214 |
| Other receivables | 11,446 |  | 1,682 |  | 11,446 |  | 1,682 |
| Short-term loans and advance to  related parties | 216,985 |  | 267,028 |  | 216,985 |  | 267,028 |
| Rental deposits | 735 |  | 137 |  | 735 |  | 137 |
|  |  |  |  |  |  |  |  |
| **Joint venture** |  |  |  |  |  |  |  |
| Short-term loans and advance to  related parties | 250,500 |  | 128,000 |  | 250,500 |  | 128,000 |
| Other receivables | 14,843 |  | 1,456 |  | 14,843 |  | 1,456 |
|  |  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |  |
|  | **Consolidated** | | |  | **Separate** | | |
| ***Balances with related parties*** | **financial statements** | | |  | **financial statements** | | |
| ***At 31 December*** | 2022 |  | 2021 |  | 2022 |  | 2021 |
|  | *(in thousand Baht)* | | | | | | |
|  |  |  |  |  |  |  |  |
| **Other related parties** |  |  |  |  |  |  |  |
| Service income receivables | 6 |  | 5 |  | 6 |  | 5 |
| Accrued service expenses | - |  | 11 |  | - |  | 11 |

***Significant agreements with related parties***

The Company has entered into service agreements with its subsidiaries and a related party of which the Company will provide services including management, marketing and other business operation support to the subsidiaries and a related party. The Company charged service fees as agreed by both parties based on estimated time spent and cost incurred plus margin. Service fees for each company for the years 2022 and 2021 were as follows:

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  | 2022 | | |  | 2021 | | |
| Company name |  | Period of agreement |  | Annual fee |  | Period of agreement |  | Annual fee |
|  |  |  |  | *(in thousand Baht)* |  |  |  | *(in thousand Baht)* |
| Finansa Securities Limited (1) |  | 1 January - 31 August 2022 |  | 8,121 |  | 1 January - 31 December 2021 |  | 16,000 |
| Finansa Fund Management Ltd. |  | 1 January - 31 December 2022 |  | 8,000 |  | 1 January - 31 December 2021 |  | 8,000 |
| Prospect Development Co., Ltd. |  | 1 January - 31 December 2022 |  | 3,000 |  | 1 January - 31 December 2021 |  | 3,000 |

(1) Finansa Securities Limited is the Company’s subsidiary until 4 May 2022.

The Company has entered into a service agreement with a subsidiary of which the Company will provide compliance. The agreement period is 1 January - 31 May 2022. The Company charged service fee as agreed by both parties at Baht 666,666.7 per annum.

The Company has entered into a service agreement with an associate of which the Company will provide information technology services. The Company charged service fee as agreed by both parties at Baht 200,000 per month.

1. **Cash and cash equivalents**

|  | Consolidated  financial statements | | |  | Separate  financial statements | | |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  | 2022 |  | 2021 |  | 2022 |  | 2021 |
|  | *(in thousand Baht)* | | | | | | |
| Cash on hand | 10 |  | 15 |  | 5 |  | 5 |
| Cash at banks | 13,062 |  | 197,244 |  | 9,540 |  | 8,471 |
| **Total** | **13,072** |  | **197,259** |  | **9,545** |  | **8,476** |

1. **Loans to others**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  |  | **Consolidated and separate**  **financial statements** | | |
|  |  | 2022 |  | 2021 |
|  |  | *(in thousand Baht)* | | |
| Loans to others |  | 86,800 |  | 113,000 |
| *Less* allowance for expected credit loss |  | (13,000) |  | (13,000) |
| **Net** |  | **73,800** |  | **100,000** |

***6.1 Classified by type of loans***

|  |  |  |  |
| --- | --- | --- | --- |
|  | **Consolidated and separate**  **financial statements** | | |
|  | 2022 |  | 2021 |
|  | *(in thousand Baht)* | | |
| Bill of exchange | 13,000 |  | 13,000 |
| Loans | 73,800 |  | 100,000 |
| Total loans to others | 86,800 |  | 113,000 |
| *Les*s allowance for expected credit loss | (13,000) |  | (13,000) |
| **Net** | **73,800** |  | **100,000** |

***6.2 Classified by remaining period of the contract***

|  |  |  |  |
| --- | --- | --- | --- |
|  | **Consolidated and separate**  **financial statements** | | |
|  | 2022 |  | 2021 |
|  | *(in thousand Baht)* | | |
| At call (including defaulted contracts) | 13,000 |  | 13,000 |
| Within 1 year | 73,800 |  | 100,000 |
| **Total** | **86,800** |  | **113,000** |

***Allowance for expected credit loss***

|  |  |  |  |
| --- | --- | --- | --- |
|  | **Consolidated and separate**  **financial statements** | | |
|  | 2022 |  | 2021 |
|  | *(in thousand Baht)* | | |
| At 1 January 2022 | 13,000 |  | 45,896 |
| Reversal | - |  | (32,896) |
| **At 31 December 2022** | **13,000** |  | **13,000** |

1. **Financial assets**

***7.1 Other current financial assets***

|  | Consolidated  financial statements | | |  | Separate  financial statements | | |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  | 2022 |  | 2021 |  | 2022 |  | 2021 |
|  | *(in thousand Baht)* | | | | | | |
| ***Investment in debt instruments measured***  ***at FVTPL*** |  |  |  |  |  |  |  |
| Domestic marketable debt instruments -  unit trusts | 350,481 |  | 363,226 |  | 350,481 |  | 237,803 |
|  |  |  |  |  |  |  |  |
| ***Investment in equity instruments measured at FVTPL*** |  |  |  |  |  |  |  |
| Domestic marketable equity instruments | 10,525 |  | - |  | 10,525 |  | - |
| **Total** | **361,006** |  | **363,226** |  | **361,006** |  | **237,803** |

***7.2 Other non-current financial assets***

|  | Consolidated  financial statements | | |  | Separate  financial statements | | |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  | 2022 |  | 2021 |  | 2022 |  | 2021 |
|  | *(in thousand Baht)* | | | | | | |
| ***Investment in debt instruments measured***  ***at FVTPL*** |  |  |  |  |  |  |  |
| Domestic non-marketable debt instruments | 47,816 |  | - |  | 47,816 |  | - |
|  |  |  |  |  |  |  |  |
| ***Investment in debt instruments measured***  ***at FVOCI*** |  |  |  |  |  |  |  |
| Government bond | 10,378 |  | 10,856 |  | 10,378 |  | 10,856 |
|  |  |  |  |  |  |  |  |
| ***Investment in equity instruments measured at FVTPL*** |  |  |  |  |  |  |  |
| Domestic marketable equity instruments -  unit trusts | - |  | 1,291 |  | - |  | - |
|  |  |  |  |  |  |  |  |
| ***Investment in equity instruments designated at FVOCI*** |  |  |  |  |  |  |  |
| Domestic non-marketable equity instruments | 257,011 |  | 264,874 |  | 14,222 |  | 12,348 |
| Unit trusts in foreign funds | 12,551 |  | 10,176 |  | - |  | - |
| Foreign marketable equity instruments | 45,411 |  | 29,131 |  | - |  | - |
| **Total** | **373,167** |  | **316,328** |  | **72,416** |  | **23,204** |

1. **Investment in subsidiaries**

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  | **Separate financial statements** | | | | | | | | | | | | | | |
|  |  |  |  | | |  |  | | |  | Carrying amount under | | |  |  | | |
| Company name | Type of business | Country | Paid-up share capital | | |  | Shareholding | | |  | cost method | | |  | Dividend income | | |
|  |  |  | 2022 |  | 2021 |  | 2022 |  | 2021 |  | 2022 |  | 2021 |  | 2022 |  | 2021 |
|  |  |  | *(in thousand Baht)* | | |  | *(%)* | | |  | *(in thousand Baht)* | | | | | | |
| ***Subsidiaries*** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Finansa Securities Limited (1) | Securities | Thailand | - |  | 700,000 |  | - |  | 100.0 |  | - |  | 734,709 |  | - |  | 86,800 |
| Finansa Fund Management | Investment | Cayman | 690 |  | 690 |  | 100.0 |  | 100.0 |  | 151,790 |  | 151,790 |  | - |  | - |
| Limited (2) |  | Islands | (ordinary shares) |  | (ordinary shares) |  |  |  |  |  |  |  |  |  |  |  |  |
|  |  |  | 4,311 |  | 5,732 |  | 100.0 |  | 100.0 |  | 453,667 |  | 573,198 |  | - |  | - |
|  |  |  | (preferred shares) |  | (preferred shares) |  |  |  |  |  |  |  |  |  |  |  |  |
| Finansa (Combodia) Ltd. | Investment advisory | Cambodia | 192 |  | 192 |  | 100.0 |  | 100.0 |  | 204 |  | 204 |  | - |  | - |
| **Total** |  |  |  |  |  |  |  |  |  |  | **605,661** |  | **1,459,901** |  | **-** |  | **86,800** |
| *Less* allowance for impairment |  |  |  |  |  |  |  |  |  |  | (204) |  | (204) |  |  |  |  |
| **Investment in subsidiaries, net** |  |  |  |  |  |  |  |  |  |  | **605,457** |  | **1,459,697** |  |  |  |  |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| (1)  On 17 December 2021, the Extraordinary General Meeting of the subsidiary’s shareholders passed a resolution to approve the decrease of the subsidiary’ s authorised share capital amounting to Baht 300 million which was completed on 24 January 2022. The Company already received paid back share subscription on the same date.  O On 5 May 2022, the Group disposed all investment in ordinary shares of Finansa Securities Limited to FSS International Investment Advisory Securities Company Limited | | | | | | | | | | | | | | | | | |
| (2) On 30 December 2022, the Company repaid loans from Finansa Fund Management Ltd. with 35,704 preferred shares equivalent to Baht 119.5 million. | | | | | | | | | | | | | | | | | |

1. **Investment in associates and joint venture**

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **Consolidated financial statements** | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Company name |  | Type of business | | | | |  | Country | | | |  | Shareholding | | | | | | | | | |  | Cost | | | | | | | | | |  | Equity method | | | | | | | | | | |
|  | | |  | |  | | | |  | |  | | |  | 2022 | | | |  | 2021 | | | | |  | 2022 | | |  | 2021 | | | | |  | | 2022 | | | |  | 2021 | | |
|  |  |  | | | | |  |  | | | |  | *(%)* | | | | | | | | | |  | *(in thousand Baht)* | | | | | | | | | | | | | | | | | | | | | |
| ***Associates*** | | |  | | |  | | |  | |  | | | | |  | |  | | |  |  | | | | |  |  | | | |  |  | | | | | |  |  | | |  |  | | | |
| M.K. Real Estate Development Plc. | |  | | Land and building development | | | |  | | Thailand | | |  | | | | 31.5 | |  | 31.5 | | | | |  | 1,376,516 | | |  | | 1,376,516 | | | | |  | | 1,348,405 | | |  | 1,360,243 | | | | |
| Prospect Logistics and Industrial  Leasehold Real Estate Investment Trust (1) | |  | | Property Fund and REITs | | | |  | | Thailand | | |  | | | | 23.0 | |  | 23.0 | | | | |  | 533,329 | | |  | | 544,452 | | | | |  | | 498,690 | | |  | 527,191 | | | | |
| Kanom Café Co., Ltd. | |  | | Cafe, bakery  and restaurant business | | | |  | | Thailand | | |  | | | | 30.0 | |  | 30.0 | | | | |  | 60,000 | | |  | | 60,000 | | | | |  | | 44,562 | | |  | 53,458 | | | | |
| ***Joint venture*** | |  | |  | | | |  | |  | | |  | | | |  | |  |  | | | | |  |  | | |  | |  | | | | |  | |  | | |  |  | | | | |
| BFTZ Wangnoi Co., Ltd. | |  | | Developing factory building and warehouse  for rent | | | |  | | Thailand | | |  | | | | 50.0 | |  | 50.0 | | | | |  | 2,500 | | |  | | 2,500 | | | | |  | | 3,933 | | |  | 2,090 | | | | |
| ***Subsidiaries’ associate*** | |  | |  | | | |  | |  | | |  | | | |  | |  |  | | | | |  |  | | |  | |  | | | | |  | |  | | |  |  | | | | |
| Siam Investment Partners, L.P.(2) | |  | | General partner  of a fund | | | |  | | Cayman Islands | | |  | | | | 50.0 | |  | 50.0 | | | | |  | 3,786 | | |  | | 3,786 | | | | |  | | 660 | | |  | 660 | | | | |
| **Total** | |  | |  | | | |  | |  | | |  | | | |  | |  |  | | | | |  | **1,976,131** | | |  | | **1,987,254** | | | | |  | | **1,896,250** | | |  | **1,943,642** | | | | |
| *Less* allowance for impairment | |  | |  | | | |  | |  | | |  | | | |  | |  |  | | | | |  | (3,126) | | |  | | (3,126) | | | | |  | |  | | |  |  | | | | |
| **Investment in associates and joint venture, net** | |  | |  | | | |  | |  | | |  | | | |  | |  |  | | | | |  | **1,973,005** | | |  | | **1,984,128** | | | | |  | |  | | |  |  | | | | |

(1) On 12 May 2022, the Board of Directors of the associate passed a resolution to decrease the associate’s authorised share capital amounting to Baht 48.4 million which was completed on 10 June 2022. The Company already received paid back share subscription on the same date.

(2) Siam Investment Partners, L.P. is under liquidation process.

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  | **Separate financial statements** | | | | | | | | | | | | | | |
|  | Type of |  |  | | |  |  | | |  |  | | |  |  | | |
| Company name | business | Country | Paid-up share capital | | |  | Shareholding | | |  | Carrying amount under cost method | | |  | Dividend income | | |
|  |  |  | 2022 |  | 2021 |  | 2022 |  | 2021 |  | 2022 |  | 2021 |  | 2022 |  | 2021 |
|  |  |  | *(in thousand Baht)* | | |  | *(%)* | | |  | *(in thousand Baht)* | | | | | | |
| ***Associates*** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| M.K. Real Estate Development Plc. | Land and building |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
|  | development | Thailand | 1,091,205 |  | 1,091,205 |  | 31.5 |  | 31.5 |  | 1,376,516 |  | 1,376,516 |  | - |  | - |
| Prospect Logistics and Industrial | Property Fund |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Leasehold Real Estate Investment Trust (1) | and REITs | Thailand | 2,320,077 |  | 2,368,464 |  | 23.0 |  | 23.0 |  | 533,329 |  | 544,452 |  | 41,958 |  | 45,253 |
| Kanom Café Co., Ltd. | Café, bakery and  restaurant business | Thailand | 127,860 |  | 127,860 |  | 30.0 |  | 30.0 |  | 60,000 |  | 60,000 |  | - |  | - |
|  |  |  |  |  |  |  |  |  |  |  | **1,969,845** |  | **1,980,968** |  | **41,958** |  | **45,253** |
| ***Joint venture*** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| BFTZ Wangnoi Co., Ltd. | Developing factory  building and  warehouse for rent | Thailand | 5,000 |  | 5,000 |  | 50.0 |  | 50.0 |  | 2,500 |  | 2,500 |  | **-** |  | **-** |
|  |  |  |  |  |  |  |  |  |  |  | **2,500** |  | **2,500** |  | - |  | - |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| **Total** | |  |  |  |  |  |  |  |  |  | **1,972,345** | **,** | **1,983,468** |  | **41,958** |  | **45,253** |

(1) On 12 May 2022, the Board of Directors of the associate passed a resolution to decrease the associate’s authorised share capital amounting to Baht 48.4 million which was completed on 10 June 2022. The Company already received paid back share subscription on the same date.

The Group has investment in M.K. Real Estate Development Plc. and Prospect Logistics and Industrial Leasehold Real Estate Investment Trust which are listed on the Stock Exchange of Thailand. As at 31 December 2022, the closing price were at Baht 2.78 per share and Baht 9.75 per share, respectively *(2021: Baht 3.04 per share and Baht 10.70 per share, respectively)*. The market value of investments of the Group which were calculated from the mentioned closing price were amounted to Baht 955.9 million and Baht 549.1 million, respectively *(2021: Baht 1,045.3 million and Baht 602.6 million, respectively)*.

1. **Building and equipment**

|  | **Consolidated financial statements** | | | | | | | | | | |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | Buildings and buildings improvement |  | Office equipment |  | Furniture & fixtures |  | Vehicles |  | Assets under  installation |  | Total |
|  | *(in thousand Baht)* | | | | | | | | | | |
| ***Cost*** |  |  |  |  |  |  |  |  |  |  |  |
| At 1 January 2021 | 154,809 |  | 59,203 |  | 35,836 |  | 12,233 |  | 640 |  | 262,721 |
| Additions | - |  | 4,664 |  | 1,551 |  | - |  | 780 |  | 6,995 |
| Disposals/ write off | (9,720) |  | (1,664) |  | (3,823) |  | (167) |  | (1,273) |  | (16,647) |
| **At 31 December 2021**  **and 1 January 2022** | **145,089** |  | **62,203** |  | **33,564** |  | **12,066** |  | **147** |  | **253,069** |
| Additions | - |  | 1,065 |  | 827 |  | 7,217 |  | 526 |  | 9,635 |
| Transfers in (out) | - |  | - |  | 673 |  | - |  | (673) |  | - |
| Disposals/ write off | (145,089) |  | (53,832) |  | (32,306) |  | (15,986) |  | - |  | (247,213) |
| **At 31 December 2022** | **-** |  | **9,436** |  | **2,758** |  | **3,297** |  | **-** |  | **15,491** |
|  |  |  |  |  |  |  |  |  |  |  |  |
| ***Accumulated depreciation*** |  |  |  |  |  |  |  |  |  |  |  |
| At 1 January 2021 | 89,531 |  | 53,073 |  | 27,501 |  | 5,114 |  | - |  | 175,219 |
| Depreciation charge  for the year | - |  | 2,381 |  | 3,044 |  | 1,260 |  | - |  | 6,685 |
| Disposals/ write off | (9,720) |  | (1,821) |  | (4,009) |  | - |  | - |  | (15,550) |
| **At 31 December 2021**  **and 1 January 2022** | **79,811** |  | **53,633** |  | **26,536** |  | **6,374** |  | **-** |  | **166,354** |
| Depreciation charge  for the year | 167 |  | 1,870 |  | 823 |  | 529 |  | - |  | 3,389 |
| Disposals/ write off | (79,978) |  | (50,823) |  | (26,237) |  | (6,414) |  | - |  | (163,452) |
| **At 31 December 2022** | **-** |  | **4,680** |  | **1,122** |  | **489** |  | **-** |  | **6,291** |
|  |  |  |  |  |  |  |  |  |  |  |  |
| ***Net book value*** |  |  |  |  |  |  |  |  |  |  |  |
| **At 31 December 2021** | **65,278** |  | **8,570** |  | **7,028** |  | **5,692** |  | **147** |  | **86,715** |
| **At 31 December 2022** | **-** |  | **4,756** |  | **1,636** |  | **2,808** |  | **-** |  | **9,200** |

|  | **Separate financial statements** | | | | | | | | | | | |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | Buildings and buildings improvement |  | Office equipment |  | Furniture & fixtures |  | Vehicles |  | Assets under  installation |  | Total |
|  | *(in thousand Baht)* | | | | | | | | | | | |
| ***Cost*** |  |  |  |  |  |  |  |  |  |  |  |
| At 1 January 2021 | 154,809 |  | 45,499 |  | 22,844 |  | 400 |  | 640 |  | 224,192 |
| Additions | - |  | 4,298 |  | 1,521 |  | - |  | 780 |  | 6,599 |
| Disposals/ write off | (9,720) |  | (558) |  | (3,728) |  | - |  | (1,273) |  | (15,279) |
| **At 31 December 2021**  **and 1 January 2022** | **145,089** |  | **49,239** |  | **20,637** |  | **400** |  | **147** |  | **215,512** |
| Additions | - |  | 771 |  | 441 |  | 2,897 |  | 526 |  | 4,635 |
| Transfers in (out) | - |  | - |  | 673 |  | - |  | (673) |  | - |
| Disposals/ write off | (145,089) |  | (40,574) |  | (18,993) |  | - |  | - |  | (204,656) |
| **At 31 December 2022** | **-** |  | **9,436** |  | **2,758** |  | **3,297** |  | **-** |  | **15,491** |
|  |  |  |  |  |  |  |  |  |  |  |  |
| ***Accumulated depreciation*** |  |  |  |  |  |  |  |  |  |  |  |
| At 1 January 2021 | 89,531 |  | 40,837 |  | 16,492 |  | 389 |  | - |  | 147,249 |
| Depreciation charge  for the year | - |  | 1,744 |  | 2,263 |  | - |  | - |  | 4,007 |
| Disposals/ write off | (9,720) |  | (448) |  | (3,673) |  | - |  | - |  | (13,841) |
| **At 31 December 2021**  **and 1 January 2022** | **79,811** |  | **42,133** |  | **15,082** |  | **389** |  | **-** |  | **137,415** |
| Depreciation charge  for the year | - |  | 1,536 |  | 558 |  | 100 |  | - |  | 2,194 |
| Disposals/ write off | (79,811) |  | (38,989) |  | (14,518) |  | - |  | - |  | (133,318) |
| **At 31 December 2022** | **-** |  | **4,680** |  | **1,122** |  | **489** |  | **-** |  | **6,291** |
|  |  |  |  |  |  |  |  |  |  |  |  |
| ***Net book value*** |  |  |  |  |  |  |  |  |  |  |  |
| **At 31 December 2021** | **65,278** |  | **7,106** |  | **5,555** |  | **11** |  | **147** |  | **78,097** |
| **At 31 December 2022** | **-** |  | **4,756** |  | **1,636** |  | **2,808** |  | **-** |  | **9,200** |

On 19 January 2022, the Board of Directors’ Meeting of the Company passed a resolution to approve the selling of its building and equipment to Finansa Securities Limited at the appraised price by an independent property appraiser at Baht 370.3 million. The purchasing-selling transaction was completed on 1 February 2022. The Company recognised gain on disposal of building and equipment in the consolidated and separate financial statements at Baht 298.8 million.

1. **Goodwill**

|  |  | **Consolidated  financial statements** | | |
| --- | --- | --- | --- | --- |
|  | *Note* | 2022 |  | 2021 |
|  |  | *(in thousand Baht)* | | |
| ***Cost*** |  |  |  |  |
| At 1 January |  | 156,920 |  | 156,920 |
| Disposals | *16* | (111,564) |  | - |
| **At 31 December** |  | **45,356** |  | **156,920** |
|  |  |  |  |  |
| ***Impairment losses*** |  |  |  |  |
| **At 31 December** |  | **-** |  | **-** |
|  |  |  |  |  |
| ***Net book value*** |  |  |  |  |
| **At 31 December** |  | **45,356** |  | **156,920** |

*Impairment testing for CGUs containing goodwill*

For the purposes of impairment testing, goodwill has been allocated to the Group’s CGUs (operating divisions) as follows.

|  |  | Consolidated  financial statements | | |
| --- | --- | --- | --- | --- |
|  | *Note* | 2022 |  | 2021 |
|  |  | *(in thousand Baht)* | | |
| Investment, advisory and management business |  | 45,356 |  | 45,356 |
| Discontinued operation | *16* | - |  | 111,564 |
| **Total** |  | **45,356** |  | **156,920** |

The recoverable amount of investment, advisory and management business was based on estimated using discounted cash flows. The fair value measurement was categorised as a Level 3 fair value.

As at 31 December 2022 and 2021, the key assumptions used in the estimation of the recoverable amount are discount rates between 5% to 10%. The values assigned to the key assumptions represent management’s assessment of future trends in the relevant industries and have been based on historical data from both external and internal sources in which the recoverable amount of cash generating units is higher than the book value.

1. **Debentures**

***12.1 Short-term debentures***

Outstanding of short-term debentures issued by the Company which are charged interest at the rates with reference to the Money Market rate were as follows:

|  | **Consolidated and separate**  **financial statements** | | |
| --- | --- | --- | --- |
|  | 2022 |  | 2021 |
|  | *(in thousand Baht)* | | |
| ***Short-term debentures*** | - |  | 300,000 |
|  | **-** |  | **300,000** |

***12.2 Long-term debentures***

Outstanding of long-term debentures issued by the Company which are charged interest at the rates with reference to the Money Market rate were as follows:

|  | **Consolidated and separate**  **financial statements** | | |
| --- | --- | --- | --- |
|  | 2022 |  | 2021 |
|  | *(in thousand Baht)* | | |
| ***Long-term debentures*** |  |  |  |
| Mature in 2022 | - |  | 340,000 |
| Mature in 2023 | 300,000 |  | 300,000 |
| Mature in 2025 | 366,800 |  | 366,800 |
|  | 666,800 |  | 1,006,800 |
| *Less* current portion | (300,000) |  | (340,000) |
|  | **366,800** |  | **666,800** |

1. **Non-current provisions for employee benefits**

***Defined benefit plans***

The Group and the Company operate a defined benefit plan based on the requirement of Thai Labour Protection Act B.E. 2541 (1998) to provide retirement benefits to employees based on pensionable remuneration and length of service. The defined benefit plans expose the Group to actuarial risks, such as longevity risk, currency risk, interest rate risk and market (investment) risk.

| ***Present value of the defined benefit obligations*** |  | **Consolidated**  **financial statements** | | |  | **Separate**  **financial statements** | | | |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| *Note* | 2022 |  | 2021 |  | | 2022 |  | 2021 |
|  |  | *(in thousand Baht)* | | | | | | | |
| At 1 January |  | 68,755 |  | 63,479 |  | 29,383 | |  | 27,601 |
| ***Recognised in profit or loss:*** |  |  |  |  |  |  | |  |  |
| Current service cost |  | 2,507 |  | 4,669 |  | 1,460 | |  | 1,595 |
| Interest on obligation |  | 334 |  | 607 |  | 180 | |  | 187 |
| ***Recognised in other comprehensive income:*** |  |  |  |  |  |  | |  |  |
| Actuarial (gain) loss |  |  |  |  |  |  | |  |  |
| * + - Demographic assumptions |  | (12) |  | - |  | (12) | |  | - |
| * + - Financial assumptions |  | (3,304) |  | - |  | (3,304) | |  | - |
| * + - Experience adjustment |  | 2,331 |  | - |  | 2,331 | |  | - |
| Derecognition of discontinued operation | *16* | (40,573) |  | - |  | - | |  | - |
| Benefit paid |  | (3,203) |  | - |  | (3,203) | |  | - |
|  |  |  |  |  |  |  | |  |  |
| **At 31 December** |  | **26,835** |  | **68,755** |  | **26,835** | |  | **29,383** |

| ***Principal actuarial assumptions*** | Consolidated  financial statements | | |  | Separate  financial statements | | |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  | 2022 |  | 2021 |  | 2022 |  | 2021 |
|  | *(%)* | | | | | | |
| Discount rate | 1.37 - 4.07 |  | 0.36 - 2.31 |  | 1.37 - 4.07 |  | 0.36 - 2.31 |
| Future salary growth | 4.00 |  | 6.00 |  | 4.00 |  | 6.00 |
| Employee turnover | 0 - 11.00 |  | 0 - 25.00 |  | 0 - 11.00 |  | 0 - 25.00 |

Assumptions regarding future mortality have been based on published statistics and mortality tables.

At 31 December 2022, the weighted-average duration of the defined benefit obligation was 3.5 years *(2021: 9.4 years)*.

*Sensitivity analysis*

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant.

|  | Consolidated financial statements | | | | | | |
| --- | --- | --- | --- | --- | --- | --- | --- |
| ***Effect to the defined benefit obligation*** | Increase in assumption | | |  | Decrease in assumption | | |
| ***At 31 December*** | 2022 |  | 2021 |  | 2022 |  | 2021 |
|  | *(in thousand Baht)* | | | | | | |
| Discount rate (1% movement) | (889) |  | (4,335) |  | 944 |  | 4,432 |
| Future salary growth (1% movement) | 917 |  | 4,632 |  | (880) |  | (4,213) |
| Employee turnover (20% movement) | (62) |  | (1,314) |  | 73 |  | 1,554 |

|  | Separate financial statements | | | | | | |
| --- | --- | --- | --- | --- | --- | --- | --- |
| ***Effect to the defined benefit obligation*** | Increase in assumption | | |  | Decrease in assumption | | |
| ***At 31 December*** | 2022 |  | 2021 |  | 2022 |  | 2021 |
|  | *(in thousand Baht)* | | | | | | |
| Discount rate (1% movement) | (889) |  | (1,121) |  | 944 |  | 950 |
| Future salary growth (1% movement) | 917 |  | 1,092 |  | (880) |  | (1,028) |
| Employee turnover (20% movement) | (62) |  | (138) |  | 73 |  | 163 |

1. **Legal reserve**

Section 116 of the Public Limited Companies Act B.E. 2535 (1992) requires that a public company shall allocate not less than 5% of its annual net profit, less any accumulated losses brought forward, to a reserve account (“legal reserve”), until this account reaches an amount not less than 10% of the registered authorised capital. The legal reserve is not available for dividend distribution.

1. **Segment information**

Segment results that are reported to the Group’s the chief operating decision maker include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

Management determined that the Group has one reportable segment which is investment, advisory and management business and is managed separately and carried out in various geographical areas. Although its subsidiaries are registered and incorporated in various countries, their ultimate assets and investments are mainly in Asia. Therefore, no geographical segment information is presented.

|  | **Consolidated financial statements** | | | | |
| --- | --- | --- | --- | --- | --- |
| ***Year ended 31 December*** | 2022 | |  | 2021 | |
|  | *(in thousand Baht)* | | | | |
| Revenue from external customers |  |  |  | |
| Service income | 10,221 |  | 5,400 | |
| Interest income and dividend | 72,425 |  | 37,871 | |
| Gain on investments | 5,917 |  | 445 | |
| **Total income** | **88,563** |  | **43,716** | |
| Segment income (loss) | 14,704 |  | (19,738) | |
| Unallocated income and expenses: |  |  |  | |
| Other income | 1,205 |  | 8,388 | |
| Servicing and administrative expenses | (30,692) |  | (43,653) | |
| Loss on disposal of investment in associate | - | |  | (56,056) | |
| Loss on exchange rate | (10,762) |  | (14,432) | |
| Finance costs | (48,991) |  | (58,535) | |
| Reversal of expected credit loss | - | |  | 32,896 | |
| Share of profit of associates and joint venture |  |  |  | |
| accounted for using equity method | 6,237 |  | 50,864 | |
| Gain on disposal of building and equipment | 298,806 |  | 11 | |
| **Profit (loss) from continuing operation** | **230,507** |  | **(100,255)** | |
| (Loss) profit from discontinued operation | (125,590) |  | 58,066 | |
| **Profit (loss) for the year** | **104,917** |  | **(42,189)** | |

Assets and liabilities information of the Group as at 31 December 2022 and 2021 presented by business segment are as follows:

|  |  |
| --- | --- |
|  | **Consolidated financial statements** |
|  | 2022 |
|  | Investment, |
|  | advisory and |
|  | management |
|  | business |
|  | *(in thousand Baht)* |
| **Total assets** | **3,291,405** |
| **Total liabilities** | **721,055** |

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  | **Consolidated financial statements** | | | | | | |
|  | 2021 | | | | | | |
|  | Investment, |  |  |  |  |  |  |
|  | advisory and |  |  |  |  |  | Consolidated |
|  | management |  | Securities |  |  |  | financial |
|  | business |  | business |  | Elimination |  | statements |
|  | *(in thousand Baht)* | | | | | | |
| **Total assets** | **4,144,818** |  | **884,169** |  | **(1,500,509)** |  | **4,128,478** |
| **Total liabilities** | **2,108,624** |  | **94,042** |  | **(691,455)** |  | **1,511,211** |

1. **Discontinued operation**

On 5 May 2022, the Group disposed all investment in ordinary shares held directly and indirectly by the Company of Finansa Securities Limited in the amount of 39,999,995 shares with a par value at Baht 10 per share, representing approximately 100 percent of all issued shares of Finansa Securities Limited,   
at the sale price of Baht 12.25 per share, totaling Baht 490.19 million, to FSS International Investment Advisory Securities Company Limited. The Group recognised loss from loss of control in the subsidiary in the consolidated statement of comprehensive income of Baht 140.5 million and gain in the separate statement of comprehensive income of Baht 55.5 million. This segment was not a discontinued operation or classified as held for sale as at 31 December 2021 and the comparative statement of comprehensive income has been re-presented to show the discontinued operation separately from continuing operation.

An analysis of the results of the discontinued operation for the years ended 31 December 2022 and 2021 was as follows:

|  | Consolidated  financial statements | | |
| --- | --- | --- | --- |
| ***Operating results of discontinued operation*** | Securities business | | |
| ***Year ended 31 December*** | 2022 |  | 2021 |
|  | *(in thousand Baht)* | | |
| ***Income*** |  |  |  |
| Securities business income | 73,565 |  | 213,828 |
| ***Expenses*** |  |  |  |
| Securities business expenses | 49,976 |  | 132,416 |
| Servicing and administrative expenses | 3,091 |  | 10,274 |
| **Profit before income tax expense of discontinued operation** | **20,498** |  | **71,138** |
| Income tax expense | (5,610) |  | (13,072) |
| **Profit for the year from operating activities of  discontinued operation, net of tax** | **14,888** |  | **58,066** |
| Loss on disposal of discontinued operation | (140,478) |  | - |
| **(Loss) profit for the year of discontinued operation, net of tax** | **(125,590)** |  | **58,066** |

Net cash from discontinued operation for the years ended 31 December 2022 and 2021 were as follows:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  |  | Consolidated  financial statements | | |
|  |  | Securities business | | |
| ***Year ended 31 December*** |  | 2022 |  | 2021 |
|  |  | *(in thousand Baht)* | | |
| Net cash from operating activities |  | 64,439 |  | 64,446 |
| Net cash from investing activities |  | 455,273 |  | 14,291 |
| **Net cash from discontinued operation** |  | **519,712** |  | **78,737** |

| ***Effect of disposal on the financial position*** |  | | **Consolidated financial statements** | |
| --- | --- | --- | --- | --- |
|  |  | | *(in thousand Baht)* | |
| ***Current assets*** |  | |  | |
| Cash and cash equivalents |  | | 34,915 | |
| Service income receivables |  | | 2,138 | |
| Other receivables |  | | 1,743 | |
| Other current financial assets |  | | 108,498 | |
| Other current assets |  | | 954 | |
| **Total current assets** |  | | **148,248** | |
|  | |  | |  | |
| ***Non-current assets*** | |  | |  | |
| Other non-current financial assets | |  | | 11,130 | |
| Building and equipment | |  | | 394,382 | |
| Right-of-use assets | |  | | 1,506 | |
| Goodwill | |  | | 111,564 | |
| Deferred tax assets | |  | | 7,989 | |
| Other non-current assets | |  | | 610 | |
| **Total non-current assets** | |  | | **527,181** | |
|  | |  | |  | |
| **Total assets** | |  | | **675,429** | |
|  | |  | |  | |
| ***Current liabilities*** | |  | |  | |
| Current portion of lease liabilities | |  | | 727 | |
| Income tax payable | |  | | 4,896 | |
| Other current liabilities | |  | | 16,574 | |
| **Total current liabilities** | |  | | **22,197** | |
|  | |  | |  | |
| ***Non-current liabilities*** | |  | |  | |
| Lease liabilities | |  | | 817 | |
| Non-current provisions for employee benefits | |  | | 40,573 | |
| **Total non-current liabilities** | |  | | **41,390** | |
|  | |  | |  | |
| **Total liabilities** | |  | | **63,587** | |
|  | |  | |  | |
| **Net assets and liabilities** | |  | | **611,842** | |
|  | |  | |  | |
| **Amount included in accumulated other comprehensive income (loss)** | |  | |  | |
| Actuarial loss on defined benefit plan, net of tax | |  | | 21,219 | |
| Gain on investments measured at FVOCI | |  | | (2,395) | |
| **Net assets and liabilities at disposal date** | |  | | **630,666** | |
|  | |  | |  | |
| Consideration received, satisfied in cash | |  | | 490,188 | |
| Cash and cash equivalents disposed of | |  | | (34,915) | |
| **Net cash inflows** | |  | | **455,273** | |

1. **Net gain on investments measured at fair value through profit or loss**

|  |  |  |  |
| --- | --- | --- | --- |
|  | **Consolidated and separate**  **financial statements** | | |
|  | 2022 |  | 2021 |
|  | *(in thousand Baht)* | | |
| Debt instruments measured at FVTPL | 6,694 |  | 445 |
| Equity instruments measured at FVTPL | (777) |  | - |
| **Total** | **5,917** |  | **445** |

1. **Expenses by nature**

|  |  | Consolidated  financial statements | | |  | Separate  financial statements | | |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  | 2022 |  | 2021 |  | 2022 |  | 2021 |
|  |  |  |  | (Restated) |  |  |  |  |
|  |  | *(in thousand Baht)* | | | | | | |
| Finance costs |  | 48,991 |  | 58,535 |  | 52,869 |  | 71,798 |
| Directors and management remuneration |  | 35,513 |  | 30,748 |  | 35,513 |  | 30,748 |
| Loss on exchange rate |  | 10,762 |  | 14,432 |  | - |  | - |
| Fees and service expenses |  | 19,421 |  | 29,667 |  | 4,671 |  | 16,309 |
| Employee benefit expenses |  | 16,487 |  | 17,571 |  | 16,093 |  | 17,227 |
| Loss on investments |  | 10,144 |  | - |  | - |  | - |
| Other premises and equipment expenses |  | 6,158 |  | 10,474 |  | 6,771 |  | 10,474 |
| Depreciation and amortisation |  | 6,107 |  | 6,535 |  | 6,107 |  | 6,535 |
| Taxes and duties |  | 1,386 |  | 1,459 |  | 1,386 |  | 1,459 |
| Reversal of expected credit loss |  | - |  | (32,896) |  | - |  | (32,896) |

During 2022, the Group and the Company have contributed provident funds for its employees amounting to Baht 4.2 million and Baht 2.5 million, respectively *(2021: Baht 6.6 million and Baht 2.2 million, respectively)*, which included in employee benefit expenses.

1. **Income tax**

| ***Income tax recognised in profit or loss*** |  |  | | *Note* | |  | | Consolidated  financial statements | | |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  |  | |  |  | | 2022 |  | 2021 |
|  |  |  | | | | | *(in thousand Baht)* | | | |
| **Current tax expense** |  |  |  | |  |  | |  |  |  |
| Current year |  |  |  | |  |  | | 5,713 |  | 13,661 |
|  |  |  |  | |  |  | | **5,713** |  | **13,661** |
| **Deferred tax expense** |  |  |  | |  |  | |  |  |  |
| Movements in temporary differences |  |  |  | |  |  | | (103) |  | (589) |
|  |  |  |  | |  |  | | **(103)** |  | **(589)** |
| Income tax expense excluding tax on gain on  sale of discontinued operation |  |  |  | |  |  | | 5,610 |  | 13,072 |
| *Attributable to:* |  |  |  | |  |  | |  |  |  |
| Income tax from discontinued operation (excluding gain on sale) |  |  |  | | *16* |  | | (5,610) |  | (13,072) |
| **Total income tax** |  |  |  | |  |  | | - |  | - |

| *Reconciliation of effective tax rate* | Consolidated financial statements | | | | | | |
| --- | --- | --- | --- | --- | --- | --- | --- |
| *from continuing operations* | 2022 | | |  | 2021 | | |
|  | Rate  *(%)* |  | *(in thousand Baht)* |  | Rate  *(%)* |  | *(in thousand Baht)* |
| Profit (loss) before income tax expense |  |  | 230,507 |  |  |  | (100,255) |
| Income tax using the Thai corporation tax rate | 20.0 |  | 46,101 |  | 20.0 |  | (20,051) |
| Effect of different tax rates in foreign jurisdictions |  |  | 1,249 |  |  |  | 13,248 |
| Share of profit of associates and joint venture  accounted for using equity method |  |  | (1,247) |  |  |  | (10,173) |
| Income not subject to tax |  |  | (1,475) |  |  |  | (11,344) |
| Expenses not deductible for tax purposes |  |  | 25,680 |  |  |  | 8,950 |
| Recognition of previously unrecognised tax losses |  |  | (72,1634) |  |  |  | - |
| Current year losses for which no deferred tax asset was recognised |  |  | - |  |  |  | 19,411 |
| Others |  |  | 1,855 |  |  |  | - |
| **Total** | **-** |  | **-** |  | **-** |  | **-** |

| *Reconciliation of effective tax rate* | Consolidated financial statements | | | | | | |
| --- | --- | --- | --- | --- | --- | --- | --- |
| *from discontinued operation* | 2022 | | |  | 2021 | | |
|  | Rate  *(%)* |  | *(in thousand Baht)* |  | Rate  *(%)* |  | *(in thousand Baht)* |
| Profit before income tax expense |  |  | 20,498 |  |  |  | 71,138 |
| Income tax using the Thai corporation tax rate | 20.0 |  | 4,100 |  | 20.0 |  | 14,228 |
| Tax effect of income and expenses that are not taxable income or not deductible in determining taxable income, net |  |  | 1,510 |  |  |  | (1,156) |
| **Total** | **27.4** |  | **5,610** |  | **44.9** |  | **13,072** |

|  | Consolidated financial statements | | | | | | |
| --- | --- | --- | --- | --- | --- | --- | --- |
| ***Deferred tax*** | Assets | | |  | Liabilities | | |
| ***At 31 December*** | 2022 |  | 2021 |  | 2022 |  | 2021 |
|  | *(in thousand Baht)* | | | | | | |
| Total | - |  | 7985 |  | - |  | (99) |
| Set off of tax | - |  | (99) |  | - |  | 99 |
| **Net deferred tax assets (liabilities)** | **-** |  | **7,886** |  | **-** |  | **-** |

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  | **Consolidated financial statements** | | | | | | |
|  | At  1 January 2022 |  | Credited to Profit or loss |  | Derecognition  of discontinued operation  *(Note 16)* |  | At  31 December 2022 |
|  | *(in thousand Baht)* | | | | | | |
| ***Deferred tax assets*** |  |  |  |  |  |  |  |
| Lease liabilities | 110 |  | 103 |  | (213) |  | - |
| Non-current provisions for employee benefits | 7,875 |  | **-** |  | (7,875) |  | - |
| **Total** | **7,985** |  | **103** |  | **(8,088)** |  | - |
|  |  |  |  |  |  |  |  |
| ***Deferred tax liabilities*** |  |  |  |  |  |  |  |
| Gain on measurement of financial assets | (99) |  | - |  | 99 |  | - |
| **Total** | **(99)** |  | - |  | **99** |  | - |
|  |  |  |  |  |  |  |  |
| **Net** | **7,886** |  | **103** |  | **(7,989)** |  | - |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  | **Consolidated financial statements** | | | | |
|  | At  1 January 2021 |  | Credited (charged) to profit or loss |  | At  31 December 2021 |
| ***Deferred tax assets*** | *(in thousand Baht)* | | | | |
| Lease liabilities | 57 |  | 53 |  | 110 |
| Non-current provisions for employee benefits | 7,176 |  | 699 |  | 7,875 |
| Loss on measurement of financial assets | 64 |  | (64) |  | - |
| **Total** | **7,297** |  | **688** |  | **7,985** |
|  |  |  |  |  |  |
| ***Deferred tax liabilities*** |  |  |  |  |  |
| Gain on measurement of financial assets | - |  | (99) |  | (99) |
| **Total** | - |  | **(99)** |  | **(99)** |
|  |  |  |  |  |  |
| **Net** | **7,297** |  | **589** |  | **7,886** |

| ***Unrecognised deferred tax assets*** | Consolidated  financial statements | | |  | Separate  financial statements | | |
| --- | --- | --- | --- | --- | --- | --- | --- |
| ***At 31 December*** | 2022 |  | 2021 |  | 2022 |  | 2021 |
|  | *(in thousand Baht)* | | | | | | |
| Deductible temporary differences | 5,593 |  | 6,103 |  | 5,593 |  | 6,103 |
| Unused tax losses | 761 |  | 72,933 |  | 761 |  | 72,933 |
| **Total** | **6,354** |  | **79,036** |  | **6,354** |  | **79,036** |

The tax losses expire in 2026. The deductible temporary differences do not expire under current tax legislation. The Company has not recognised these items as deferred tax assets because it is not probable that the Company will have sufficient future taxable profit to utilise the benefits therefrom.

1. **Earnings (loss) per share**

|  | Consolidated  financial statements | | |  | Separate  financial statements | | |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  | 2022 |  | 2021 |  | 2022 |  | 2021 |
|  | *(in thousand Baht / thousand shares)* | | | | | | |
| **Profit (loss) attributable to ordinary shareholders (basic)** | **104,917** |  | **(42,189)** |  | **337,807** |  | **73,431** |
|  |  |  |  |  |  |  |  |
| **Number of ordinary shares outstanding** | **345,855** |  | **345,855** |  | **345,855** |  | **345,855** |
|  |  |  |  |  |  |  |  |
| **Earnings (loss) per share (basic) *(in Baht)*** | **0.30** |  | **(0.12)** |  | **0.98** |  | **0.21** |
| *Attributable to:* |  |  |  |  |  |  |  |
| - Basic earnings (loss) per share from   continuing operation | 0.66 |  | (0.29) |  | 0.98 |  | 0.21 |
| - Basic (loss) earnings per share from   discontinued operation | (0.36) |  | 0.17 |  | - |  | - |

1. **Dividends**

|  | Approval date |  | Payment schedule |  | Dividend rate  per share |  | Amount |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  |  |  | *(in Baht)* |  | *(in million Baht)* |
| ***2022*** |  |  |  |  |  |  |  |
| Annual dividend | 28 April 2022 |  | 27 May 2022 |  | 0.50 |  | 172.9 |
|  |  |  |  |  |  |  |  |
| ***2021*** |  |  |  |  |  |  |  |
| Annual dividend | 29 April 2021 |  | 27 May 2021 |  | 0.40 |  | 51.9 |
| Interim dividend | 22 February 2021 |  | 22 March 2021 |  | 0.10 |  | 121.0 |
|  |  |  |  |  | 0.50 |  | 172.9 |

1. **Risk management and financial instruments**
2. *Carrying amounts and fair values*

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy, but does not include fair value information for financial assets and financial liabilities measured at amortised cost if the carrying amount is a reasonable approximation of fair value.

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  | **Consolidated financial statements** | | | | | | | | | | | | | | |
|  |  | 2022 | | | | | | | | | | | | | | |
|  |  | Carrying amount | | | | | | |  | Fair value | | | | | | |
|  |  | Financial instruments measured at amortised cost |  | Financial instruments measured at FVTPL |  | Financial instruments measured at FVOCI |  | Total |  | Level 1 |  | Level 2 |  | Level 3 |  | Total |
|  |  | *(in thousand Baht)* | | | | | | | | | | | | | | |
| ***Financial assets*** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Domestic marketable equity instruments |  | - |  | 10,525 |  | - |  | 10,525 |  | 10,525 |  | - |  | - |  | 10,525 |
| Domestic marketable debt instruments   - unit trusts |  | - |  | 350,481 |  | - |  | 350,481 |  | - |  | 350,481 |  | - |  | 350,481 |
| Domestic non-marketable debt instruments |  | - |  | 47,816 |  | - |  | 47,816 |  | - |  | - |  | 47,816 |  | 47,816 |
| Government bond |  | - |  | - |  | 10,378 |  | 10,378 |  | - |  | 10,378 |  | - |  | 10,378 |
| Domestic non-marketable equity instruments |  | - |  | - |  | 257,011 |  | 257,011 |  | - |  | - |  | 257,011 |  | 257,011 |
| Unit trust in foreign funds |  | - |  | - |  | 12,551 |  | 12,551 |  | - |  | 12,551 |  | - |  | 12,551 |
| Foreign marketable equity instruments |  | - |  | - |  | 45,411 |  | 45,411 |  | 45,411 |  | - |  | - |  | 45,411 |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| ***Financial liabilities*** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Long-term debentures |  | 666,800 |  | - |  | - |  | 666,800 |  | - |  | 644,010 |  | - |  | 644,010 |

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  | **Consolidated financial statements** | | | | | | | | | | | | | | |
|  |  | 2021 | | | | | | | | | | | | | | |
|  |  | Carrying amount | | | | | | |  | Fair value | | | | | | |
|  |  | Financial instruments measured at amortised cost |  | Financial instruments measured at FVTPL |  | Financial instruments measured at FVOCI |  | Total |  | Level 1 |  | Level 2 |  | Level 3 |  | Total |
|  |  | *(in thousand Baht)* | | | | | | | | | | | | | | |
| ***Financial assets*** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Domestic marketable equity instruments |  | - |  | 1,291 |  | - |  | 1,291 |  | - |  | 1,291 |  | - |  | 1,291 |
| Domestic marketable debt instruments   - unit trusts |  | - |  | 363,226 |  | - |  | 363,226 |  | - |  | 363,226 |  | - |  | 363,226 |
| Government bond |  | - |  | - |  | 10,856 |  | 10,856 |  | - |  | 10,856 |  | - |  | 10,856 |
| Domestic non-marketable equity instruments |  | - |  | - |  | 264,874 |  | 264,874 |  | - |  | - |  | 264,874 |  | 264,874 |
| Unit trust in foreign funds |  | - |  | - |  | 10,176 |  | 10,176 |  | - |  | 10,176 |  | - |  | 10,176 |
| Foreign marketable equity instruments |  | - |  | - |  | 29,131 |  | 29,131 |  | 29,131 |  | - |  | - |  | 29,131 |
| Digital tokens |  | - |  | 475,000 |  | - |  | 475,000 |  | - |  | 475,000 |  | - |  | 475,000 |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| ***Financial liabilities*** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Long-term debentures |  | 1,006,800 |  | - |  | - |  | 1,006,800 |  | - |  | 1,006,283 |  | - |  | 1,006,283 |

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  | **Separate financial statements** | | | | | | | | | | | | | | |
|  |  | 2022 | | | | | | | | | | | | | | |
|  |  | Carrying amount | | | | | | |  | Fair value | | | | | | |
|  |  | Financial instruments measured at amortised cost |  | Financial instruments measured at FVTPL |  | Financial instruments measured at FVOCI |  | Total |  | Level 1 |  | Level 2 |  | Level 3 |  | Total |
|  |  | *(in thousand Baht)* | | | | | | | | | | | | | | |
| ***Financial assets*** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Domestic marketable equity instruments |  | - |  | 10,525 |  | - |  | 10,525 |  | 10,525 |  | - |  | - |  | 10,525 |
| Domestic marketable debt instruments -  unit trusts |  | - |  | 350,481 |  | - |  | 350,481 |  | - |  | 350,481 |  | - |  | 350,481 |
| Domestic non-marketable debt instruments |  | - |  | 47,816 |  | - |  | 47,816 |  | - |  | - |  | 47,816 |  | 47,816 |
| Government bond |  | - |  | - |  | 10,378 |  | 10,378 |  | - |  | 10,378 |  | - |  | 10,378 |
| Domestic non-marketable equity instruments |  | - |  | - |  | 14,222 |  | 14,222 |  | - |  | - |  | 14,222 |  | 14,222 |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| ***Financial liabilities*** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Long-term debentures |  | 666,800 |  | - |  | - |  | 666,800 |  | - |  | 644,010 |  | - |  | 644,010 |

|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  | **Separate financial statements** | | | | | | | | | | | | | | |
|  |  | 2021 | | | | | | | | | | | | | | |
|  |  | Carrying amount | | | | | | |  | Fair value | | | | | | |
|  |  | Financial instruments measured at amortised cost |  | Financial instruments measured at FVTPL |  | Financial instruments measured at FVOCI |  | Total |  | Level 1 |  | Level 2 |  | Level 3 |  | Total |
|  |  | *(in thousand Baht)* | | | | | | | | | | | | | | |
| ***Financial assets*** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Domestic marketable debt instruments -  unit trusts |  | - |  | 237,803 |  | - |  | 237,803 |  | - |  | 237,803 |  | - |  | 237,803 |
| Government bond |  | - |  | - |  | 10,856 |  | 10,856 |  | - |  | 10,856 |  | - |  | 10,856 |
| Domestic non-marketable equity instruments |  | - |  | - |  | 12,348 |  | 12,348 |  | - |  | - |  | 12,348 |  | 12,348 |
| Digital tokens |  | - |  | 475,000 |  | - |  | 475,000 |  | - |  | 475,000 |  | - |  | 475,000 |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| ***Financial liabilities*** |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Long-term debentures |  | 1,006,800 |  | - |  | - |  | 1,006,800 |  | - |  | 1,006,283 |  | - |  | 1,006,283 |

The following methods and assumptions are used in estimating fair values of financial instruments are disclosed herein:

The fair values of current financial assets and current financial liabilities measured at amortised cost are approximated based on the carrying amounts since these financial instruments are short-term in nature.

The fair values of unit trust in domestic and foreign funds are estimated using net asset value at the reporting date.

The fair values of debt instruments with no active market price are estimated using market yield curve of debt instruments plus a risk premium.

The fair values of investment in government bonds are estimated using market yield of debt instruments published by the Thai Bond Market Association.

The fair values of domestic non-marketable equity instruments are estimated using different measurement approach that is most appropriate to the investee’s business such as adjusted book value and discounted cash flows method.

The fair values of domestic and foreign marketable equity instruments are estimated using market price at the reporting date.

The fair values of digital tokens are estimated using latest closing price for identical instrument from Thailand’s licensed and regulated digital token-focused exchange.

The fair values of debentures are estimated using the discounted cash flows technique.

***Reconciliation of Level 3 fair values***

|  | Consolidated  financial statements | | |  | Separate  financial statements | | |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  | 2022 |  | 2021 |  | 2022 |  | 2021 |
|  | *(in thousand Baht)* | | | | | | |
| ***Equity instruments*** |  | | | | | | |
| At 1 January | 264,874 |  | 263,535 |  | 12,348 |  | 11,744 |
| Acquisitions | 1,874 |  | - |  | 1,874 |  | - |
| Net change in fair value (including unrealised transactions) | - |  | 1,339 |  | - |  | 604 |
| Derecognition of discontinued operation | (9,737) |  | - |  | - |  | - |
| **At 31 December** | **257,011** |  | **264,874** |  | **14,222** |  | **12,348** |
|  |  |  |  |  |  |  |  |
| ***Debt instruments*** |  |  |  |  |  |  |  |
| At 1 January | - |  | - |  | - |  | - |
| Acquisitions | 50,000 |  | - |  | 50,000 |  | - |
| Net change in fair value (including unrealised transactions) | (2,184) |  | - |  | (2,184) |  | - |
| **At 31 December** | **47,816** |  | **-** |  | **47,816** |  | **-** |

*Sensitivity analysis*

For the fair values of financial assets measured at fair value Level 3, reasonably possible changes at the reporting date to one of the significant unobservable inputs, holding other inputs constant, would have the following effects.

|  | **Consolidated**  **financial statements** | | |  | **Separate**  **financial statements** | | |
| --- | --- | --- | --- | --- | --- | --- | --- |
| ***Effect to profit or loss*** | 1% increase in assumption |  | 1% decrease in assumption |  | 1% increase in assumption |  | 1% decrease in assumption |
|  | *(in thousand Baht)* | | | | | | |
| ***2022*** |  |  |  |  |  |  |  |
| ***Domestic non-marketable equity  instruments*** |  |  |  |  |  |  |  |
| Risk-adjusted discount rate | (65,884) |  | 61,418 |  | (1,696) |  | 2,319 |
|  |  |  |  |  |  |  |  |
| ***2021*** |  |  |  |  |  |  |  |
| ***Domestic non-marketable equity  instruments*** |  |  |  |  |  |  |  |
| Risk-adjusted discount rate | (50,887) |  | 68,263 |  | (531) |  | 561 |

|  | **Consolidated**  **financial statements** | | |  | **Separate**  **financial statements** | | |
| --- | --- | --- | --- | --- | --- | --- | --- |
| ***Effect to other comprehensive income,***  ***net of tax*** | 1% increase in assumption |  | 1% decrease in assumption |  | 1% increase in assumption |  | 1% decrease in assumption |
|  | *(in thousand Baht)* | | | | | | |
| ***2022*** |  |  |  |  |  |  |  |
| ***Domestic non-marketable debt instruments*** |  |  |  |  |  |  |  |
| Risk-adjusted discount rate | (4,769) |  | 4,817 |  | (4,769) |  | 4,817 |
|  |  |  |  |  |  |  |  |
| ***2021*** |  |  |  |  |  |  |  |
| ***Domestic non-marketable debt instruments*** |  |  |  |  |  |  |  |
| Risk-adjusted discount rate | (4,778) |  | 4,826 |  | (4,778) |  | 4,826 |

1. *Financial risk management policies*

The Group’s board of directors has overall responsibility for the establishment and oversight of the Group’s risk management framework. The Board of Directors is responsible for developing and monitoring the Group’s risk management policies. The committee reports regularly to the board of directors on its activities.

The Group’s risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group’s activities. The Group, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and responsibilities.

The Group audit committee oversees how management monitors compliance with the Group’s risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The Group’s audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

***22.1 Credit risk***

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from loans, investments in debt instruments and credit terms given to customers. Therefore, the Group manages and controls the risk by having in place lending and investment policies, credit control procedures and credit term policies.   
The Group therefore expects such risk to be at a manageable level.

The maximum exposure to credit risk is limited to the carrying amounts of the outstanding balances of those transactions as stated in the statement of financial position.

***22.2 Liquidity risk***

The Group monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by management to finance the Group’s operations and to mitigate the effects of fluctuations in cash flows.

The following table shows the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted and include contractual interest payments and exclude the impact of netting agreements.

|  | **Consolidated financial statements** | | | | | | |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  | 2022 | | | | | | |
|  |  |  | Contractual cash flows | | | | |
|  | Carrying amount |  | 1 year  or less |  | More than  1 year but  less than  5 years |  | Total |
|  | *(in thousand Baht)* | | | | | | |
| Long-term debentures | 666,800 |  | 318,815 |  | 400,415 |  | 719,230 |
| Lease liabilities | 5,813 |  | 3,179 |  | 2,955 |  | 6,134 |

|  | **Consolidated financial statements** | | | | | | | |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | 2021 | | | | | | | |
|  |  |  | | Contractual cash flows | | | | |
|  | Carrying amount | |  | 1 year  or less |  | More than  1 year but less than  5 years |  | Total |
|  | *(in thousand Baht)* | | | | | | | |
| Short-term debentures | 300,000 | |  | 305,802 |  | - |  | 305,802 |
| Long-term debentures | 1,006,800 | |  | 382,170 |  | 719,230 |  | 1,101,400 |
| Lease liabilities | 9,069 | |  | 4,626 |  | 4,853 |  | 9,479 |

|  | **Separate financial statements** | | | | | | |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  | 2022 | | | | | | |
|  |  |  | Contractual cash flows | | | | |
|  | Carrying amount |  | 1 year  or less |  | More than  1 year but less than  5 years |  | Total |
|  | *(in thousand Baht)* | | | | | | |
| Advance from related parties | 21,105 |  | 21,105 |  | - |  | 21,105 |
| Long-term debentures | 666,800 |  | 318,815 |  | 400,415 |  | 719,230 |
| Lease liabilities | 5,813 |  | 3,179 |  | 2,955 |  | 6,134 |

|  | **Separate financial statements** | | | | | | |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  | 2021 | | | | | | |
|  |  |  | Contractual cash flows | | | | |
|  | Carrying amount |  | 1 year  or less |  | More than  1 year but less than  5 years |  | Total |
|  | *(in thousand Baht)* | | | | | | |
| Short-term debentures | 300,000 |  | 305,802 |  | - |  | 305,802 |
| Short-term loans from related parties | 690,200 |  | 690,200 |  | - |  | 690,200 |
| Long-term debentures | 1,006,800 |  | 382,171 |  | 719,230 |  | 1,101,400 |
| Lease liabilities | 1,048 |  | 533 |  | 622 |  | 1,155 |

***22.3 Market risk***

*22.3.1 Interest rate risk*

Interest rate risk is the risk that future movements in market interest rates will affect the results of the Group’s operations and its cash flows.

|  | **Consolidated financial statements** | | | |
| --- | --- | --- | --- | --- |
|  | 2022 | | | |
|  | Variable | Fixed | Non- |  |
|  | interest | interest | interest |  |
| ***Exposure to interest rate risk*** | rate | rate | bearing | Total |
|  | *(in thousand Baht)* | | | |
| ***Financial assets*** |  | | | |
| Cash and cash equivalents | - | 4,953 | 8,119 | 13,072 |
| Short-term loans and advance to related parties | - | 467,485 | - | 467,485 |
| Loans to others | - | 73,800 | - | 73,800 |
| Other financial assets |  |  |  |  |
| - Investment in debt instruments | - | 58,194 | 350,481 | 408,675 |
|  |  |  |  |  |
| ***Financial liabilities*** |  |  |  |  |
| Long-term debentures | - | 666,800 | - | 666,800 |
| Lease liabilities | - | 5,813 | - | 5,813 |

|  | **Consolidated financial statements** | | | |
| --- | --- | --- | --- | --- |
|  | 2021 | | | |
|  | Variable | Fixed | Non- |  |
|  | interest | interest | interest |  |
| ***Exposure to interest rate risk*** | rate | rate | bearing | Total |
|  | *(in thousand Baht)* | | | |
| ***Financial assets*** |  |  |  |  |
| Cash and cash equivalents | - | 4,372 | 192,887 | 197,259 |
| Short-term loans and advance to related parties | - | 395,028 | - | 395,028 |
| Loans to others | - | 100,000 | - | 100,000 |
| Other financial assets |  |  |  |  |
| - Investment in debt instruments | - | 10,856 | 363,226 | 374,082 |
| Digital tokens | - | - | 475,000 | 475,000 |
|  |  |  |  |  |
| ***Financial liabilities*** |  |  |  |  |
| Short-term debentures | - | 300,000 | - | 300,000 |
| Long-term debentures | - | 1,006,800 | - | 1,006,800 |
| Lease liabilities | - | 9,069 | - | 9,069 |

|  | **Separate financial statements** | | | |
| --- | --- | --- | --- | --- |
|  | 2022 | | | |
|  | Variable | Fixed | Non- |  |
|  | interest | interest | interest |  |
| ***Exposure to interest rate risk*** | rate | rate | bearing | Total |
|  | *(in thousand Baht)* | | | |
| ***Financial assets*** |  | | | |
| Cash and cash equivalents | - | 4,953 | 4,952 | 9,545 |
| Short-term loans and advance to related parties | - | 467,485 | - | 467,485 |
| Loans to others | - | 73,800 | - | 73,800 |
| Other financial assets |  |  |  |  |
| - Investment in debt instruments | - | 58,194 | 350,481 | 408,675 |
| Digital tokens |  |  |  |  |
|  |  |  |  |  |
| ***Financial liabilities*** |  |  |  |  |
| Long-term debentures | - | 666,800 | - | 666,800 |
| Advances from related parties | - | - | 21,105 | 21,105 |
| Lease liabilities | - | 5,813 | - | 5,813 |

|  | **Separate financial statements** | | | |
| --- | --- | --- | --- | --- |
|  | 2021 | | | |
|  | Variable | Fixed | Non- |  |
|  | interest | interest | interest |  |
| ***Exposure to interest rate risk*** | rate | rate | bearing | Total |
|  | *(in thousand Baht)* | | | |
| ***Financial assets*** |  | | | |
| Cash and cash equivalents | - | 4,372 | 4,104 | 8,476 |
| Short-term loans and advance to related parties | - | 395,028 | 867 | 395,895 |
| Loans to others | - | 100,000 | - | 100,000 |
| Other financial assets |  |  |  |  |
| - Investment in debt instruments | - | 10,856 | 237,803 | 248,659 |
| Digital tokens | - | - | 475,000 | 475,000 |
|  |  |  |  |  |
| ***Financial liabilities*** |  |  |  |  |
| Short-term debentures | - | 300,000 | - | 300,000 |
| Long-term debentures | - | 1,006,800 | - | 1,006,800 |
| Short-term loans from related parties | - | 690,200 | - | 690,200 |
| Lease liabilities | - | 1,048 | - | 1,048 |

***22.3.2 Foreign exchange risk***

The Group is exposed to foreign currency risk relating to loans which are denominated in foreign currencies which may result in changes in the value of financial instruments, fluctuations in revenues or value of financial assets.

As at 31 December 31 2022 and 2021, the Group had foreign currency-denominated financial assets, which had not been hedged against foreign exchange risk, as follows:

|  | **Consolidated**  **financial statements** | | |  | |
| --- | --- | --- | --- | --- | --- |
| ***Exposure to foreign currency*** | 2022 |  | 2021 |  |
|  | US dollar | | |  |
|  | *(in thousand Baht)* | | |  | |
| Financial assets | 61,489 |  | 212,472 |  | |
| **Net statement of financial position exposure** | **61,489** |  | **212,472** |  | |

*Sensitivity analysis*

A reasonably possible strengthening (weakening) of Thai Baht against all other foreign currencies at the reporting date would have affected the measurement of financial instruments denominated in a foreign currency. This analysis assumes that all other variables, in particular interest rates, remain constant.

|  |  | **Consolidated financial statements** | | |
| --- | --- | --- | --- | --- |
| ***Impact to profit or loss*** | Movement | Strengthening |  | Weakening |
|  | *%* | *(in thousand Baht)* | | |
| ***2022*** |  |  | | |
| US Dollar | *5* | (3,074) |  | 3,074 |
|  |  |  |  |  |
| ***2021*** |  |  |  |  |
| US Dollar | *5* | (10,624) |  | 10,624 |

***22.3.3 Equity price risk***

Equity position risk is the risk arising from changes in the market prices of equity instruments which may result in changes in the value of investments, fluctuations in revenues and/or the value of investment in equity instruments. The Group has equity position risk, occurring from their investment in domestic and foreign marketable equity instruments. (Further details of investment in equity instruments are provided under Note 7 and further details on fair value of investment in equity instruments are provided under Note 22 (a)).

1. **Capital management**

The Board of Directors’ policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board regularly monitors the return on capital, by evaluating result from operating activities divided by total equity and also monitors the level of dividends to ordinary shareholders.

1. **Assets under restriction**

As at 31 December 2022, the Company had pledged investment in government bond amounting to Baht 10.4 million to secure bank overdrafts limit with a bank *(2021: Baht 10.9 million)*.

As at 31 December 2022, the Company had pledged its investment in an associate with book value of Baht 2.5 million to secure an associate’s borrowing from a local financial institution *(2021: Baht 2.5 million).*

As at 31 December 2022, the Company had pledged a portion of its investment in an associate with total market value of Baht 152.9 million *(2021: Baht 167.2 million)* to secure working capital credit facility of Baht 100.0 million *(2021: Baht 100.0 million)* from a local financial institution. The Company had to maintain required ratios between outstanding debt and collateral amount as specified in the agreement.