

**SEAMICO SECURITIES PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2019**

**1. GENERAL INFORMATION AND THE OPERATIONS OF THE COMPANY**

Seamico Securities Public Company Limited (the “Company”) is a public limited company incorporated and resident in Thailand. The Company converted the status to be a Public Limited Company in accordance with the Public Limited Companies Act. on August 8, 1994 and was listed on the Stock Exchange of Thailand (“SET”) on March 17, 1995. The address of its registered office is 18<sup>th</sup> Floor, 287 Liberty Square, Silom Road, Bangrak, Bangkok, 10500.

The Company was granted 7 licenses to operate the following securities businesses:

1. Securities Brokerage
2. Securities Trading
3. Investment Advisory Service
4. Securities Underwriting
5. On-line Securities Trading
6. Derivatives Trading
7. Securities Borrowing and Lending

On May 1, 2009, the Company transferred its business and margin loan accounts to Krungthai Zmico Securities Co., Ltd. (formerly KT ZMICO Securities Co., Ltd.) an associated company, in accordance with a partnership plan to develop securities business with Krung Thai Bank Plc. The Company has temporarily ceased its operation on securities and derivative business since May 1, 2009 until December 31, 2011 which was approved by the Office of the Securities and Exchange Commission as the letter No. SEC.Thor. 701/2552. Subsequently, the Company was granted by the Office of the Securities and Exchange Commission to extend the suspension period for securities and derivative business operation until April 30, 2013 as the letter No. SEC.Thor. 474/2554 dated April 4, 2011. Consequently, the Company applied the approval system work flow of investment advisory service under the existing securities business license to the Office of the Securities and Exchange Commission. The Company was approved to re-operate its investment advisory services according to the letter No. SEC. BorThor. 994/2556 dated on May 2, 2013 starting from May 2, 2013 onwards.

Moreover, On July 4, 2017, the Company was granted by The Stock Exchange of Thailand to extend the recommencing its securities brokerage business operation to December 31, 2018 according to the letter No. BorSorChor. 0004/2560.

On July 11, 2018, the Company was granted by The Stock Exchange of Thailand to extend the recommencing its securities brokerage business operation to December 31, 2019 according to the letter No. BorSorChor.0002/2561.

The Company has sold the rights of membership in the Stock Exchange of Thailand to another securities company which will be effective from December 2, 2019 onwards. The Company have already recognized other income in the statement of comprehensive income for the year ended December 31, 2019.

Currently, the major businesses of the Company are related to investment and securities businesses which shall not compete with Krungthai Zmico Securities Co., Ltd. (formerly KT ZMICO Securities Co., Ltd.).

The Company has subsidiaries as follows:

1. Innotech Asset Management Co., Ltd. operates its business in Thailand and has been granted permission to manage mutual fund, private fund, provident fund and REIT manager.
2. Lumpini Asset Management Co., Ltd. operates its business in Thailand. The main objective of the Company is to carry out the business of purchasing or taking transfer and managing of non-performing assets of financial institution which is its commercial bank, business funding or credit foncier license to revoke include related collateral for the purpose of asset management, development and disposals.
3. SE Digital Co., Ltd. operates its business in Thailand. The main objective of the Company is to conduct digital asset business and on October 7, 2019, SE Digital Co., Ltd. has obtained an approval to operate as an ICO portal by the Office of the Securities and Exchange Commission.

As at December 31, 2019, Innotech Asset Management Co., Ltd. can maintain its capital adequacy according to the requirement of the Office of the Securities and Exchange Commission and on August 23, 2019, the Company had been approved to resume normal operation of fund management by the Office of the Securities and Exchange Commission (see Note 32.1).

## **2. BASIS FOR PREPARATION OF THE FINANCIAL STATEMENTS**

- 2.1 The Company maintains its accounting records in Thai Baht and prepares its statutory financial statements in the Thai language in conformity with Thai Financial Reporting Standards and accounting practices generally accepted in Thailand.
- 2.2 The Company's financial statements have been prepared in accordance with the Thai Accounting Standard (TAS) No. 1 (Revised 2018) "Presentation of Financial Statements", which was effective for financial periods beginning on or after January 1, 2019 onward, and also the Notification of the Office of the Securities and Exchange Commission ("SEC") No. SorTor. 22/2559, dated June 2, 2016, regarding "The Form of Financial Statements for Securities Companies (No. 2)" which becomes effective for fiscal years beginning effective on or after January 1, 2017.

## 2.3 Basis of consolidated financial statements

- (a) The consolidated financial statements include the financial statements of Seamico Securities Public Company Limited (the “Company”) and the following subsidiaries:

Company’s name	Nature of business	Country of incorporation	Percentage of shareholding		Assets as a percentage to the consolidated totals		Revenues as a percentage to the consolidated totals	
			For the years ended		December 31,		December 31,	
			December 31, 2019	December 31, 2018	December 31, 2019	December 31, 2018	December 31, 2019	December 31, 2018
			Percent	Percent	Percent	Percent	Percent	Percent
Innotech Asset Management Co., Ltd.	Asset Management	Thailand	100	100	3	3	1	(3)
Lumpini Asset Management Co., Ltd.	Purchasing or taking transfer and managing of non-performing assets of financial institution	Thailand	100	100	1	1	-	-
SE Digital Co., Ltd.	Digital asset	Thailand	100	100	15	1	12	-

- (b) Subsidiaries are fully consolidated, being the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases.
- (c) The financial statements of the subsidiaries are prepared using the same accounting periods and significant accounting policies as the Company.
- (d) Material balances and transactions between the Company and its subsidiaries have been eliminated from the consolidated financial statements.
- (e) Non-controlling interests represent the portion of profit or loss and net assets of the subsidiaries that are not held by the Company and are presented separately in the consolidated profit or loss and within owners’ equity in the consolidated statement of financial position.

## 2.4 Separate financial statements

The separate financial statements, which present investments in subsidiaries under the cost method.

### 3. NEW THAI FINANCIAL REPORTING STANDARDS

#### 3.1 Thai Financial Reporting Standards affecting the presentation and disclosure in the current period financial statements

During the year, the Company has adopted the revised and new financial reporting standards and guidelines on accounting issued by the Federation of Accounting Professions which become effective for fiscal years beginning on or after January 1, 2019. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards, with most of the changes directed towards revision of wording and terminology, and provision of interpretations and accounting guidance to users of standards. The adoption of these financial reporting standards does not have any significant impact on the Company's financial statements.

#### 3.2 Thai Financial Reporting Standards announced in the Royal Gazette but not yet effective

The Federation of Accounting Professions has issued the Notification regarding Thai Accounting Standards, Thai Financial Reporting Standards, Thai Accounting Standards Interpretation and Thai Financial Reporting Standard Interpretation, which have been announced in the Royal Gazette and will be effective for the financial statements for the period beginning on or after January 1, 2020 onwards. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards, with most of the changes directed towards revision of wording and terminology, and provision of interpretations and accounting guidance to users of standards.

The Group's management will adopt such TFRSs in the preparation of the Group's financial statements when it becomes effective. The Group's management has assessed the impact of these TFRSs and considered that the adoption of these financial reporting standards does not have any material impact on the financial statements of the Group in the period of initial application

#### Group of Financial Instruments Standards

##### **Thai Accounting Standards ("TAS")**

TAS 32 Financial Instruments: Presentation

##### **Thai Financial Reporting Standards ("TFRS")**

TFRS 7 Financial Instruments: Disclosures

TFRS 9 Financial Instruments

##### **Thai Financial Reporting Standard Interpretations ("TFRIC")**

TFRIC 16 Hedges of a Net Investment in a Foreign Operation

TFRIC 19 Extinguishing Financial Liabilities with Equity Instruments

These group of Standards make stipulations relating to the classification of financial instruments and their measurement at fair value or amortized cost; taking into account the type of instrument, the characteristics of the contractual cash flows and the Company's business model, the calculation of impairment using the expected credit loss method, and the concept of hedge accounting. These include stipulations regarding the presentation and disclosure of financial instruments. These Standards will supersede the Standards and Interpretations relating to the financial instruments upon its effective date.

The Group's management is in the process to assess the impact of these Financial Instruments Standards on the financial statements of the Group in the period of initial application.

#### Thai Financial Reporting Standards No. 16 "Leases" ("TFRS 16")

This TFRS provides a comprehensive model for the identification if lease arrangements and their treatment in the financial statements of both lessees and lessors.

This TFRS will supersede the following lease Standards and Interpretations upon its effective date, which are Thai Accounting Standard No.17 "Leases", Thai Accounting Standard Interpretation No.15 "Operating Lease - Incentives", Thai Accounting Standard Interpretation No.27 "Evaluating the Substance of Transactions involving the Legal Form of a Lease" and Thai Financial Reporting Standard Interpretation No.4 "Determining whether on Arrangement contains a Lease".

For lessee accounting, there are significant changes to lease accounting in this TFRS by removing the distinction between operating and finance leases under TAS 17 and requiring a lessee to recognize a right-of-use asset and a lease liability at commencement for all leases, except for short-term- leases and leases of low value assets. However, the lessor accounting treatment continues to require a lessor to classify a lease either as an operating lease or a finance lease, using the same concept as TAS 17.

The Group's management has assessed the impact of these TFRSs and considered that the adoption of these financial reporting standards does not have any material impact on the financial statements of the Group in the period of initial application.

#### 4. SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared under the historical cost convention except those disclosed in the significant accounting policies.

Significant accounting policies adopted by the Company and its subsidiaries are summarized below:

##### 4.1 Revenue and expense recognition

###### 4.1.1 Fees and services income

For the year ended December 31, 2019, the Group's change the basis according to the adoption of TFRS No. 15 "Revenue from Contracts with Customers". Therefore, the accounting policy for fees and services income for the years ended December 31, 2019 and 2018 were contrast as below.

###### **For the year ended December 31, 2019**

Fees and services income

###### Fund management fee income

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

###### Selling agent fee

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

###### Bond representative fee

Bond representative fee is recognized as a performance obligation satisfied over time, and recognized based on contractual rate agreed with customers.

###### **For the year ended December 31, 2018**

###### Fee and service income

Fee are recognized as income on an accrual basis and service income is recognized on the basis of percentage of completion, as specified in the service

###### 4.1.2 Gain (loss) on trading in securities

Gain (loss) on trading in securities is recognized as income or expenses on the transaction dates.

#### 4.1.3 Interest and dividend on investments in securities

Interest on investments is recognized as income on an accrual basis. Dividend on investments is recognized as income when the dividend is declared.

#### 4.1.4 Expenses

Expenses are recognized on an accrual basis.

#### 4.2 Interest on borrowing

Interest on borrowing is recognized as an expense on an accrual basis.

#### 4.3 Recognition and amortization of customer deposits

Money which customers have placed with the Company in cash accounts and credit balance for securities trading is recorded as the assets and liabilities of the Company for internal control purposes. At the end of reporting period, the Company writes these amounts off from both assets and liabilities and presents only assets and liabilities which belong to the Company.

#### 4.4 Cash and cash equivalents

Cash and cash equivalents include cash on hand, current accounts, saving accounts, time deposit with original maturity not more than 3 months and without commitments, call note receivables and term note receivables with original maturity not more than 3 months. This accords with the Notification issued by the Office of the Securities and Exchange Commission.

#### 4.5 Investments in debt and equity securities

Investments in securities held for trading are determined at fair value. Gain or loss arising from change in value of securities is included in the statements of comprehensive income.

Investments in available-for-sale securities, both held for short-term and long-term investments, are determined at fair value. The change in value of securities is recorded in other components of equity until securities are sold, then, the change shall be included in the profit or loss in statement of comprehensive income.

Investments in debt securities due within one year and expected to be held to maturity are determined at amortized cost.

The premium/discount on debt securities is amortized using the effective rate method with the amortized amount presented as an adjustment to interest income.

Investments in non-marketable equity securities, which the Company holds as general investments, are valued at cost, net of allowance for impairment (if any).

Gains and losses on sale of investments are determined by the weighted average method and recognized in the statements of comprehensive income.

Loss on impairment (if any) of investments in available-for-sale securities and general investments are included in statement of comprehensive income when the carrying amount exceeds its recoverable value.

The fair value of marketable securities is based on the latest bid price of the last working day of the period as quoted on the Stock Exchange of Thailand. The fair value of unit trust is determined from its net asset value. The fair value of debentures is calculated by using the latest bid yield as quoted by the Thai Bond Market Association.

#### 4.6 Investments in subsidiaries and associated companies

Investments in subsidiaries and associated companies are accounted for under the cost method in the separate financial statement net of allowances for impairment (if any).

Investments in subsidiaries and associated companies are accounted for under the equity method in the consolidated financial statements.

#### 4.7 Receivable and payable from/to Clearing House

Net balances of receivable or payable incurred from settlement of securities trading each day through Thailand Securities Depository Co., Ltd., the securities clearing house, are presented as net balance receivable or payable from/to Clearing House in accordance with the Notification of the Office of the Securities and Exchange Commission (“SEC”) No. SorTor. 22/2559, dated June 2, 2016, regarding “The Form of Financial Statements for Securities Companies (No.2)”.

#### 4.8 Securities and derivatives business receivables and allowance for doubtful accounts

Securities and derivatives business receivables comprise three categories which are receivables from securities and derivatives businesses of cash accounts, loan for securities purchases and other receivables. Receivables from securities and derivatives businesses of cash accounts are the receivables that were derived from cash settlements within 2 working days and 1 working day, respectively, after the securities and derivatives purchasing date. Loans for securities purchases are accounts that debtors are granted loans for securities purchasing with collaterals at the rate which is not lower than the rate required by the Stock Exchange of Thailand. Other receivables include overdue receivables from securities and derivatives businesses of cash accounts and restructured or installment receivables.

The allowance for doubtful accounts on securities and derivatives business receivables is based on management’s review and assessment of the status of individual debtor and overall debtors as well as the requirements as stated in the Office of the Securities and Exchange Commission’s Notifications No. Kor Thor. 33/2543 and Kor Thor. 5/2544 dated August 25, 2000 and February 15, 2001, respectively. Such assessment takes into consideration various factors including the risks involved and the value of collateral.



Allowance is made for the estimated losses that might be incurred where the debts are not fully secured and/or there exists a possibility that principal and interest cannot be recovered in full. The Company has provided an allowance for doubtful debts based on a review of debtor's repayment capability, taking into consideration risk in recovery and value of collateral. An allowance will be set aside for doubtful debts not fully covered by collateral and/or debtors which are expectable not to be recovered in full. Such debt classifications and provisions are in accordance with guidelines of the Office of the Securities and Exchange Commission as follows:

- a) Assets classified as loss are to satisfy the following criteria:
  - 1) Loan balances which the Company has already made every effort to collect, but which remain unpaid and which the Company has already written off in accordance with tax law
  - 2) Loan balances which the Company has forgiven
- b) Doubtful debt is defined as the uncollateralized portion of the value of a debt which meets the following criteria:
  - 1) General loans, problem financial institution loans, and other loans for which the collateral value is less than the loan balance
  - 2) Installment loans with repayments scheduled less frequently than every 3 months and for which principal or interest is overdue by more than 3 months
  - 3) Installment loans with repayments scheduled no less frequently than every 3 months, unless there is clear evidence and a high degree of certainty that full repayment will be received
- c) Substandard debt is defined as the collateralized portion of loans which meet the criteria in b).

Loans classified as loss will be written off when identified. Provision will be set aside for loans classified as doubtful at not less than 100% of the loan balances.

#### 4.9 Building improvement and equipment

Building improvement and equipment are stated at cost less accumulated depreciation.

Depreciation is calculated by reference to its cost on a straight-line basis over the following estimated useful lives:

Building improvement	5 years
Office equipment	3 - 5 years
Vehicles	5 years

## Impairment

At the end of reporting period, the Company reviews whether there is an indicator indicating that the assets are impaired. In case there is an indicator, the Company will estimate the recoverable amount of such assets. Whenever the carrying amount of an asset exceeds its recoverable amount, an impairment loss is recognized as an expense immediately.

Gains and losses on disposals are determined by comparing proceeds with carrying amount of building improvement and equipment. These are included in the statements of comprehensive income.

### 4.10 Intangible assets

Intangible assets with definite useful life are stated at cost less accumulated amortization.

Amortization is charged to the statements of comprehensive income on a straight-line basis over its estimated useful life as follow:

Computer software	5 years
-------------------	---------

Intangible assets with indefinite useful life consist of deferred license fees and Digital token which are tested for impairment annually and whenever there is an indication that the intangible assets may be impaired and allowance for impairment is recognized (if any).

### 4.11 Assets classified as held for sale

Assets are classified as assets held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and the assets are available for immediate sale in its present condition.

Assets held for sale consist of immovable property which is stated at the lower of cost or fair value after deducting cost to sell. Loss on impairment will be recorded as expense in the statements of comprehensive income.

Gain or loss on disposals of assets classified as held for sale is recognized in the statements of comprehensive income at the date of disposal.

### 4.12 Securities and derivatives business payables

Securities and derivatives business payables are the obligations of the Company in respect of its securities and derivatives businesses with outside parties, such as the net payable balances of cash accounts.

#### 4.13 Long-term lease

##### 4.13.1 Operating lease

Lease in which substantially all the risks and rewards of ownership of assets remain with the lessor are accounted for as operating lease. Rentals applicable to such operating leases are charged as expense to the statements of comprehensive income over the lease term.

##### 4.13.2 Finance lease

Lease in which substantially all the risks and rewards of ownership other than legal title are transferred to the Company is accounted for as finance lease. At inception, the fair value of the leased assets is recorded together with the obligation. The leased assets are depreciated using term of contract. Interest or financial charge is recognized by effective interest rate method over the term of contracts. Interest or financial charge and depreciation are recognized as expenses in the statements of comprehensive income.

#### 4.14 Employee benefits

##### 4.14.1 Provident fund

The Company and its subsidiaries set up a provident fund which is a defined contribution plan. Assets of the provident fund have been separated from assets of the Company and its subsidiaries and managed by the fund manager. The fund has been contributed by the employee and also the Company and its subsidiaries. The contributions for provident fund are recorded as expense in the statements of comprehensive income for the period they incur.

##### 4.14.2 Post-employment benefits

The Company and its subsidiaries operate post-employment benefits plans under the Thai Labor Protection Act and the Company's retirement benefits plan. Such employee benefits are calculated based on actuarial assumptions at the end of reporting period using Projected Unit Credit Method, which is estimated based on the present value of expected cash flows of benefits to be paid in the future taken into account the actuarial assumptions, including salaries, turnover rate, mortality rate, years of service and other factors. Discount rate used in calculation of the post-employment benefits obligation is referred from the yield curve of government bond. Gains or losses from changes in estimate are recognized as other comprehensive income in the statements of comprehensive income for the period they incur. Expenses related to employee benefits are recognized in the statements of comprehensive income in order to allocate such costs throughout the service period.

Past service cost related to the plan amendment is recognized as an expense in the statement of comprehensive income when the plan amendment is effective.

#### 4.14.3 Unused paid vacation leave

The Company and its subsidiaries recognize the expected cost of short-term employee benefits in the form of accumulating unused paid vacation leave when the employees render service that increases their entitlement to future paid vacation leave. The expected cost of accumulating unused paid vacation leave is measured as the additional amount that the Company and its subsidiaries expect to pay as a result of the unused entitlement that has accumulated at the end of the reporting period.

#### 4.15 Provisions

The Company and its subsidiaries recognize provisions in the financial statements when the amount of the liability can be reliably estimated and it is current commitment that is probable that loss of resources which are of economic benefit to the Company and its subsidiaries will result from settlement of such commitments.

#### 4.16 Income tax

Income tax comprises current income tax and deferred income tax.

##### 4.16.1 Current income tax

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

##### 4.16.2 Deferred income tax

Deferred income tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax basis used in the computation of taxable profit (tax base). The Company and its subsidiaries generally recognize deferred tax liabilities for all taxable temporary differences, and deferred tax assets are generally recognized for temporary differences to the extent that it is probable that taxable profits will be available against which those temporary differences can be utilized. The carrying amount of deferred tax assets is reviewed at the reporting date. Deferred tax asset shall be reduced to the extent that utilized taxable profits are decreased. Any such reduction shall be reversed to the extent that it becomes probable that sufficient taxable profit will be available to allow total or part of the asset to be recovered by the Company and its subsidiaries. The Company and its subsidiaries do not recognize deferred tax assets and liabilities for the goodwill.

The Company and its subsidiaries measure deferred tax assets and liabilities at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rates that have been enacted or substantively enacted at the end of the reporting period.

Current tax assets and liabilities are offset when there is a legally enforceable right for the Company and its subsidiaries to off set the recognized amounts and the Company and its subsidiaries intend to settle on a net basis or to realize the asset and settle the liability simultaneously and when they relate to income taxes levied by the same taxation authority.

The Company and its subsidiaries present income tax expenses or income related to profit or loss in the statement of comprehensive income. Current income taxes and deferred taxes related to items recognized directly in other comprehensive income in equity in the same or different period are recognized directly in other comprehensive income.

#### 4.17 Earnings (loss) per share

Basic earnings (loss) per share are determined by dividing net income (loss) for the period by the weighted average number of ordinary shares held by outside parties outstanding during the period.

During the periods, the Company has no potential ordinary share for calculating diluted earnings (loss) per share.

#### 4.18 Foreign currency translation

Foreign currency transactions are translated into Thai Baht using the exchange rates prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currency at the end of reporting period are translated to Thai Baht at the exchange rate prevailing at the end of reporting period. Gain and loss resulting from the settlement of foreign currency transactions and from the translation of monetary assets and liabilities denominated in foreign currencies are recognized in the statements of comprehensive income.

#### 4.19 Risk management and prevention

Financial instruments carried in the statements of financial position include cash and cash equivalents, securities business receivables and investments. The particular recognition methods adopted are disclosed in the individual policy statements associated with each item.

#### 4.20 Related parties

Enterprises and individuals that directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with, the Company, including holding companies, subsidiaries and fellow subsidiaries are related parties of the Company. Associates and individuals owning, directly or indirectly, an interest in the voting power of the Company that gives them significant influence over the enterprise, key management personnel, including directors and officers of the Company and closed members of family of these individuals and companies associated with these individuals also constitute related parties.

In considering each possible related party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

#### 4.21 Use of management judgments

The preparation of financial statements in conformity with Thai Financial Reporting Standards (TFRSs) requires the Company's management to exercise various judgments in order to determine the accounting policies, estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expense during the year. Although these estimates are based on management's reasonable consideration of current events, actual results may differ from these estimates. Significant judgments and estimates are as follows:

##### Allowance for impairment on investments in associated companies

The Company and its subsidiaries treat investments in associated companies as impaired when there has been a significant or prolonged decline in the fair value below their cost or where other objective evidence of impairment exists. The determination of what is "significant" or "prolonged" requires judgment of the management.

#### 4.22 Fair value measurements

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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these consolidated financial statements is determined on such a basis.

In addition, fair value measurements are categorized into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.
- Level 2 inputs are inputs, other than quoted prices included within Level 1, which are observable for the asset or liability, either directly or indirectly.
- Level 3 inputs are unobservable inputs for the asset or liability.

## 5. CASH AND CASH EQUIVALENTS

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	As at	As at	As at	As at
	December 31,	December 31,	December 31,	December 31,
	2019	2018	2019	2018
	Baht	Baht	Baht	Baht
Cash, short-term deposits and promissory notes with original maturity less than 3 months	427,917,336	364,718,370	301,820,064	300,308,119
<u>Less</u> Cash deposits held for customers*	<u>(12,161,502)</u>	<u>(12,273,050)</u>	<u>(12,110,879)</u>	<u>(12,267,733)</u>
Total cash and cash equivalents	<u>415,755,834</u>	<u>352,445,320</u>	<u>289,709,185</u>	<u>288,040,386</u>

(\* According to the announcement of the SEC, deposit accounts for the customers are not required to present as assets and liabilities in the financial statements.)

As at December 31, 2019 and 2018, the Company had deposits at financial institutions held for customers in the consolidated statements of financial position in amounting to Baht 12.16 million and Baht 12.27 million, respectively, and the separate statements of financial position in amounting to Baht 12.11 million and Baht 12.27 million, respectively, which the Company must return to the customers at call.

As at December 31, 2019 and 2018, the securities business customers with outstanding balance of 425 accounts and 439 accounts, respectively, which were transferred to Krungthai Zmico Securities Co., Ltd. (formerly KT ZMICO Securities Co., Ltd.) (see Note 33), have not yet returned the open account agreements for securities trading to Krungthai Zmico Securities Co., Ltd. such customers have deposits for securities trading of Baht 4.28 million and Baht 4.44 million, respectively, and shares with the values of Baht 103.73 million and Baht 122.17 million, respectively. However, when the customers have returned the open account agreements for securities trading to Krungthai Zmico Securities Co., Ltd., the assets of these customers will be returned to Krungthai Zmico Securities Co., Ltd.

## 6. SECURITIES BUSINESS RECEIVABLES

The Company has securities business receivables as follows:

	CONSOLIDATED AND SEPARATE	
	FINANCIAL STATEMENTS	
	As at	As at
	December 31,	December 31,
	2019	2018
	Baht	Baht
Other receivables		
Receivables under litigation	46,548,314	62,605,839
Total securities business receivables	46,548,314	62,605,839
<u>Less</u> Allowance for doubtful accounts (see Note 7)	<u>(46,548,314)</u>	<u>(62,605,839)</u>
Total	<u>-</u>	<u>-</u>

The Company has classified securities business receivables in accordance with the Notification of the Office of the Securities and Exchange Commission on the non-performing receivables No. Kor Thor. 33/2543 dated August 25, 2000, which is updated by the Notification No. Kor Thor. 5/2544 dated February 15, 2001 as follows:

<b>CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS</b>					
<b>As at December 31, 2019</b>			<b>As at December 31, 2018</b>		
<b>Securities business receivables and accrued interest receivables Baht</b>	<b>Allowance for doubtful account set up by the Company Baht</b>	<b>Securities business receivables and accrued interest receivables - net Baht</b>	<b>Securities business receivables and accrued interest receivables Baht</b>	<b>Allowance for doubtful accounts set up by the Company Baht</b>	<b>Securities business receivables and accrued interest receivables - net Baht</b>
Normal debts	-	-	-	-	-
Substandard debts	-	-	-	-	-
Doubtful debts	42,548,314	(42,548,314)	62,605,839	(62,605,839)	-
<b>Total</b>	<b>42,548,314</b>	<b>(42,548,314)</b>	<b>62,605,839</b>	<b>(62,605,839)</b>	<b>-</b>

The substandard and doubtful debts (securities business receivables and accrued interest receivables) are classified by aging as follows:

<b>CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS</b>	
<b>As at December 31, 2019 Baht</b>	<b>As at December 31, 2018 Baht</b>
Over 3 years	42,548,314
<b>Total</b>	<b>62,605,839</b>

## 7. ALLOWANCE FOR DOUBTFUL ACCOUNTS

<b>CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS</b>	
<b>As at December 31, 2019 Baht</b>	<b>As at December 31, 2018 Baht</b>
Beginning balance of the period	62,605,839
Reversal doubtful accounts	(20,057,525)
<b>Ending balance of the period (see Note 6)</b>	<b>62,654,566</b>



## 8. INVESTMENTS

8.1 The Company has investments in debt and equity securities classified by investment type as follows:

	<b>CONSOLIDATED FINANCIAL STATEMENTS</b>			
	<b>As at December 31, 2019</b>		<b>As at December 31, 2018</b>	
	<b>Cost/</b>		<b>Cost/</b>	
	<b>Book value</b>	<b>Fair value</b>	<b>Book value</b>	<b>Fair value</b>
	<b>Baht</b>	<b>Baht</b>	<b>Baht</b>	<b>Baht</b>
<u>Trading securities</u>				
Equity securities - Listed securities	35,951,541	14,148,784	129,776,771	105,247,574
Unit trust securities	-	-	380,512	382,629
Debt securities - Corporate bond	3,195,550	3,195,550	-	-
Debt securities - Bill of exchange	645,486,175	583,802,331	334,176,059	236,112,869
Total	684,633,266	601,146,665	464,333,342	341,743,072
<u>Less</u> Revaluation adjustments	(18,352,802)	-	(17,590,270)	-
<u>Less</u> Allowance for impairment	(65,133,799)	-	(105,000,000)	-
Total trading securities	601,146,665	601,146,665	341,743,072	341,743,072
<u>Available-for-sale securities</u>				
Equity securities – Listed securities	168,559,655	133,401,107	199,809,914	176,569,011
<u>Less</u> Revaluation adjustments	(35,158,548)	-	(23,240,903)	-
Total available-for-sale securities	133,401,107	133,401,107	176,569,011	176,569,011
<u>Held-to-maturity investments</u>				
Deposits at financial institutions	19,000,000	19,000,000	23,289,155	23,289,155
Total held-to-maturity investments	19,000,000	19,000,000	23,289,155	23,289,155
<u>General investments</u>				
Ordinary shares	51,607,203	45,882,412	198,396,323	193,178,152
Preference shares	125,000	125,000	125,000	125,000
Total	51,732,203	46,007,412	198,521,323	193,303,152
<u>Less</u> Allowance for impairment	(5,724,791)	-	(5,218,171)	-
Total general investments	46,007,412	46,007,412	193,303,152	193,303,152
Total investments	799,555,184	799,555,184	734,904,390	734,904,390

SEPARATE FINANCIAL STATEMENTS

	As at December 31, 2019		As at December 31, 2018	
	Cost/		Cost/	
	Book value	Fair value	Book value	Fair value
	Baht	Baht	Baht	Baht
<u>Trading securities</u>				
Equity securities – Listed securities	35,951,541	14,148,784	129,776,771	105,247,574
Unit trust securities	-	-	380,512	382,629
Debt securities – Bill of exchange	580,352,376	583,802,331	217,935,584	224,872,394
Total	616,303,917	597,951,115	348,092,867	330,502,597
<u>Less</u> Revaluation adjustments	(18,352,802)	-	(17,590,270)	-
Total trading securities	597,951,115	597,951,115	330,502,597	330,502,597
<u>Available-for-sale securities</u>				
Equity securities – Listed securities	168,559,655	133,401,107	199,809,914	176,569,011
<u>Less</u> Revaluation adjustments	(35,158,548)	-	(23,240,903)	-
Total available-for-sale securities	133,401,107	133,401,107	176,569,011	176,569,011
<u>General investments</u>				
Ordinary shares	51,607,203	45,882,412	198,396,323	193,178,152
Preference shares	125,000	125,000	125,000	125,000
Total	51,732,203	46,007,412	198,521,323	193,303,152
<u>Less</u> Allowance for impairment	(5,724,791)	-	(5,218,171)	-
Total general investments	46,007,412	46,007,412	193,303,152	193,303,152
Total investments	777,359,634	777,359,634	700,374,760	700,374,760

As at December 24, 2018, the Company reclassified one of its securities from trading investment to available-for-sale investments due to the company changed investment policy to held long-term for such investments. This had resulted in loss on reclassification of investment in amount of Baht 123.12 million.

8.2 Investments in deposits at financial institutions with outstanding maturities of contracts as follows:

CONSOLIDATED FINANCIAL STATEMENTS

	As at December 31, 2019			
	Within 1 year	1 – 5 years	Over 5 years	Total
	Baht	Baht	Baht	Baht
Deposits at financial institutions	19,000,000	-	-	19,000,000
Total held-to-maturity investments	19,000,000	-	-	19,000,000

CONSOLIDATED FINANCIAL STATEMENTS

	As at December 31, 2018			
	Within 1 year	1 – 5 years	Over 5 years	Total
	Baht	Baht	Baht	Baht
Deposits at financial institutions	23,289,155	-	-	23,289,155
Total held-to-maturity investments	23,289,155	-	-	23,289,155

(The separate financial statements as at December 31, 2019 and 2018, held-to-maturity investments: Nil)

### 8.3 Gain (loss) on re-measuring available-for-sale investments recognized in owners' equity

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	As at December 31, 2019 Baht	As at December 31, 2018 Baht	As at December 31, 2019 Baht	As at December 31, 2018 Baht
Beginning balance of the period	(12,873,149)	3,540,197	(12,873,149)	3,540,197
Changes during the period				
- from deferred tax adjustment	3,467,771	4,103,336	3,467,771	4,103,336
- from re-measuring of investments	(17,338,855)	(20,516,682)	(17,338,855)	(20,516,682)
Ending balance of the period	(26,744,233)	(12,873,149)	(26,744,233)	(12,873,149)

### 8.4 The Company has general investments in companies that have financial position and performance problems as follows:

	CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS					
	As at December 31, 2019			As at December 31, 2018		
	Cost/ Book value Baht	Fair value Baht	Allowance for impairment loss Baht	Cost/ Book value Baht	Fair value Baht	Allowance for impairment loss Baht
Ordinary shares	7,808	1,036	6,772	7,808	962	6,846
	<u>7,808</u>	<u>1,036</u>	<u>6,772</u>	<u>7,808</u>	<u>962</u>	<u>6,846</u>

## 9. SHORT-TERM LOANS TO RELATED PARTIES

The Company has short-term loans to a subsidiary which without collateral and the details are as follows:

	Interest rate Per annum (%)	Contract Date	Maturity Date	SEPARATE FINANCIAL STATEMENTS As at December 31, 2019		
				Principle amount Baht	Accrued Interest Baht	Total Baht
Loan	5.00	September 24, 2019	July 16, 2020	19,000,000	256,967	19,256,967
Total				<u>19,000,000</u>	<u>256,967</u>	<u>19,256,967</u>

	Interest rate Per annum (%)	Contract Date	Maturity Date	SEPARATE FINANCIAL STATEMENTS As at December 31, 2018		
				Principle amount Baht	Accrued Interest Baht	Total Baht
Loan*	5.00	July 16, 2018	July 16, 2019	9,000,000	208,356	9,208,356
Loan	5.00	September 24, 2018	September 24, 2019	10,000,000	135,617	10,135,617
Total				<u>19,000,000</u>	<u>343,973</u>	<u>19,343,973</u>

\* The Company agreed to extend the maturity date of the short-term loan agreement amounting to Baht 9 million from July 16, 2019 to September 24, 2019.

## 10. INVESTMENTS IN SUBSIDIARIES AND ASSOCIATED COMPANIES

The Company's investments in its subsidiaries and associated companies, which are companies registered under Thai laws and operating in Thailand, are summarized below:

CONSOLIDATED FINANCIAL STATEMENTS										
Company name	Type of business	Type of shares invested	Paid-up capital		% of voting right		Cost method		Equity method	
			As at	As at	As at	As at	As at	As at	As at	As at
			December 31, 2019	December 31, 2018	December 31, 2019	December 31, 2018	December 31, 2019	December 31, 2018	December 31, 2019	December 31, 2018
			Million Baht	Million Baht	%	%	Million Baht	Million Baht	Million Baht	Million Baht
<b>Associates</b>										
Krunghai Zmico Securities Co., Ltd.	Securities business	Ordinary share	2,137.8	2,137.8	49.71	49.71	1,244.1	1,244.1	1,297.8	1,306.6
Scentimental (Thailand) Co., Ltd.	Import and whole sale perfume and cosmetics	Ordinary share	100.0	40.0	26.00	34.50	26.0	13.8	15.4	6.8
Absolute Yoga Co., Ltd.	Yoga Studio, Food and hotel business	Ordinary share	60.0	60.0	30.00	30.00	217.8	217.8	197.2	189.8
							<u>1,487.9</u>	<u>1,475.7</u>	<u>1,510.4</u>	<u>1,503.2</u>

SEPARATE FINANCIAL STATEMENTS										
Company name	Type of business	Type of shares invested	Paid-up capital		% of voting right		Cost method		Equity method	
			As at	As at	As at	As at	As at	As at	As at	As at
			December 31, 2019	December 31, 2018	December 31, 2019	December 31, 2018	December 31, 2019	December 31, 2018	December 31, 2019	December 31, 2018
			Million Baht	Million Baht	%	%	Million Baht	Million Baht	Million Baht	Million Baht
<b>Subsidiaries</b>										
Innotech Asset Management Co., Ltd.	Mutual, private and provident fund	Ordinary management share	112.7	205.4	100.00	100.00	275.8	255.8	63.8	55.5
Lumpini Asset Management Co., Ltd.	Purchasing or taking transfer and managing of non-performing asset of financial institution	Ordinary share	25.0	25.0	100.00	100.00	25.0	25.0	24.2	24.2
SE Digital Co., Ltd.	Digital Assets	Ordinary share	475.0	25.0	100.00	100.00	475.0	25.0	442.7	23.8
<u>Less</u> Allowance for impairment							<u>(212.0)</u>	<u>(220.3)</u>	<u>-</u>	<u>-</u>
							<u>563.8</u>	<u>85.5</u>	<u>530.7</u>	<u>103.5</u>

SEPARATE FINANCIAL STATEMENTS										
Company name	Type of business	Type of shares invested	Paid-up capital		% of voting right		Cost method		Equity method	
			As at	As at	As at	As at	As at	As at	As at	As at
			December 31, 2019	December 31, 2018	December 31, 2019	December 31, 2018	December 31, 2019	December 31, 2018	December 31, 2019	December 31, 2018
			Million Baht	Million Baht	%	%	Million Baht	Million Baht	Million Baht	Million Baht
<b>Associate</b>										
Krungthai Zmico Securities Co., Ltd.	Securities business	Ordinary share	2,137.8	2,137.8	49.71	49.71	1,244.1	1,244.1	1,297.8	1,306.6
Scentimental (Thailand) Co., Ltd.	Import and whole sale perfume and cosmetics	Export Retail Ordinary share	100.0	40.0	26.00	34.50	26.0	13.8	15.4	6.8
Absolute Yoga Co., Ltd.	Yoga Studio, Food and hotel business	Ordinary share	60.0	60.0	30.0	30.00	217.8	217.8	197.2	189.8
							<u>1,487.9</u>	<u>1,475.7</u>	<u>1,510.4</u>	<u>1,503.2</u>
							<u>2,051.7</u>	<u>1,561.2</u>	<u>2,041.1</u>	<u>1,606.7</u>

Summarized financial information in respect of the associated companies in the financial statements which calculated by the percentage of shareholding are as follows:

	As at December 31, 2019			As at December 31, 2018		
	Million Baht			Million Baht		
	Krungthai Zmico Securities Co., Ltd.	Others	Total	Krungthai Zmico Securities Co., Ltd.	Others	Total
Total assets	3,075.6	154.8	3,230.4	3,311.4	146.2	3,457.6
Total liabilities	<u>(1,944.4)</u>	<u>(98.7)</u>	<u>(2,043.1)</u>	<u>(2,171.4)</u>	<u>(105.7)</u>	<u>(2,277.1)</u>
Net assets	<u>1,131.2</u>	<u>56.1</u>	<u>1,187.3</u>	<u>1,140.0</u>	<u>40.5</u>	<u>1,180.5</u>

	For the year ended December 31, 2019			For the year ended December 31, 2018		
	Million Baht			Million Baht		
	Krungthai Zmico Securities Co., Ltd.	Others	Total	Krungthai Zmico Securities Co., Ltd.	Others	Total
Total revenue	545.6	184.0	729.6	664.1	157.8	821.9
Share of profit (loss) from investment in associates	(15.6)	3.8	(11.8)	(21.4)	(28.4)	(49.8)
Net other comprehensive profit (loss) for the years	6.7	-	6.7	(27.3)	-	(27.3)

Sentimental (Thailand) Co., Ltd.

On January 17, 2017, the Board of Investment Committee's meeting passed the resolution to invest in ordinary shares of Sentimental (Thailand) Co., Ltd. which is the Company's associated company. The investment value of Baht 13.80 million consists of 138,000 ordinary shares with a par value of Baht 100.00 per share, accounting for 46% of the paid-up share capital of the Company in the associated company.

On September 14, 2018, the Extraordinary General Meeting of Shareholders of the associated company has passed a special resolution to increase its share capital 100,000 shares, from 300,000 ordinary shares to 400,000 ordinary shares with the par value of Baht 100.00 per share. The Company did not purchase the additional such shares increase. As a result, the shareholding in this associated company has decreased from 46.00% to 34.50% of issued and paid-up share capital of the associated company.

On October 11, 2019, the Extraordinary Shareholders' Meeting of the associated company has passed a resolution to increase its share capital 600,000 shares, from 400,000 ordinary shares to 1,000,000 ordinary shares with the par value of Baht 100.00 per share. On October 25, 2019, the Company purchased the additional shares of 122,000 ordinary shares with the par value of Baht 100.00 per share, with the additional investment value of Baht 12.20 million. As a result, the shareholding in this associated company has decreased from 34.50% to 26.00% of issued and paid-up share capital of the associated company, and the investment value of Baht 26 million.

Absolute Yoga Co., Ltd

On February 22, 2017, the Board of Investment Committee's meeting passed the resolution to invest in ordinary shares of Absolute Yoga Co., Ltd. which is the Company's associated company. The investment value of Baht 217.80 million consists of 1,800,000 ordinary shares with a par value of Baht 10.00 per share, accounting for 30% of the paid-up share capital of the Company in the associated company.

Innotech Asset Management Co., Ltd

On March 15, 2018, the Extraordinary General Meeting of Shareholders of Innotech Asset Management Co., Ltd. which is the Company's subsidiary passed a special resolution to increase the registered capital of Baht 80.00 million from Baht 125.40 million to Baht 205.40 million with the par value of Baht 10.00 per share and will be sold to the existing shareholders at the Baht 10.35 per or Baht 82.80 million to be used as capital and to maintain the capital adequacy of Management Company according to Notification of the Office of the Securities and Exchange Commission. On April 26, 2018, the Company purchased such shares of Baht 82.80 million. The subsidiary registered the increase of its registered capital with the Office of the Company Limited and Partnership Registration on April 27, 2018.

On December 11, 2018, the Extraordinary General Meeting of Shareholders of Innotech Asset Management Co., Ltd. passed the resolution to increase the registered capital of Baht 20.00 million from Baht 205.40 million to Baht 225.40 million with 2,000,000 ordinary shares of Baht 10.00 per share and will be sold to the existing shareholders at the par value to be used as capital and to maintain the capital adequacy of Management Company according to Notification of the Office of the Securities and Exchange Commission. The subsidiary company already received cash for such increased share capital on December 19, 2018 and registered the increase in authorized share capital and issued and paid-up share capital with the Office of the Company Limited and Partnership Registration on January 4, 2019.

On August 16, 2019, the Extraordinary General Meeting of Shareholders of Innotech Asset Management Co., Ltd. passed the resolution to decrease the registered and paid-up capital from Baht 225.40 million to Baht 112.70 million by decreasing par value from Baht 10.00 to Baht 5.00 and to offset the premium on share capital to reduce retained deficit and registered the decrease in authorized share capital and issued and paid-up share capital with the Office of the Company Limited and Partnership Registration on September 26, 2019.

As at December 31, 2019, the paid-up share capital of Innotech Asset Management Co., Ltd. is Baht 112.70 million consisting of 22,540,000 ordinary shares of Baht 5.00 per share and as at December 31, 2018, the paid-up share capital is Baht 205.40 million consisting of 20,540,000 ordinary shares of Baht 10.00 per share. As at December 31, 2019 and 2018, the subsidiary's shares are held by the Company 100%.

#### SE Digital Co., Ltd

On August 24, 2018, the Board of Directors Meeting passed the resolution to invest in ordinary shares of SE Digital Co., Ltd. which is the Company's subsidiary company is Baht 25.00 million. Moreover, On March 28, 2019, the ordinary shareholders' meetings of SE Digital Co., Ltd. passed the resolution to increase the registered capital of Baht 450.00 million from Baht 25.00 million to Baht 475.00 million with 4,750,000 ordinary shares of Baht 100.00 per share and will be sold to the existing shareholders at the par value to be used in business operations. The subsidiary company already received cash for such increased share capital on March 28, 2019 and registered the increase in authorized share capital and issued and paid-up share capital with the Office of the Company Limited and Partnership Registration on March 29, 2019.

As at December 31, 2019, the paid-up share capital of SE Digital Co., Ltd. is Baht 475.00 million consisting of 4,750,000 ordinary shares of Baht 100.00 per share and as at December 31, 2018, the paid-up share capital is Baht 25.00 million consisting of 250,000 ordinary shares of Baht 100.00 per share. As at December 31, 2019 and 2018, the subsidiary's shares are held by the Company 100%.

## 11. BUILDING IMPROVEMENTS AND EQUIPMENT

	CONSOLIDATED FINANCIAL STATEMENTS			
	Balance as at	Increase	Decrease	Balance as at
	January 1,			December 31,
	2019			2019
	Baht	Baht	Baht	Baht
<b>Cost</b>				
Building improvement	7,803,814	5,187,439	(93,848)	12,897,405
Office equipment	7,945,069	2,836,852	-	10,781,921
Vehicles	7,378,000	-	-	7,378,000
Total cost	<u>23,126,883</u>	<u>8,024,291</u>	<u>(93,848)</u>	<u>31,057,326</u>
<b>Accumulated depreciation</b>				
Building improvement	(7,363,058)	(748,921)	43,307	(8,068,672)
Office equipment	(6,997,839)	(936,410)	-	(7,934,249)
Vehicles	(2,019,582)	(1,475,600)	-	(3,495,182)
Total accumulated depreciation	<u>(16,380,479)</u>	<u>(3,160,931)</u>	<u>43,307</u>	<u>(19,498,103)</u>
<b>Total building improvements and equipment</b>	<u>6,746,404</u>			<u>11,559,223</u>

	CONSOLIDATED FINANCIAL STATEMENTS			
	Balance as at	Increase	Decrease	Balance as at
	January 1,			December 31,
	2018			2018
	Baht	Baht	Baht	Baht
<b>Cost</b>				
Building improvement	7,769,017	81,092	(46,295)	7,803,814
Office equipment	12,572,286	531,368	(5,158,585)	7,945,069
Vehicles	7,428,000	1,888,000	(1,938,000)	7,378,000
Total cost	<u>27,769,303</u>	<u>2,500,460</u>	<u>(7,142,880)</u>	<u>23,126,883</u>
<b>Accumulated depreciation</b>				
Building improvement	(6,414,725)	(994,622)	46,289	(7,363,058)
Office equipment	(11,401,930)	(753,937)	5,158,028	(6,997,839)
Vehicles	(1,478,430)	(1,478,826)	937,674	(2,019,582)
Total accumulated depreciation	<u>(19,295,085)</u>	<u>(3,227,385)</u>	<u>6,141,991</u>	<u>(16,380,479)</u>
<b>Total building improvements and equipment</b>	<u>8,474,218</u>			<u>6,746,404</u>
<b>Depreciation for the years ended December 31,</b>				
2019				<u>3,160,931</u>
2018				<u>3,227,385</u>

	SEPARATE FINANCIAL STATEMENTS			
	Balance as at	Increase	Decrease	Balance as at
	January 1,			December 31,
	2019			2019
	Baht	Baht	Baht	Baht
<b>Cost</b>				
Building improvement	4,937,027	1,344,988	(428)	6,281,587
Office equipment	2,260,707	699,224	-	2,959,931
Vehicles	7,378,000	-	-	7,378,000
Total cost	<u>14,575,734</u>	<u>2,044,212</u>	<u>(428)</u>	<u>16,619,518</u>
<b>Accumulated depreciation</b>				
Building improvement	(4,544,477)	(368,306)	427	(4,912,356)
Office equipment	(1,913,807)	(320,217)	-	(2,234,024)
Vehicles	(2,019,582)	(1,475,600)	-	(3,495,182)
Total accumulated depreciation	<u>(8,477,866)</u>	<u>(2,164,123)</u>	<u>427</u>	<u>(10,641,562)</u>
<b>Total building improvements and equipment</b>	<u>6,097,868</u>			<u>5,977,956</u>



	SEPARATE FINANCIAL STATEMENTS			
	Balance as at	Increase	Decrease	Balance as at
	January 1,			December 31,
	2018			2018
	Baht	Baht	Baht	Baht
<b>Cost</b>				
Building improvement	4,863,935	73,092	-	4,937,027
Office equipment	2,014,515	246,192	-	2,260,707
Vehicles	7,428,000	1,888,000	(1,938,000)	7,378,000
Total cost	<u>14,306,450</u>	<u>2,207,284</u>	<u>(1,938,000)</u>	<u>14,575,734</u>
<b>Accumulated depreciation</b>				
Building improvement	(3,589,077)	(955,400)	-	(4,544,477)
Office equipment	(1,764,035)	(149,772)	-	(1,913,807)
Vehicles	(1,478,430)	(1,478,826)	937,674	(2,019,582)
Total accumulated depreciation	<u>(6,831,542)</u>	<u>(2,583,998)</u>	<u>937,674</u>	<u>(8,477,866)</u>
<b>Total building improvements and equipment</b>	<u>7,474,908</u>			<u>6,097,868</u>
<b>Depreciation for the years ended December 31,</b>				
2019				<u>2,164,123</u>
2018				<u>2,583,998</u>

As at December 31, 2019 and 2018, in the consolidated financial statements, there are certain building improvements and equipment items which have been fully depreciated but are still in use. The original cost, before deducting accumulated depreciation, of those assets amounting to Baht 13.84 million and Baht 9.02 million, respectively.

For the separate financial statements as at December 31, 2019 and 2018, the Company has building improvements and equipment items which have been fully depreciated but are still in use. The original cost before deducting accumulated depreciation, of those assets amounting to Baht 6.51 million and Baht 1.80 million, respectively.

## 12. INTANGIBLE ASSETS

	Useful lives	CONSOLIDATED FINANCIAL STATEMENTS				
		Balance as at	Additions	Amortization	Write-off/ Transfer out	Balance as at
		January 1,				December 31,
		2019				2019
		Baht	Baht	Baht	Baht	
Deferred license fees						
Mutual fund management	Indefinite*	803,836	-	-	-	803,836
Derivatives business	Indefinite*	3,320,548	-	-	-	3,320,548
Private fund management	Indefinite*	464,109	-	-	-	464,109
Asset Management	Indefinite*	100,000	-	-	-	100,000
REIT License	5 years	-	400,000	(6,137)	-	393,863
Digital Token	Indefinite**	66,200,000	-	-	-	66,200,000
Computer software	5 years	151,507	2,411,506	(174,153)	-	2,388,860
Computer software under installation	-	-	1,724,000	-	-	1,724,000
Total		<u>71,040,000</u>	<u>4,535,506</u>	<u>(180,290)</u>	<u>-</u>	<u>75,395,216</u>

CONSOLIDATED FINANCIAL STATEMENTS

	Useful lives	Balance as at January 1, 2018 Baht	Additions Baht	Amortization Baht	Write-off/ Transfer out Baht	Balance as at December 31, 2018 Baht
Deferred license fees						
Mutual fund management	Indefinite*	803,836	-	-	-	803,836
Derivatives business	Indefinite*	3,320,548	-	-	-	3,320,548
Private fund management	Indefinite*	464,109	-	-	-	464,109
Asset Management	Indefinite*	100,000	-	-	-	100,000
Digital Token	Indefinite**	-	66,200,000	-	-	66,200,000
Computer software	5 years	104,231	98,800	(51,524)	-	151,507
Total		4,792,724	66,298,800	(51,524)	-	71,040,000

Amortization for the years ended December 31,

2019	180,290
2018	51,524

SEPARATE FINANCIAL STATEMENTS

	Useful lives	Balance as at January 1, 2019 Baht	Additions Baht	Amortization Baht	Write-off/ Transfer out Baht	Balance as at December 31, 2019 Baht
Deferred license fees						
Derivatives business	Indefinite*	3,320,548	-	-	-	3,320,548
Digital Token	Indefinite**	66,200,000	-	-	-	66,200,000
Computer software	5 years	1	-	-	-	1
Total		69,520,549	-	-	-	69,520,549

SEPARATE FINANCIAL STATEMENTS

	Useful lives	Balance as at January 1, 2018 Baht	Additions Baht	Amortization Baht	Write-off/ Transfer out Baht	Balance as at December 31, 2018 Baht
Deferred license fees						
Derivatives business	Indefinite*	3,320,548	-	-	-	3,320,548
Digital Token	Indefinite**	-	66,200,000	-	-	66,200,000
Computer software	5 years	1	-	-	-	1
Total		3,320,549	66,200,000	-	-	69,520,549

Amortization for the years ended December 31,

2019	-
2018	-

\* Deferred license fees have indefinite useful lives as they have no expiry date and they are expected to contribute to the Company and its subsidiaries' net cash inflows indefinitely.

\*\* Digital token has indefinite useful lives and they are expected to contribute to the Company and its subsidiary's net cash flows indefinitely.

On October 8, 2018, the Company purchased Digital Token which issued and offered by a company in the United States with the amount equals to USD 2 million or Baht 66.20 million which the company expects to receive the return on the operating results of that assets under the management of such digital token.

As at December 31, 2019 and 2018, for the consolidated financial statements, the original cost before deducting accumulated amortization of computer software items which have been fully amortized but are still in use is Baht 7.65 million and Baht 7.55 million, respectively. As at December 31, 2019 and 2018, for the separate financial statements, the Company has computer software items which have been fully amortized but are still in use is Baht 0.02 million.

### 13. DEFERRED INCOME TAX

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	As at December 31, 2019 Baht	As at December 31, 2018 Baht	As at December 31, 2019 Baht	As at December 31, 2018 Baht
<b>Deferred tax assets</b>				
Allowance for doubtful accounts	199,304	199,304	199,304	199,304
Allowance for impairment of investments	45,023,093	46,576,128	45,023,093	46,576,128
Unrealized loss on re-measuring trading investments	4,360,551	4,966,206	4,360,551	4,966,206
Unrealized loss on re-measuring available-for-sale investments	6,686,058	3,218,287	6,686,058	3,218,287
Other assets	10,357	10,357	10,357	10,357
Unrealized gain on transfer of business to an associated company	22,718,163	22,721,673	-	-
	<u>78,997,526</u>	<u>77,691,955</u>	<u>56,279,363</u>	<u>54,970,282</u>
<b>Deferred tax liabilities</b>				
Unrealized gain on re-measuring trading investments	5,505,948	10,331,927	5,505,948	10,331,927
Amortization of license fees	664,110	664,110	664,110	664,110
	<u>6,170,058</u>	<u>10,996,037</u>	<u>6,170,058</u>	<u>10,996,037</u>
Deferred tax assets	<u>72,827,468</u>	<u>66,695,918</u>	<u>50,109,305</u>	<u>43,974,245</u>

The movements of deferred tax assets and liabilities during the periods are as follows:

	CONSOLIDATED FINANCIAL STATEMENTS			
	As at January 1, 2019 Baht	Items as recognized in profit or loss (see Note 28) Baht	Items as recognized in other comprehensive income Baht	As at December 31, 2019 Baht
<b>Deferred tax assets</b>				
Allowance for doubtful accounts	199,304	-	-	199,304
Allowance for impairment of investments	46,576,128	(1,553,035)	-	45,023,093
Unrealized loss on re-measuring trading investments	4,966,206	(605,655)	-	4,360,551
Unrealized loss on re-measuring Available-for-sale investments	3,218,287	-	3,467,771	6,686,058
Other assets	10,357	-	-	10,357
Unrealized gain on transfer of business to an associated company	22,721,673	(3,510)	-	22,718,163
	<u>77,691,955</u>	<u>(2,162,200)</u>	<u>3,467,771</u>	<u>78,997,526</u>
<b>Deferred tax liabilities</b>				
Unrealized gain on re-measuring trading investments	10,331,927	(4,825,979)	-	5,505,948
Amortization of derivative license	664,110	-	-	664,110
	<u>10,996,037</u>	<u>(4,825,979)</u>	<u>-</u>	<u>6,170,058</u>
Deferred tax assets	<u>66,695,918</u>	<u>2,663,779</u>	<u>3,467,771</u>	<u>72,827,468</u>

CONSOLIDATED FINANCIAL STATEMENTS

	As at January 1, 2018	Items as recognized in profit or loss (see Note 28)	Items as recognized in other comprehensive income	As at December 31, 2018
	Baht	Baht	Baht	Baht
<b>Deferred tax assets</b>				
Allowance for doubtful accounts	205,960	(6,656)	-	199,304
Allowance for impairment of investments	56,328,606	(9,752,478)	-	46,576,128
Unrealized loss on re-measuring trading investments	6,304,700	(1,338,494)	-	4,966,206
Unrealized loss on re-measuring				
Available-for-sale investments	-	-	3,218,287	3,218,287
Other assets	10,357	-	-	10,357
Unrealized gain on transfer of business to an associated company	22,733,222	(11,549)	-	22,721,673
	<u>85,582,845</u>	<u>(11,109,177)</u>	<u>3,218,287</u>	<u>77,691,955</u>
<b>Deferred tax liabilities</b>				
Unrealized gain on re-measuring trading investments	36,474,937	(26,143,010)	-	10,331,927
Unrealized gain on re-measuring				
Available-for-sale investments	885,049	-	(885,049)	-
Amortization of derivative license	664,110	-	-	664,110
	<u>38,024,096</u>	<u>(26,143,010)</u>	<u>(885,049)</u>	<u>10,996,037</u>
Deferred tax assets	<u>47,558,749</u>	<u>15,033,833</u>	<u>4,103,336</u>	<u>66,695,918</u>

SEPARATE FINANCIAL STATEMENTS

	As at January 1, 2019	Items as recognized in profit or loss (see Note 28)	Items as recognized in other comprehensive income	As at December 31, 2019
	Baht	Baht	Baht	Baht
<b>Deferred tax assets</b>				
Allowance for doubtful accounts	199,304	-	-	199,304
Allowance for impairment of investments	46,576,128	(1,553,035)	-	45,023,093
Unrealized loss on re-measuring trading investments	4,966,206	(605,655)	-	4,360,551
Unrealized loss on re-measuring				
available-for-sale investments	3,218,287	-	3,467,771	6,686,058
Other assets	10,357	-	-	10,357
	<u>54,970,282</u>	<u>(2,158,690)</u>	<u>3,467,771</u>	<u>56,279,363</u>
<b>Deferred tax liabilities</b>				
Unrealized gain on re-measuring trading investments	10,331,927	(4,825,979)	-	5,505,948
Amortization of derivative license	664,110	-	-	664,110
	<u>10,996,037</u>	<u>(4,825,979)</u>	<u>-</u>	<u>6,170,058</u>
Deferred tax assets	<u>43,974,245</u>	<u>2,667,289</u>	<u>3,467,771</u>	<u>50,109,305</u>

	SEPARATE FINANCIAL STATEMENTS			
	As at	Items as	Items as	As at
	January 1,	recognized in	recognized	December 31,
	2018	profit or loss (see Note 28)	in other comprehensive income	2018
	Baht	Baht	Baht	Baht
<b>Deferred tax assets</b>				
Allowance for doubtful accounts	205,960	(6,656)	-	199,304
Allowance for impairment of investments	56,328,606	(9,752,478)	-	46,576,128
Unrealized loss on re-measuring trading investments	6,304,700	(1,338,494)	-	4,966,206
Unrealized loss on re-measuring available-for-sale investments	-	-	3,218,287	3,218,287
Other assets	10,357	-	-	10,357
	<u>62,849,623</u>	<u>(11,097,628)</u>	<u>3,218,287</u>	<u>54,970,282</u>
<b>Deferred tax liabilities</b>				
Unrealized gain on re-measuring trading investments	36,474,937	(26,143,010)	-	10,331,927
Unrealized gain on re-measuring available-for-sale investments	885,049	-	(885,049)	-
Amortization of derivative license	664,110	-	-	664,110
	<u>38,024,096</u>	<u>(26,143,010)</u>	<u>(885,049)</u>	<u>10,996,037</u>
Deferred tax assets	<u>24,825,527</u>	<u>15,045,382</u>	<u>4,103,336</u>	<u>43,974,245</u>

As at December 31, 2019 and 2018, the Company has unused tax losses carry forward of Baht 15.28 million and Baht 170.10 million, respectively, which will be expired within 5 years.

#### 14. OTHER ASSETS

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	As at	As at	As at	As at
	December 31,	December 31,	December 31,	December 31,
	2019	2018	2019	2018
	Baht	Baht	Baht	Baht
Accrued interest income	230,455	75,569	-	72,868
Accrued dividend income	-	38,304	-	38,304
Prepaid insurance	806,547	134,900	149,160	134,900
Prepaid repair and maintenance	229,687	87,019	-	-
Prepaid SET fee	153,270	109,389	153,270	109,389
Prepaid other	801,836	152,230	260,379	137,480
Other deposits	2,124,733	944,035	1,066,944	596,550
Corporate income tax claim receivable	12,147,564	12,232,216	3,095,645	2,617,954
Advance payment for legal fee of funds managed by a subsidiary	14,443,039	14,279,980	-	-
Share subscription of subsidiary paid in advance	-	-	-	20,000,000
Other receivables	24,218,300	8,722,734	5,326,246	8,722,734
Others	3,858,241	335,058	455,021	332,092
Total	<u>59,013,672</u>	<u>37,111,434</u>	<u>10,506,665</u>	<u>32,762,271</u>

## 15. OTHER BORROWINGS

As at December 31, 2019 and 2018, the Company has other borrowings, as follows:

CONSOLIDATED FINANCIAL STATEMENTS					
As at December 31, 2019					
Interest rate per annum (%)	Residual maturities			Total Baht	
	Within 1 year Baht	1 - 5 years Baht	Over 5 years Baht		
<b><u>Other borrowings</u></b>					
Bill of exchange	3.50	148,349,296	-	-	148,349,296
Total other borrowings		148,349,296	-	-	148,349,296

CONSOLIDATED FINANCIAL STATEMENTS					
As at December 31, 2018					
Interest rate per annum (%)	Residual maturities			Total Baht	
	Within 1 year Baht	1 - 5 years Baht	Over 5 years Baht		
<b><u>Other borrowings</u></b>					
Bill of exchange	4.00	528,062,334	-	-	528,062,334
Total other borrowings		528,062,334	-	-	528,062,334

SEPARATE FINANCIAL STATEMENTS					
As at December 31, 2019					
Interest rate per annum (%)	Residual maturities			Total Baht	
	Within 1 year Baht	1 - 5 years Baht	Over 5 years Baht		
<b><u>Other borrowings</u></b>					
Bill of exchange	3.50	148,349,296	-	-	148,349,296
Loan	3.50	350,000,000	-	-	350,000,000
Total other borrowings		498,349,296	-	-	498,349,296

SEPARATE FINANCIAL STATEMENTS					
As at December 31, 2018					
Interest rate per annum (%)	Residual maturities			Total Baht	
	Within 1 year Baht	1 - 5 years Baht	Over 5 years Baht		
<b><u>Other borrowings</u></b>					
Bill of exchange	4.00	528,062,334	-	-	528,062,334
Total other borrowings		528,062,334	-	-	528,062,334

Movements in other borrowings during the years ended December 31, 2019 and 2018 are summarized below:

	CONSOLIDATED FINANCIAL STATEMENTS	
	As at December 31, 2019 Baht	As at December 31, 2018 Baht
Beginning balance	528,062,334	675,908,797
Financing cash flow		
Cash received from other borrowing	780,777,460	1,756,737,347
Cash paid from other borrowing	(1,170,000,000)	(1,935,000,000)
Non - cash item changes		
Finance cost	9,509,502	30,416,190
Ending balance	<u>148,349,296</u>	<u>528,062,334</u>

	SEPARATE FINANCIAL STATEMENTS	
	As at December 31, 2019 Baht	As at December 31, 2018 Baht
Beginning balance	528,062,334	675,908,797
Financing cash flow		
Cash received from other borrowing	780,777,460	1,756,737,347
Cash received borrowing from a subsidiary	350,000,000	-
Cash paid from other borrowing	(1,170,000,000)	(1,935,000,000)
Non - cash item changes		
Finance cost	9,509,502	30,416,190
Ending balance	<u>498,349,296</u>	<u>528,062,334</u>

## 16. EMPLOYEE BENEFITS OBLIGATION

Employee benefits obligation consists of the following:

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	As at December 31, 2019 Baht	As at December 31, 2018 Baht	As at December 31, 2019 Baht	As at December 31, 2018 Baht
Post-employment benefits obligation	29,150,909	11,125,769	27,219,542	10,747,603
Unused paid vacation leave	<u>1,748,776</u>	<u>620,181</u>	<u>1,185,318</u>	<u>552,323</u>
	<u>30,899,685</u>	<u>11,745,950</u>	<u>28,404,860</u>	<u>11,299,926</u>

### Post-employment benefits obligation

The Company and its subsidiaries operate post-employment benefits plans under the Thai Labor Protection Act and the Company's retirement benefits plan, which are considered as unfunded defined benefit plans.

Amounts recognized in the statements of comprehensive income in respect of the post-employment benefits plans are as follows:

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	For the years		For the years	
	ended December 31,		ended December 31,	
	2019	2018	2019	2018
	Baht	Baht	Baht	Baht
Current service cost	4,449,120	1,549,497	2,602,073	1,388,068
Interest cost	341,428	180,928	339,884	175,412
Past service cost	20,549	990,892	-	990,892
	<u>4,811,097</u>	<u>2,721,317</u>	<u>2,941,957</u>	<u>2,554,372</u>

Movements in the present value of the post-employment benefits obligation are as follows:

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	For the years		For the years	
	ended December 31,		ended December 31,	
	2019	2018	2019	2018
	Baht	Baht	Baht	Baht
Beginning balance of post-employment benefits obligation	11,125,769	10,544,435	10,747,603	8,193,231
Current service cost	4,449,120	1,549,497	2,602,073	1,388,068
Interest cost	341,428	180,928	339,884	175,412
Past service cost	20,549	990,892	-	990,892
Improve employee benefits from termination	-	3,232,892	-	-
Actuarial (gain) loss in statement of comprehensive income				
- from experience adjustment	12,843,971	(673,985)	13,183,977	-
- from changes in demographic assumption	567,669	-	541,022	-
- from changes in financial assumption	(197,597)	(11,490)	(195,017)	-
Employee benefit paid during the years	-	(4,687,400)	-	-
Ending balance of post-employment benefits obligation	<u>29,150,909</u>	<u>11,125,769</u>	<u>27,219,542</u>	<u>10,747,603</u>

The Labor Protection Act (No. 7) B.E. 2562 has been announced in the Royal Gazette on April 5, 2019, which will be effective after 30 days from the date announced in Royal Gazette. This Labor Protection Act stipulates additional legal severance pay rates for employees who have worked for an uninterrupted period of twenty years or more. Such employees are entitled to receive compensation of not less than 400 days at the employees' latest wage rate. This change is considered an amendment to post-employment benefits plan. The Company have recorded the effect of such plan amendment and already recognized past service cost as an expense of Baht 0.99 million in the statement of comprehensive income for the year ended December 31, 2018.



The principle actuarial assumptions used to calculate the obligation under the post-employment benefits plans as at December 31, 2019 and 2018 are as follows:

	CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (% per annum)	
	As at December 31, 2019	As at December 31, 2018
	<b>Financial assumptions</b>	
Discount rate	1.40 - 1.87	1.91 - 2.61
Employee turnover rate	4.0 - 29.0	6.0 - 29.0
	Subject to range of age of employee	Subject to range of age of employee
Expected rate of salary increase	5.0	6.0

Significant actuarial assumptions for the determination of the defined benefit obligation are expected salary increase rate, mortality rate, and discount rate. The sensitivity analyses below have been determined based on reasonably possible changes of the respective assumption occurring at the end of the reporting period, while holding all other assumptions constant.

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	As at December 31, 2019	As at December 31, 2018	As at December 31, 2019	As at December 31, 2018
	Salary incremental rates - 1% increase	1,031,970	691,636	865,221
Salary incremental rates - 1% decrease	(929,284)	(637,522)	(787,420)	(605,187)
Life expectancy rate - 1% increase	63,544	41,263	53,756	39,654
Life expectancy rate - 1% decrease	(63,244)	(41,069)	(53,515)	(39,467)
Turnover rate - 1% increase	(987,114)	(562,151)	(839,695)	(524,776)
Turnover rate - 1% decrease	431,123	214,999	318,144	171,490
Discount rate - 1% increase	(937,364)	(519,588)	(798,299)	(486,837)
Discount rate - 1% decrease	1,060,708	573,577	893,139	535,557

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the Projected Unit Credit Method at the end of the report period, which is the same as that applied in calculating the post-employment benefit obligations liability recognized in the statement of financial position.

## 17. OTHER LIABILITIES

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	As at	As at	As at	As at
	December 31, 2019 Baht	December 31, 2018 Baht	December 31, 2019 Baht	December 31, 2018 Baht
Withholding tax payable	2,096,661	466,244	564,944	364,824
Value-added-tax payable	505,534	206,744	111,624	206,744
Others payable	7,773,509	12,763,498	6,509,891	11,761,565
Accrued expenses	19,610,537	5,622,978	16,908,945	4,805,930
Amounts of capital reduction and dividend not redeemed by shareholders	5,896,124	5,781,551	5,896,124	5,781,551
Deposit for share payment	-	5,000,000	-	5,000,000
Others	1,069,266	2,289,136	1,117,833	2,089,327
<b>Total</b>	<b>36,951,631</b>	<b>32,130,151</b>	<b>31,109,361</b>	<b>30,009,941</b>

## 18. SHARE CAPITAL

On December 12, 2018, the Extraordinary General Meeting of Shareholders approved the resolutions are as follow:

- 1) Approved the Company's registered capital decrease from the registered capital of Baht 941,964,586 to Baht 653,868,463 by cancelling 576,192,246 authorized but unissued ordinary shares at the par value of Baht 0.50 per share which the Company registered with the Ministry of Commerce on December 25, 2018.
- 2) Approved the Company's registered capital increase from the registered capital of Baht 653,868,463 to Baht 1,240,302,463 by issuing newly ordinary shares not exceeding 1,172,868,000 shares at the par value of Baht 0.50 per share to be offered for sale to a specific investor on the private placement basis and to accommodate the exercise of the warrants to purchase the Company's newly issued ordinary share with the Ministry of Commerce on December 26, 2018.
- 3) Approved the issuance and allocation of not exceeding 346,000,000 newly issued ordinary shares of the Company at the par value of Baht 0.50 per share, at the offering price of Baht 1.35 per share, totaling Baht 467,100,000 to be offered for sale to a specific investor on the private placement basis which the Company already received cash for such share capital increase on March 8, 2019 and registered the increase in authorized share capital and issued and paid-up share capital with the Ministry of Commerce on March 11, 2019.
- 4) Approved the issuance and allocation of the warrants to purchase the Company's newly issue ordinary shares No. 4 (ZMICO-W4) to the Company's existing shareholders in proportion to their existing shareholdings by way of right offering (the "Warrants") in the amount of not exceeding 413,434,000 units free of charge at the ratio of 4 existing ordinary shares to 1 unit of the Warrants (any fraction thereof would be disregarded), for a term of not exceeding 5 years from the issue date of the Warrants, with the exercise ratio of 1 unit to 2 newly issued ordinary shares, and at the exercise price of Baht 2.70 per share. The Company had allocated the Warrants on April 18, 2019.

As at December 31, 2019, the Company has authorized share capital of Baht 1,240,302,463 and issued and paid-up share capital of Baht 826,868,463 and as at December 31, 2018, the Company has authorized share capital of Baht 1,240,302,463 and issued and paid-up share capital of Baht 653,868,463.

Weighted average number of ordinary shares as at December 31, 2019 and 2018 are calculated as follows:

	<b>As at December 31, 2019 Shares</b>	<b>As at December 31, 2018 Shares</b>
Beginning balance (Baht 0.50 per share)	1,307,736,926	1,307,736,926
Increase during the years	<u>280,591,781</u>	<u>-</u>
Weighted average number of ordinary shares	<u>1,588,328,707</u>	<u>1,307,736,926</u>

## 19. DIVIDEND PAID

On April 26, 2019, the Annual General Meeting of Shareholders of the year 2019 has passed the resolution to omit the dividend payment for the operation for the year ended December 31, 2018.

On April 27, 2018, the Annual General Meeting of Shareholders of the year 2018 has passed the resolution to approve the dividend payment for the operation for the year ended December 31, 2017 to the shareholders at the rate of Baht 0.05 per share equalling to Baht 65.37 million. The dividend was paid on May 15, 2018.

## 20. CAPITAL MANAGEMENT

The objectives of capital management of the Company and its subsidiaries are to sustain the Company and its subsidiaries' ability to continue as a going concern in order to generate returns to the shareholders and benefits for other stakeholders and also to maintain an optimal capital structure.

In addition, the Company and its subsidiaries have to maintain their net liquid capital and equity to meet the requirements of the Office of the Securities and Exchange Commission and Thailand Clearing House Co., Ltd. ("TCH").

However, since May 2, 2013, the Company was approved to reactivate its investment advisory service, the Company is required to maintain its net liquid capital according to the Notification of the Securities and Exchange Commission No. Kor Thor. 4/2561 regarding "Ongoing capital adequacy of some specific intermediaries".

As at December 31, 2019 and 2018, the Company is able to maintain its net liquid capital more than the required condition.

## 21. PREMIUM ON SHARE CAPITAL

The share premium account is set up under the provisions of Section 51 of the Public Companies Act. B.E. 2535, which requires companies to set aside share subscription monies received in excess of the par value of the shares issued to a reserve account (“share premium”). Share premium is not available for dividend distribution.

## 22. STATUTORY RESERVE

Under the Public Limited Company Act. B.E. 2535, section 116, the Company is required to set aside as a statutory reserve at least 5% of its net profit after accumulated deficit brought forward (if any) until the reserve is not less than 10% of the registered capital. The statutory reserve is not available for dividend distribution.

As at December 31, 2019 and 2018, the Company has statutory reserve at the rate of 8.87 and 8.74 percent of authorized share capital, respectively.

## 23. GAINS (LOSSES) AND RETURN ON FINANCIAL INSTRUMENTS

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	For the years ended		For the years ended	
	December 31,		December 31,	
	2019	2018	2019	2018
	Baht	Baht	Baht	Baht
Gains (losses) on investment	64,255,545	(149,757,874)	61,564,910	(149,579,978)
Interest and dividend income	11,574,192	20,417,452	11,990,814	20,384,229
Total	<u>75,829,737</u>	<u>(129,340,422)</u>	<u>73,555,724</u>	<u>(129,195,749)</u>

## 24. DIRECTORS' REMUNERATION

Directors' remuneration represent the benefits paid to the Company's directors in accordance with Section 90 of the Public Limited Companies Act, exclusive of salaries and related benefits payable to directors who hold executive position. Directors' remuneration for the years 2019 and 2018 were approved from the Annual General Meeting of Shareholders of the Company and its subsidiaries as follows:

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	For the years ended		For the years ended	
	December 31,		December 31,	
	2019	2018	2019	2018
	Baht	Baht	Baht	Baht
Directors' remuneration	11,058,334	7,738,833	9,000,000	6,008,333
	<u>11,058,334</u>	<u>7,738,833</u>	<u>9,000,000</u>	<u>6,008,333</u>

## 25. IMPAIRMENT LOSS ON SECURITIES (REVERSAL)

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	For the years ended		For the years ended	
	December 31,		December 31,	
	2019	2018	2019	2018
	Baht	Baht	Baht	Baht
Impairment loss from equity securities (reversal)	506,619	(70,412,741)	506,619	(70,412,741)
Reversal impairment loss from debt securities	(39,866,201)	-	-	(25,632,496)
Impairment loss on investment in a subsidiary (reversal)	-	-	(8,271,866)	47,282,759
Total	<u>(39,359,582)</u>	<u>(70,412,741)</u>	<u>(7,765,247)</u>	<u>(48,762,478)</u>

## 26. OTHER EXPENSES

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	For the years ended		For the years ended	
	December 31,		December 31,	
	2019	2018	2019	2018
	Baht	Baht	Baht	Baht
Premises and equipment expenses	13,257,110	9,742,403	7,954,294	5,782,624
Consulting fee	21,177,498	8,646,013	4,661,455	6,723,921
Communication and information expenses	2,649,030	2,091,546	1,207,640	1,176,519
Entertainment expenses	305,709	75,322	146,757	71,182
Publication and marketing expenses	1,063,576	590,942	36,808	57,459
Traveling expenses	1,654,802	1,360,066	1,238,796	968,900
SET fee	3,385,360	4,603,815	3,385,360	4,603,815
Stationery and office supply	740,577	684,042	349,276	594,080
Taxation	1,410,415	192,969	1,242,973	107,324
Loss on exchange rate	1,448,236	-	1,448,236	-
Meeting and conference	1,798,497	624,698	1,337,600	604,858
Professional fee	6,778,620	2,694,178	3,427,780	1,818,596
Others	3,524,657	3,400,064	2,639,267	1,208,176
Total	<u>59,194,087</u>	<u>34,706,058</u>	<u>29,076,242</u>	<u>23,717,454</u>

## 27. PROVIDENT FUND

The Company and its subsidiaries set up a provident fund for those employees who elected to participate. The contributions from the employees are deducted from their monthly salaries, and the Company and its subsidiaries match the individuals' contributions. The provident fund are managed by MFC Asset Management Public Company Limited, which granted the license by Government to be an authorized fund manager in accordance with the Provident Fund Act B.E. 2530. Whereas the provident fund are managed by TMB Asset Management Public Company Limited since December 2018.

For the years ended December 31, 2019 and 2018, the Company has contributed Baht 1.90 million and Baht 1.05 million, respectively, to the fund and the subsidiaries has contributed Baht 0.34 million and Baht 0.41 million, respectively.

## 28. INCOME TAX

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	For the years ended December 31,		For the years ended December 31,	
	2019	2018	2019	2018
	Baht	Baht	Baht	Baht
Income tax - income (see Note 13)	2,663,779	15,033,833	2,667,289	15,045,382
Total	<u>2,663,779</u>	<u>15,033,833</u>	<u>2,667,289</u>	<u>15,045,382</u>

Reconciliation of income tax and the results of the accounting profit (loss) multiplied by the income tax rate are as follows:

	CONSOLIDATED FINANCIAL STATEMENTS		STAT SEPARATE FINANCIAL EMENTS	
	For the years ended December 31,		For the years ended December 31,	
	2019	2018	2019	2018
	Baht	Baht	Baht	Baht
Profit (loss) before tax	78,667,556	(210,868,385)	121,940,536	(159,000,464)
Tax rate	20%	20%	20%	20%
The result of the account profit multiplied by the income tax rate – income (expenses)	(15,733,511)	42,173,677	(24,388,107)	31,800,093
Tax effect of the non-deductible income and expense	(8,526,794)	(4,621,406)	131,312	1,239,363
Effect of the temporary difference not recognized as deferred tax assets	(714,975)	(525,056)	(714,975)	(525,056)
Effect of tax loss carried forward not recognized as deferred tax assets	-	(17,469,018)	-	(17,469,018)
Use of tax loss carry forward (unused tax)	27,639,059	(4,524,364)	27,639,059	-
Income tax - income (expenses)	<u>2,663,779</u>	<u>15,033,833</u>	<u>2,667,289</u>	<u>15,045,382</u>

## 29. RELATED PARTY TRANSACTIONS

The Company and its subsidiaries have significant business transactions with related persons and companies that related by way of common shareholders and/or common directors. The Company's management believes that the pricing policy the Company charged to related parties were the arm's length price applied in the normal course of business. These transactions can be summarized as follows:

29.1 Balances with related parties as at December 31, 2019 and 2018 are as follows:

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	As at	As at	As at	As at
	December 31,	December 31,	December 31,	December 31,
	2019	2018	2019	2018
	Baht	Baht	Baht	Baht
<b>Subsidiaries</b>				
Innotech Asset Management Co., Ltd.				
Investment in subsidiary (see Note 10)	-	-	63,789,107	55,517,241
Short - term loans	-	-	19,000,000	19,000,000
Accrued interest	-	-	256,967	343,973
Other receivables	-	-	8,807	-
Lumpini Asset Management Co., Ltd.				
Investment in subsidiary (see Note 10)	-	-	25,000,000	25,000,000
SE Digital Co., Ltd.				
Investment in subsidiary (see Note 10)	-	-	475,000,000	25,000,000
Short - term loan	-	-	350,000,000	-
Accrued interest expenses	-	-	702,869	-
<b>Associates</b>				
Krungthai Zmico Securities Co., Ltd. (formerly KT ZMICO Securities Co., Ltd.)				
Investment in associate (see Note 10)	1,297,802,506	1,306,638,315	1,244,095,520	1,244,095,520
Investment in private fund managed by associate	-	97,570,267	-	97,570,267
Cash balance for securities trading	5,151,455	4,991,795	5,151,455	4,991,795
Other receivables	5,317,439	-	5,317,439	-
Accrued private fund management fee expenses	-	95,199	-	95,199
Other payables	323,553	181,614	323,553	181,614
Scentimental (Thailand) Co., Ltd.				
Investment in associate (see Note 10)	15,340,486	6,800,642	26,000,000	13,800,000
Investment in debt securities - Bill of Exchange	-	52,230,513	-	52,230,513
Absolute Yoga Co., Ltd.				
Investment in associate (see Note 10)	197,225,394	189,767,845	217,800,000	217,800,000
<b>Related companies</b>				
<b>Under common directors</b>				
Thai Foods Group Plc.				
Investment in ordinary shares	88,868,494	107,755,140	88,868,494	107,755,140
Crystal Sealed Professional Car Coating Co., Ltd.				
Investment in ordinary shares	37,800,000	-	37,800,000	-

29.2 Significant transactions with related parties for the years ended December 31, 2019 and 2018 are as follows:

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS		Pricing policy
	For the years ended		For the years ended		
	December 31,		December 31,		
	2019	2018	2019	2018	
	Baht	Baht	Baht	Baht	
<b>Subsidiaries</b>					
Innotech Asset Management Co., Ltd.					
Interest income from Bill of exchange	-	-	-	4,230,137	At the rate determined under the contract
Investment in Bill of exchange	-	-	-	160,000,000	Investment value
Withdrawal from Bill of exchange	-	-	-	240,000,000	Investment value
Interest income from short-term loans	-	-	949,296	351,644	At the rate determined under the contract 5% per year
Service fee Income	-	-	4,730,000	-	At the rate determined under the contract of Baht 430,000 per month (see Note 29.3.4)
Rental income	-	-	804,375	-	At the rate determined under the contract of Baht 73,125 per month
Other income	-	-	545,802	-	At the actual rate
Lumpini Asset Management Co., Ltd.					
Rental income	-	-	105,705	264,600	At the rate determined under the contract of Baht 22,050 per month and Baht 7,605 per month since February 1, 2019 onward
SE Digital Co., Ltd.					
Service fee Income	-	-	5,170,000	-	At the rate determined under the contract of Baht 470,000 per month (see Note 29.3.5)
Rental income	-	-	480,870	-	At the rate determined under the contract of Baht 80,145 per month
Other income	-	-	28,104	-	At the actual rate
Interest expenses from short-term loans	-	-	702,869	-	At the rate determined under the contract 3.5% per year
<b>Associates</b>					
Krungthai Zmico Securities Co., Ltd. (formerly KT ZMICO Securities Co., Ltd.)					
Interest income from Bill of exchange	341,880	-	341,880	-	At the rate determined under the contract
Investment in Bill of exchange	199,658,120	-	199,658,120	-	Investment value
Withdrawal from Bill of exchange	199,658,120	-	199,658,120	-	Investment value
Research fee	3,000,000	3,000,000	3,000,000	3,000,000	At the rate determined under the contract of Baht 250,000 per month (see Note 29.3.2)
Other income	2,250,000	-	2,250,000	-	At the rate determined under the contract
Service expenses	616,320	2,169,960	616,320	2,169,960	At the rate determined under the contract (see Note 29.3.1)
Other fee expenses	1,305,645	1,803,558	1,305,645	1,803,558	At the rate determined under the contract
Management fee of private fund	878,583	640,544	878,583	640,544	At the rate determined under the contract (see Note 29.3.3)
Investment in private fund manage by associates	-	156,045,620	-	156,045,620	Investment value
Withdrawal private fund manage by associates	110,045,620	46,000,000	110,045,620	46,000,000	Investment value
Scentimental (Thailand) Co., Ltd.					
Interest received from Bill of exchange	4,998,923	6,299,204	4,998,923	6,299,204	At the rate determined under the contract
Investment in Bill of exchange	76,277,564	133,666,625	76,277,564	133,666,625	Investment value
Withdrawal from Bill of exchange	128,508,077	133,700,796	128,508,077	133,700,796	Investment value
<b>Related with subsidiaries and associate</b>					
Service fee expenses	1,089,600	799,200	-	-	At the rate determined under the contract



For the years ended December 31, 2019 and 2018, compensations paid to key management personnel under TAS 24 (Revised 2018) “Related Party Disclosures” are as follows:

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	For the years ended		For the years ended	
	December 31,		December 31,	
	2019	2018	2019	2018
	Baht	Baht	Baht	Baht
Short-term employee benefits	18,643,619	7,454,129	7,344,619	5,187,013
Post-employment benefits	2,432,813	821,811	1,050,834	710,079
Total	<u>21,076,432</u>	<u>8,275,940</u>	<u>8,385,453</u>	<u>5,897,092</u>

### 29.3 Significant agreements with related parties

29.3.1 On May 28, 2009, the Company entered into the agreement with Krungthai Zmico Securities Co., Ltd. (formerly KT ZMICO Securities Co., Ltd.) for management service of operating, information technology including information system development and technical support, compliance, human resource management, general support and general management. The term of agreement is one year by payment in amount of Baht 150,000 per month. Subsequently, the Company made the agreement to change the fee to be Baht 60,000 per month effectively from July 3, 2017 and to change the fee to Baht 48,000 per month effectively from July 2, 2018 to June 30, 2019. The agreement is automatically extended on an annual basis unless either party notifies another party for the cancellation in written at least 30 days before the expiry date of the agreement in each time.

On June 30, 2016, the Company entered into agreement with Krungthai Zmico Securities Co., Ltd. (formerly KT ZMICO Securities Co., Ltd.) for providing management service of operating. The term of agreement is one year which the Company pays monthly fee and the rate of Baht 210,000. Subsequently, on September 29, 2017, the Company made the agreement to change the fee to be Baht 230,000 per month from October 1, 2017 to December 31, 2018. The agreement is automatically extended on an annual basis unless either party notifies another party for the cancellation in written at least 7 days before the expiry date of the agreement in each time. However, on July 1, 2018, the Company cancelled the agreement.

29.3.2 On May 1, 2013, the Company entered into agreement with Krungthai Zmico Securities Co., Ltd. (formerly KT ZMICO Securities Co., Ltd.) for providing various research papers of offshore. The term of agreement is 2 years and will be expired on April 30, 2015. The agreement is automatically extended for one year each, unless by earlier mutual termination. The Company receives a monthly fee of Baht 250,000.

- 29.3.3 On March 21, 2018, the Company entered into an agreement with Krungthai Zmico Securities Co., Ltd. (formerly KT ZMICO Securities Co., Ltd.) which is associated company. The associated company will manage the Company's fund for two years. Contract, which will be renew for one year each unless either the Company notifies for the cancellation in written. Under the agreement, the Company agreed to pay a management fee at rated of 1.00 - 1.25 percent per annum of the net asset value of the fund.
- 29.3.4 On February 1, 2019, the Company entered into agreement with Innotech Asset Management Co., Ltd. which is subsidiary company for providing service of compliance and internal audit, risk management and accounting. The Company will receive a monthly fee of Baht 430,000 with the term of the agreement of is one year from February 1, 2019 to January 31, 2020. The agreement is automatically extended on an annual basis unless either party notifies another party for the cancellation in written at least 120 days before the expiry date of the agreement in each time.
- 29.3.5 On February 1, 2019, the Company entered into agreement with SE Digital Co., Ltd. which is subsidiary company for providing service of compliance and internal audit, risk management, accounting and corporate administration. The Company will receive a monthly fee of Baht 470,000 with the term of the agreement of is one year from February 1, 2019 to January 31, 2020. The agreement is automatically extended on an annual basis unless either party notifies another party for the cancellation in written at least 120 days before the expiry date of the agreement in each time.

### 30. COMMITMENTS WITH NON-RELATED PARTIES

As at December 31, 2019 and 2018, the Company and its subsidiaries have the following outstanding rental and service commitments under long-term lease agreements for its office building, equipment and vehicle are as follows:

	(Unit: Million Baht)			
	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	As at	As at	As at	As at
	December 31,	December 31,	December 31,	December 31,
	2019	2018	2019	2018
Within 1 year	7.8	0.3	4.4	0.2
Over 1 year to 5 years	10.2	-	4.8	-
Total	18.0	0.3	9.2	0.2

### 31. BUSINESS/GEOGRAPHICAL SEGMENT INFORMATION

Business segment information of the Company and its subsidiaries for the years ended December 31, 2019 and 2018 are as follows:

(Unit: Thousand Baht)				
For the year ended December 31, 2019				
	Securities segment	Asset Management segment	Investment and others segment	Consolidated Financial statement
Revenue from external customers	(15,567)	370	137,967	122,770
Total revenues	(15,567)	370	137,967	122,770
Segment income (loss)	(15,567)	(32,875)	137,967	89,525
Unallocated income and expenses :				
Gain on transfer of business to the associated company				18
Other income				107,754
Servicing and administrative expenses				(118,630)
Income tax - income				2,664
Net profit				81,331

(Unit: Thousand Baht)				
For the year ended December 31, 2018				
	Securities segment	Asset Management segment	Investment And others segment	Consolidated Financial statement
Revenue from external customers	(21,398)	3,127	(86,033)	(104,304)
Total revenues	(21,398)	3,127	(86,033)	(104,304)
Segment income (loss)	(21,398)	(25,039)	(86,033)	(132,470)
Unallocated income and expenses :				
Gain on transfer of business to the associated company				58
Other income				5,295
Servicing and administrative expenses				(83,752)
Income tax - income				15,034
Net loss				(195,835)

Assets classified by segment of the Company as at December 31, 2019 and 2018 were presented as follows:

(Unit: Thousand Baht)						
	Securities segment	Assets Management segment	Investment and others segment	Assets Management segment	Unallocated assets	Consolidated Financial statement
<b>Assets by segment</b>						
As at December 31, 2019	1,297,803	86,270	1,438,388	24,260	98,469	2,945,190
As at December 31, 2018	1,306,638	76,929	921,182	24,314	443,806	2,772,869

### 32. RISK MANAGEMENT

Liquidity risk

The Company

Under the Notification of the Office of the Securities and Exchange Commission No. KorThor. 35/2560 regarding “Net Liquid Capital Ratio - NCR”, securities company is required to maintain its net liquid capital at the end of working day not less than Baht 15 million and not less than 7% of general liabilities.

The Company was granted securities business licenses of derivatives agent under the Derivative Act. The Company has to maintain its net liquid capital at the end of working day at least Baht 25 million and at least 7% of general liabilities and assets held as collateral except in case the Company discontinued its derivatives agent business and notified to the Office of the Securities and Exchange Commission, the Company has to maintain its net liquid capital as mentioned in the above paragraph.

Additionally, in accordance with the regulation of Thailand Clearing House Co., Ltd. (“TCH”) chapter 300 “Ordinary Members” regarding the “Qualification of Ordinary Membership”, the Ordinary Membership is required to have owners’ equity at least Baht 500 million for membership operating especially in derivatives business.

However, as at December 31, 2019 and 2018, the Company is not required to maintain its net liquid capital and equity per those requirements as it was granted by the Office of the Securities and Exchange Commission to temporarily cease its operation on securities and derivative businesses (see Note 1).

Since May 2, 2013, the Company was approved to reactivate its investment advisory service, the Company is required to maintain its net liquid capital according to the Notification of the Securities and Exchange Commission No. KorThor. 4/2561 regarding “Ongoing capital adequacy of some specific intermediaries”.

As at December 31, 2019 and 2018, the Company is able to maintain its net liquid capital more than the condition.

#### Subsidiaries

Under the Notification of the Office of the Securities and Exchange Commission No. KorNor. 20/2552, regarding “The Capital Adequacy of Management Company”, the asset management company has to maintain owners’ equity at least Baht 20 million for mutual fund management business, at least Baht 20 million for private fund management business with provident fund and at least Baht 10 million for private fund management business without provident fund management. Under the Notification of the Office of the Securities and Exchange Commission No. ThorNor. 42/2552, regarding “The Responsibility Insurance of Management Company and the Notification for Capital Adequacy of Management Company”, the warning level at Baht 30 million for mutual fund management business, the warning level at Baht 30 million for private fund management business with provident fund and the warning level at Baht 15 million for private fund management business without provident fund management. In case the Company cannot maintain the capital adequacy over the warning level, the Company has to report to the Office of the Securities and Exchange Commission including the plan to recover its owners’ equity to the warning level.

On January 17, 2018, the Securities and Exchange Commission issued the Notification of the Office of the Securities and Exchange Commission No. KorThor. 3/2561, regarding “The Capital Adequacy of mutual fund management, private fund management, securities brokerage and securities trading, securities underwriting and derivatives fund management” which effective on April 1, 2018. The subsidiary has to maintain the 3 parts of its capital in order to comply with this notification.

1. Owner's equity: The Company has to maintain its equity at least Baht 20 million.
2. Liquid capital: The Company has to maintain its liquid capital at least the average 3 months per year of business operation expenses.
3. Professional Indemnity Insurance: At least either 0.01 percent of net asset value or the amount of an insurance coverage is required.

As at December 31, 2019 and 2018, the subsidiary is able to maintain the capital adequacy which is in accordance with the SEC's regulations (see Note 1).

The periods of time from the end of reporting period to the maturity dates of financial instruments as of December 31, 2019 and 2018 are as follows:

(Unit: Million Baht)

**CONSOLIDATED FINANCIAL STATEMENTS**  
As at December 31, 2019

Outstanding balances of net financial instruments

	At call	Within 1 year	1 - 5 years	Over 5 years	Not limit	Non- performing receivables	Total
<b>Financial assets</b>							
Cash and cash equivalents	416	-	-	-	-	-	416
Securities business receivables	-	-	-	-	-	43	43
Investments	-	603	3	-	194	-	800
Total	416	603	3	-	194	43	1,259
<b>Financial liabilities</b>							
Other borrowings	-	148	-	-	-	-	148
Total	-	148	-	-	-	-	148

(Unit: Million Baht)

**CONSOLIDATED FINANCIAL STATEMENTS**  
As at December 31, 2018

Outstanding balances of net financial instruments

	At call	Within 1 year	1 - 5 years	Over 5 years	Not limit	Non- performing receivables	Total
<b>Financial assets</b>							
Cash and cash equivalents	352	-	-	-	-	-	352
Securities business receivables	-	-	-	-	-	63	63
Investments	-	259	-	-	476	-	735
Total	352	259	-	-	476	63	1,150
<b>Financial liabilities</b>							
Other borrowings	-	528	-	-	-	-	528
Total	-	528	-	-	-	-	528

(Unit: Million Baht)

SEPARATE FINANCIAL STATEMENTS

As at December 31, 2019

Outstanding balances of net financial instruments

	At call	Within 1 year	1 - 5 years	Over 5 years	Not limit	Non- performing receivables	Total
<b>Financial assets</b>							
Cash and cash equivalents	290	-	-	-	-	-	290
Securities business receivables	-	-	-	-	-	43	43
Investments	-	583	-	-	194	-	777
Loan	-	19	-	-	-	-	19
<b>Total</b>	<b>290</b>	<b>602</b>	<b>-</b>	<b>-</b>	<b>194</b>	<b>43</b>	<b>1,129</b>
<b>Financial liabilities</b>							
Other borrowings	-	498	-	-	-	-	498
<b>Total</b>	<b>-</b>	<b>498</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>498</b>

(Unit: Million Baht)

SEPARATE FINANCIAL STATEMENTS

As at December 31, 2018

Outstanding balances of net financial instruments

	At call	Within 1 year	1 - 5 years	Over 5 years	Not limit	Non- performing receivables	Total
<b>Financial assets</b>							
Cash and cash equivalents	288	-	-	-	-	-	288
Securities business receivables	-	-	-	-	-	63	63
Investments	-	224	-	-	476	-	700
Loan	-	-	19	-	-	-	19
<b>Total</b>	<b>288</b>	<b>224</b>	<b>19</b>	<b>-</b>	<b>476</b>	<b>63</b>	<b>1,070</b>
<b>Financial liabilities</b>							
Other borrowings	-	528	-	-	-	-	528
<b>Total</b>	<b>-</b>	<b>528</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>528</b>

## 32.2 Significant financial instruments risk

As at December 31, 2019 and 2018, the Company and its subsidiaries have not speculated in or engaged in trading of any off-financial position financial derivatives instruments.

### 32.2.1 Interest rate risk

Interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates and it will affect the operation results of the Company and its subsidiaries and their cash flows:

(Unit : Million Baht)

CONSOLIDATED FINANCIAL STATEMENTS										
As at December 31, 2019										
Outstanding balances of net financial instruments										
repricing or maturity dates										
	Floating	At call	Within	1-5 years	Over	Non-	No	Total	Interest rate (Percent)	
	interest		1 year		5 years	performing			interest	Floating
	rate					receivables			rate	rate
<b>Financial assets</b>										
Cash and cash equivalents	369	-	-	-	-	-	47	416	0.375 - 1.20	-
Securities business receivables	-	-	-	-	-	43	-	43	-	-
Investments	-	-	603	3	-	-	194	800	-	1.60 - 9.00
<b>Total</b>	<b>369</b>	<b>-</b>	<b>603</b>	<b>3</b>	<b>-</b>	<b>43</b>	<b>241</b>	<b>1,259</b>		
<b>Financial liabilities</b>										
Other borrowings	-	-	148	-	-	-	-	148	-	3.50
<b>Total</b>	<b>-</b>	<b>-</b>	<b>148</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>148</b>		

(Unit : Million Baht)

CONSOLIDATED FINANCIAL STATEMENTS										
As at December 31, 2018										
Outstanding balances of net financial instruments										
repricing or maturity dates										
	Floating	At call	Within	1-5 years	Over	Non-	No	Total	Interest rate (Percent)	
	interest		1 year		5 years	performing			interest	Floating
	rate					receivables			rate	rate
<b>Financial assets</b>										
Cash and cash equivalents	289	-	-	-	-	-	63	352	0.375 - 1.20	-
Securities business receivables	-	-	-	-	-	63	-	63	-	-
Investments	-	-	259	-	-	-	476	735	-	1.25-13.00
<b>Total</b>	<b>289</b>	<b>-</b>	<b>259</b>	<b>-</b>	<b>-</b>	<b>63</b>	<b>539</b>	<b>1,150</b>		
<b>Financial liabilities</b>										
Other borrowings	-	-	528	-	-	-	-	528	-	4.00
<b>Total</b>	<b>-</b>	<b>-</b>	<b>528</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>528</b>		

(Unit : Million Baht)

SEPARATE FINANCIAL STATEMENTS

As at December 31, 2019

Outstanding balances of net financial instruments  
repricing or maturity dates

	Floating interest rate	At call	Within			Non- performing receivables	No interest	Total	Interest rate (Percent)	
			1 year	1-5 years	Over 5 years				Floating rate	Fixed rate
<b>Financial assets</b>										
Cash and cash equivalents	258	-	-	-	-	-	32	290	0.375-1.20	-
Securities business receivables	-	-	-	-	-	43	-	43	-	-
Investments	-	-	583	-	-	-	194	777	-	6.35-9.00
Loan	-	-	19	-	-	-	-	19	-	5.00
<b>Total</b>	<b>258</b>	<b>-</b>	<b>602</b>	<b>-</b>	<b>-</b>	<b>43</b>	<b>226</b>	<b>1,129</b>		
<b>Financial liabilities</b>										
Other borrowing	-	-	498	-	-	-	-	498	-	3.50
<b>Total</b>	<b>-</b>	<b>-</b>	<b>498</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>498</b>		

(Unit : Million Baht)

SEPARATE FINANCIAL STATEMENTS

As at December 31, 2018

Outstanding balances of net financial instruments  
repricing or maturity dates

	Floating interest rate	At call	Within			Non- performing receivables	No interest	Total	Interest rate (Percent)	
			1 year	1-5 years	Over 5 years				Floating rate	Fixed rate
<b>Financial assets</b>										
Cash and cash equivalents	225	-	-	-	-	-	63	288	0.375 - 1.20	-
Securities business receivables	-	-	-	-	-	63	-	63	-	-
Investments	-	-	224	-	-	-	476	700	-	9.00 - 12.00
Loan	-	-	-	19	-	-	-	19	-	5.00
<b>Total</b>	<b>225</b>	<b>-</b>	<b>224</b>	<b>19</b>	<b>-</b>	<b>63</b>	<b>539</b>	<b>1,070</b>		
<b>Financial liabilities</b>										
Other borrowing	-	-	528	-	-	-	-	528	-	4.00
<b>Total</b>	<b>-</b>	<b>-</b>	<b>528</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>528</b>		



The average yield on average financial asset balances for interests bearing financial instruments are presented in the following table:

(Unit : Baht)			
<b>CONSOLIDATED FINANCIAL STATEMENTS</b>			
<b>As at December 31, 2019</b>			
<b>Financial Instruments</b>	<b>Average balance</b>	<b>Interest income / Interest expense</b>	<b>Average yield (Percent)</b>
<b>Financial assets</b>			
Cash and cash equivalents	449,457,357	2,276,170	0.51
Investment in debt securities	487,149,380	25,468,761	5.23
Held-to-maturity investment	22,636,837	356,437	1.57
<b>Financial liabilities</b>			
Other borrowings	248,333,333	8,900,053	3.58

  

(Unit : Baht)			
<b>CONSOLIDATED FINANCIAL STATEMENTS</b>			
<b>As at December 31, 2018</b>			
<b>Financial Instruments</b>	<b>Average balance</b>	<b>Interest income / Interest expense</b>	<b>Average yield (Percent)</b>
<b>Financial assets</b>			
Cash and cash equivalents	335,523,990	2,876,497	0.86
Investment in debt securities	547,960,525	59,288,637	10.82
Held-to-maturity investment	23,261,597	332,535	1.43
<b>Financial liabilities</b>			
Other borrowings	722,083,333	28,612,632	3.96

  

(Unit : Baht)			
<b>SEPARATE FINANCIAL STATEMENTS</b>			
<b>As at December 31, 2019</b>			
<b>Financial Instruments</b>	<b>Average balance</b>	<b>Interest income / Interest expense</b>	<b>Average yield (Percent)</b>
<b>Financial assets</b>			
Cash and cash equivalents	214,713,239	1,443,233	0.67
Investment in debt securities	233,936,787	23,335,529	9.98
Loan	35,027,397	1,750,666	5.00
<b>Financial liabilities</b>			
Other borrowings	277,500,000	9,602,922	3.46

  

(Unit : Baht)			
<b>SEPARATE FINANCIAL STATEMENTS</b>			
<b>As at December 31, 2018</b>			
<b>Financial Instruments</b>	<b>Average balance</b>	<b>Interest income / Interest expense</b>	<b>Average yield (Percent)</b>
<b>Financial assets</b>			
Cash and cash equivalents	303,809,325	2,824,166	0.93
Investment in debt securities	532,104,807	59,466,533	11.18
Loan	7,032,877	351,644	5.00
<b>Financial liabilities</b>			
Other borrowings	722,083,333	28,612,632	3.96

### 32.2.2 Credit risk

Credit risk is the risk that the party to a financial instrument will fail to fulfill an obligation causing the Company and its subsidiaries to incur a financial loss. The financial assets of the Company and its subsidiaries are not subject to significant concentration of credit risk. The maximum credit risk exposure is the carrying amount of the financial assets, less provision for losses, as stated in the statements of financial position.

### 32.2.3 Foreign exchange risk

Foreign currency risk is the risk that the value of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Company expects that there may be an effect from changes in exchange rates resulting from a portion of assets in foreign currencies which are not hedged.

As at December 31, 2019, the Company had unhedged foreign currency - denominated assets as follows:

Asset	Foreign currency	Amount (Unit: thousand)	Exchange rate (Baht per foreign exchange rate) as at December 31, 2019
Ordinary shares	Lao People's Democratic Republic LAK	8,325,774	0.003374
Ordinary shares	United States USD	293	29.8855
Ordinary shares	Vietnamese VND	34,414,335	0.001294

### 32.2.4 Market situation risk

The Company's exposure to market situation risk is the risk that volatility on the Stock Exchange of Thailand and The Thailand Futures Exchange will substantially reduce the value of the Company's investments. However, the Company manages such risk at acceptable levels through risk management policies as well as a risk monitoring function.

### 32.2.5 Fair value

The fair value disclosures, considerable judgement is necessarily required in estimation of fair value. Accordingly, the estimated fair value presented here in is not necessarily indicative of the amount that could be realized in a current market exchange. The use of different market assumptions and/or estimation methodologies may have a material effect on the estimated fair value. The following methods and assumptions were used by the Company in estimating fair values of financial instruments.

32.2.5.1 Certain financial assets and financial liabilities of the Company are measured at fair value at the end of reporting period. The following table gives information about how the fair values of these financial assets and financial liabilities and determined.

(Unit : Baht)

Financial assets/ Financial liabilities	CONSOLIDATED FINANCIAL STATEMENTS			Valuation techniques and key inputs
	Fair value		Fair value hierarchy	
	December 31, 2019	December 31, 2018		
<u>Financial Assets</u>				
Investments				
Trading securities				
Listed securities	14,148,784	105,247,574	1	Latest bid prices of the last working day of the reporting period as quoted on the Stock Exchange of Thailand and foreign stock exchange
Unit trust securities	-	382,629	2	Net asset value of the last working day of the reporting period
Debt securities - Corporate bond	3,195,550	-	2	Discount cash flow by future cash flows are estimated based on forward interest rate at the end of the reporting period
Debt securities - Bill of exchange	583,802,331	236,112,869	2	Discount cash flow by future cash flows are estimated based on forward interest rate at the end of the reporting period
Available-for-sale securities				
Listed securities	133,401,107	176,569,011	1	Latest bid prices of the last working day of the reporting period as quoted on the Stock Exchange of Thailand and foreign stock exchange

(Unit : Baht)

Financial assets/ Financial liabilities	SEPARATE FINANCIAL STATEMENTS			Valuation techniques and key inputs
	Fair value		Fair value hierarchy	
	December 31, 2019	December 31, 2018		
<u>Financial Assets</u>				
Investments				
Trading securities				
Listed securities	14,148,784	105,247,574	1	Latest bid prices of the last working day of the reporting period as quoted on the Stock Exchange of Thailand and foreign stock exchange
Unit trust securities	-	382,629	2	Net asset value of the last working day of the reporting period
Debt securities - Bill of exchange	583,802,331	224,872,394	2	Discount cash flow by future cash flows are estimated based on forward interest rate at the end of the reporting period
Available-for-sale securities				
Listed securities	133,401,107	176,569,011	1	Latest bid prices of the last working day of the reporting period as quoted on the Stock Exchange of Thailand and foreign stock exchange

### 32.2.5.2 Financial instruments not measured at fair value

Fair value of financial instruments which are not measured at fair value and their fair value hierarchy level classification is summarized as follows:

(Unit : Baht)

	CONSOLIDATED FINANCIAL STATEMENTS			
	As at December 31, 2019		Fair value hierarchy	Valuation techniques and key inputs
	Carrying Amount Baht	Fair Value Baht		
<u>Financial assets</u>				
Cash and cash equivalents	415,755,834	415,755,834	3	Net present value of expected cash inflow
Held to-maturity investments	19,000,000	19,000,000	3	Net present value of expected cash inflow
General Investment Equity securities	46,007,412	46,007,412	3	Net asset value of invested company
<u>Financial liabilities</u>				
Other Borrowings Bill of Exchange	148,349,296	148,349,296	3	Net present value of expected cash outflow

(Unit : Baht)

	CONSOLIDATED FINANCIAL STATEMENTS			
	As at December 31, 2018		Fair value hierarchy	Valuation techniques and key inputs
	Carrying Amount Baht	Fair Value Baht		
<u>Financial assets</u>				
Cash and cash equivalents	352,445,320	352,445,320	3	Net present value of expected cash inflow
Held to-maturity investments	23,289,155	23,289,155	3	Net present value of expected cash inflow
General Investment Equity securities	193,303,152	193,303,152	3	Net asset value of invested company
<u>Financial liabilities</u>				
Other Borrowings Bill of Exchange	528,062,334	528,062,334	3	Net present value of expected cash outflow

(Unit : Baht)

	SEPARATE FINANCIAL STATEMENTS			
	As at December 31, 2019		Fair value hierarchy	Valuation techniques and key inputs
	Carrying Amount Baht	Fair Value Baht		
<u>Financial assets</u>				
Cash and cash equivalents	289,709,185	289,709,185	3	Net present value of expected cash inflow
General Investment Equity securities	46,007,412	46,007,412	3	Net asset value of invested company
Loan	19,000,000	19,000,000	3	Net present value of expected cash outflow
<u>Financial liabilities</u>				
Other Borrowings Bill of exchange	148,349,296	148,349,296	3	Net present value of expected cash outflow
Loan	350,000,000	350,000,000	3	Net present value of expected cash outflow

(Unit : Baht)

	SEPARATE FINANCIAL STATEMENTS		Fair value hierarchy	Valuation techniques and key inputs
	As at December 31, 2018			
	Carrying Amount	Fair Value		
	Baht	Baht		
<u>Financial assets</u>				
Cash and cash equivalents	288,040,386	288,040,386	3	Net present value of expected cash inflow
General Investment Equity securities	193,303,152	193,303,152	3	Net asset value of invested company
Loan	19,000,000	19,000,000	3	Net present value of expected cash outflow
<u>Financial liabilities</u>				
Other Borrowings	528,062,334	528,062,334	3	Net present value of expected cash outflow
Bill of exchange				

### 33. TRANSFER OF BUSINESS

On May 1, 2009, the Company transferred its business and margin loan accounts to Krungthai Zmico Securities Co., Ltd. (formerly KT ZMICO Securities Co., Ltd.), an associated company, in accordance with a partnership plan to develop securities business with Krung Thai Bank Plc. The Company received returns from the transfer of business in the total amount of Baht 500 million. At the end of year 2011, the Company recognized the entire amount of consideration from the transfer of business of Baht 500 million as the associated company was able to generate 3-year cumulative EBITDA from 2009 - 2011 according to the criteria specified in the agreement.

The Company recognized such gain on transfer of business to an associated company as income in the consolidated financial statements according to the shareholding percentage of the third parties in the associated company. The remaining amount was presented as “unrealized gain on transfer of business to an associated company”. The Company will realize such “unrealized gain on transfer of business to an associated company” as income when the Company has lower percentage of shareholding in the associated company and when the associated company calculates depreciation or sells such transferred assets to the third parties.

For the years ended December 31, 2019 and 2018, the Company recognized additional gain on transfer of business to the associated company of Baht 0.02 million and Baht 0.06 million, respectively.

As at December 31, 2019 and 2018, the remaining amount of unrealized gain on transfer of business to an associated company were Baht 148.20 million and Baht 148.22 million, respectively.

**34. LITIGATIONS**

On March 18, 2019, the Company and an associated company have been jointly sued for the infringement in one financial service.

On November 20, 2019, the Company, an associated company and a third party have been jointly sued from seven prosecutors for the infringement in the same case mentioned above.

At the present, the cases are under the consideration of the Civil Court. The Company's management and lawyer have considered and believed that the Company has sufficient evidence to refute the allegations for both cases.

**35. EVENT AFTER THE REPORTING PERIOD**

On February 14, 2020, the Extraordinary General Meeting of Innotech Asset Management Co., Ltd. which is the Company's subsidiary passed the resolution to decrease the registered and paid-up capital from Baht 112.70 million to Baht 67.62 million by decreasing ordinary shares from 22,540,000 shares to 13,524,000 shares at par value of Baht 5 for reduce retained deficit.

**36. APPROVAL OF THE FINANCIAL STATEMENTS**

These financial statements have been approved for issuing by the audit committee and authorized director of the Company on February 19, 2020.