

**SEAMICO CAPITAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES  
(FORMERLY SEAMICO SECURITIES PUBLIC COMPANY LIMITED)  
NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2020**

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

Seamico Capital Public Company Limited (formerly 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 located at 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., 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.

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 successfully returned the securities business licenses due to the Office of the Securities and Exchange Commission. This is because the Company has made investment in other businesses that have potential and such securities business licenses are not required which was effective since December 8, 2020 onward.

On December 17, 2020, the Company had registration to change the Company's name from "Seamico Securities Public Company Limited" to be "Seamico Capital Public Company Limited" to make it in line with the current business operation of the Company.

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.

### **Coronavirus Disease 2019 Pandemic**

The Coronavirus disease 2019 ("COVID-19") pandemic is continuing to evolve, resulting in an economic slowdown and adversely impacting most businesses and industries. This situation may bring uncertainties and have an impact on the environment in which the group operates. Nevertheless, the Group's management will continue to monitor the ongoing development and regularly assess the financial impact in respect of valuation of assets, provisions and contingent liabilities.

## **2. BASIS FOR PREPARATION AND PRESENTATION 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 Group's financial statements have been prepared in accordance with the Thai Accounting Standard (TAS) No. 1 "Presentation of Financial Statements", which was effective for financial periods beginning on or after January 1, 2019 onward, and the Regulation of The Stock Exchange of Thailand (SET) dated October 2, 2017, regarding the preparation and submission of financial statements and reports for the financial position and results of operations of the listed companies B.E. 2560 and the Notification of the Department of Business Development regarding "The Brief Particulars in the Financial Statement (No.3) B.E. 2562" dated December 26, 2019.

During the year 2020, the Company successfully returned the securities business licenses due to the Office of the Securities and Exchange Commission which was effective since December 8, 2020 onward. This effect to the Company's financial statement format which previously use the form of financial statement for securities companies in accordance with the regulations of the Office of the Securities and Exchange Commission change to the Notification of the Department of Business Development. The consolidated and separate statements of financial position as at December 31, 2019 and the related consolidated and separate statements of comprehensive income for the year ended December 31, 2019 have been reclassified accordingly.

The consolidated and separate statements of financial position as at December 31, 2019 have been reclassified to conform to the classification used in the consolidated and separate statements of financial position as at December 31, 2020 as follows:

<b>Unit: Baht</b>				
<b>As at December 31, 2019</b>				
	<b>CONSOLIDATED FINANCIAL STATEMENTS</b>	<b>SEPARATE FINANCIAL STATEMENTS</b>	<b>Previous Classification</b>	<b>New Classification</b>
Trade and other current receivables	26,950	-	Accrued fees and service income from asset management business	Trade and other current receivables
Trade and other current receivables	24,209,296	5,317,439	Other asset	Trade and other current receivables
Other current financial asset	620,146,665	597,951,115	Investment	Other current financial asset
Other current assets	5,759,041	696,637	Other asset	Other current assets
Other non-current financial asset	179,408,519	179,408,519	Investment	Other non-current financial asset
Other non-current assets	29,045,335	4,492,589	Other asset	Other non-current assets
Trade and other-current payables	3,349	-	Accrued fees and service expenses from asset management business	Trade and other-current payables
Trade and other-current payables	174,600	174,600	Other liabilities	Trade and other-current payables
Other current liabilities	24,742,156	18,899,886	Other liabilities	Other current liabilities
Other non-current liabilities	12,034,875	12,034,875	Other liabilities	Other non-current liabilities

The consolidated and separate statements of comprehensive income for the year ended December 31, 2019 have been reclassified to conform to the classification used in the consolidated and separate statements of comprehensive income for the year ended December 31, 2020 as follows:

Unit: Baht

	For the year ended December 31, 2019		Previous Classification	New Classification
	CONSOLIDATED FINANCIAL STATEMENTS	SEPARATE FINANCIAL STATEMENTS		
Interest incomes	2,781,461	3,198,083	Gains (losses) and return on financial instruments	Interest incomes
Gains (loss) on investment	(506,619)	(506,619)	Reversal impairment loss from investments	Gains (loss) on investment
Dividend income	8,792,731	8,792,731	Gains (losses) and return on financial instruments	Dividend income
Reversal expected credit loss	39,866,201	-	Reversal impairment loss from investments	Reversal expected credit loss

### 2.3 Basis of consolidated financial statements

- (a) The consolidated financial statements include the financial statements of Seamico Capital Public Company Limited (formerly 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	
			As at December 31, 2020	As at December 31, 2019	As at December 31, 2020	As at December 31, 2019	For the year ended December 31, 2020 2019	
			Percent	Percent	Percent	Percent	Percent	Percent
Innotech Asset Management Co., Ltd.	Asset Management	Thailand	100	100	3	3	2	1
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	14	15	55	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 Group 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, 2020. 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 Group's financial statements, except the financial reporting standards:

#### 3.1.1 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

TFRS 9 introduced new requirements for:

- 1) The classification and measurement of financial assets and financial liabilities
- 2) Impairment of financial assets

The Company has applied TFRS 9 in accordance with the transition provisions set out in TFRS 9

1) Classification and measurement of financial assets and liabilities

The date of initial application, the Company has assessed its existing financial assets and financial liabilities in terms of the requirements of TFRS 9 is January 1, 2020. Accordingly, the Company has applied the requirements of TFRS 9 to instruments that continue to be recognized as at January 1, 2020 and has not applied the requirements to instruments that have already been derecognized as at January 1, 2020. Comparative amounts in relation to instruments that continue to be recognized as at January 1, 2020 have not been restated.

Classification and measurement of financial asset

All recognized financial assets that are within the scope of TFRS 9 are required to be measured subsequently at amortized cost or fair value on the basis of the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets, specifically:

- Debt instruments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal amount outstanding, are measured subsequently at amortized cost;
- Debt instruments that are held within a business model whose objective is both to collect the contractual cash flows and to sell the debt instruments, and that have contractual cash flows that are solely payments of principal and interest on the principal amount outstanding, are measured subsequently at fair value through other comprehensive income (FVTOCI);
- All other debt investments and equity investments are measured subsequently at fair value through profit or loss (FVTPL).

Despite the a foregoing, the Company may take the following irrevocable election/designation at initial recognition of a financial asset;

- The Group may irrevocably elect to present subsequent changes in fair value of an equity investment that is neither held for trading nor contingent consideration recognized by an acquirer in a business combination in other comprehensive income.
- The Group may irrevocably designate a debt investment that meets the amortized cost or FVTOCI criteria as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch.

When a debt investment measured at FVTOCI is derecognized, the cumulative gain or loss previously recognized in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment.

When an equity investment designated as measured at FVTOCI is derecognized, the cumulative gain or loss previously recognized in other comprehensive income is subsequently transferred to retained earnings.

Debt instruments that are measured subsequently at amortized cost or at FVTOCI are subject to impairment.

The Group's management reviewed and assessed the Company's existing financial assets as at January 1, 2020 based on the facts and circumstances that existed at that date and concluded that the initial application of TFRS 9 has had impact on the Company's financial assets as regards their classification and measurement as the followings:

- The Group's investments in equity instruments (neither held for trading nor a contingent consideration arising from a business combination) that were previously classified as investments held as available-for-sale and were measured at fair value at each reporting date under TAS 105 "Accounting for Investments in Debt and Equity Securities" have been designated as at FVTOCI. The change in fair value on these equity instruments continues to be accumulated in the investment revaluation reserve;
- There is no change in the measurement of the Company's investments in equity instruments that are held for trading; those instruments were and continue to be measured at FVTPL;
- Investments classified as held-to-maturity under TAS 105 "Accounting for Investments in Debt and Equity Securities" and loans and receivables as they are held within a business model to collect contractual cash flows and interest on the principal amount outstanding, are measured subsequently at amortizing cost.

#### Classification and measurement of financial liabilities

A significant change introduced by TFRS 9 in the classification and measurement of financial liabilities relates to the accounting for changes in the fair value of a financial liability designated as at FVTPL attributable to changes in the credit risk of the issuer.

Specifically, TFRS 9 requires that the changes in the fair value of the financial liability that is attributable to changes in the credit risk of that liability be presented in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. Changes in fair value attributable to a financial liability's credit risk are not subsequently reclassified to profit or loss, but are instead transferred to retained earnings when the financial liability is derecognized.

The application of TFRS 9 has had no impact on the classification and measurement of the Company's financial liabilities.

## 2) Impairment of financial assets

In relation to the impairment of financial assets, TFRS 9 requires an expected credit loss model. The expected credit loss model requires the Company and its subsidiaries to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition of the financial assets. In other words, it is no longer necessary for a credit event to have occurred before credit losses are recognized.

Specifically, TFRS 9 requires the Company and its subsidiaries to recognize a loss allowance for expected credit losses on:

- (1) Debt investments measured subsequently at amortized cost or at FVTOCI
- (2) Securities business receivables.

In particular, TFRS 9 requires the Company and its subsidiaries to measure the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses (ECL) if the credit risk on that financial instrument has increased significantly since initial recognition, or if the financial instrument is a purchased or originated credit-impaired financial asset. However, if the credit risk on a financial instrument has not increased significantly since initial recognition (except for a purchased or originated credit-impaired financial asset), the Company and its subsidiaries are required to measure the loss allowance for that financial instrument at an amount equal to 12-months ECL. TFRS 9 also requires a simplified approach for measuring the loss allowance at an amount equal to lifetime ECL for Securities business receivables in certain circumstances.

### Disclosure in relation to the initial application of TFRS 9

The table below shows information relating to financial assets that have been reclassified as a result of transition to TFRS 9.

Unit : Baht			
	CONSOLIDATED FINANCIAL STATEMENT		
	Previous book value by TAS105 As at December 31, 2019	Change in book value Reclassification	New book value by TFRS 9 As at January 1, 2020
<b>Financial assets</b>			
<b>Fair value through profit or loss</b>			
Balance - Trading securities (by TAS 105)	601,146,665	-	601,146,665
Add General investment (by TAS 105)	-	46,007,412	46,007,412
<b>Total fair value through profit or loss</b>	601,146,665	46,007,412	647,154,077
<b>Total financial assets</b>	601,146,665	46,007,412	647,154,077

Unit : Baht			
	SEPARATE FINANCIAL STATEMENT		
	Previous book value by TAS105 As at December 31, 2019	Change in book value Reclassification	New book value by TFRS 9 As at January 1, 2020
<b>Financial assets</b>			
<b>Fair value through profit or loss</b>			
Balance - Trading securities (by TAS 105)	597,951,115	-	597,951,115
Add General investment (by TAS 105)	-	46,007,412	46,007,412
<b>Total fair value through profit or loss</b>	597,951,115	46,007,412	643,958,527
<b>Total financial assets</b>	597,951,115	46,007,412	643,958,527

### 3.1.2 Thai Financial Reporting Standards No. 16 “Leases” (“TFRS 16”)

TFRS 16 provides a comprehensive model for the identification of lease arrangements and their treatment in the financial statements of both lessees and lessors. This TFRS superseded 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 an 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 has applied this financial reporting standards using the cumulative catch-up approach which does not restate the comparatives and recognized the cumulative effect of initially applying TFRS 16 at January 1, 2020.

#### Impact of the new definition of a lease

The change in definition of a lease mainly relates to the concept of control. TFRS 16 determines whether a contract contains a lease on the basis of whether the customer has the right to control the use of an identified asset for a period of time in exchange for consideration. This is in contrast to the focus on “risk and rewards” in TAS 17 and TFRIC 4.

The Company applies the definition of a lease and related guidance set out in TFRS 16 to all lease contracts entered into or changed on or after January 1, 2020 (whether it is a lessor or a lease in the lease contract). In preparation for the first-time application TFRS 16, the Company has carried out an implementation project. The project has shown that the new definition in TFRS 16 will not significantly change the scope of contracts that meet the definition of a lease for the Company.

#### Impact on Lessee Accounting

TFRS 16 changes how the Company accounts for lease previously classified as operating leases under TAS 17, which were off balance sheet.

Applying TFRS 16, for all leases (except as noted below), the Company:

- 1) Recognises right-of-use assets and lease liabilities in the consolidated and separate statement of financial position, initially measured at the present value of the future lease payments, with the right-of-use asset adjusted by the amount of any prepaid or accrued lease payments in accordance with TFRS 16.
- 2) Recognises depreciation of right-of-use assets and interest on lease liabilities in the statement of comprehensive income.

- 3) Separates the total amount of cash paid into a principal portion (presented within financing activities) and interest (presented within financing activities) in the statement of cash flows.
- 4) Lease incentives (e.g. rent free period) are recognized as part of the measurement of the right-of-use assets and lease liabilities whereas under TAS 17 they resulted in the recognition of a lease incentive, amortised as a reduction of rental expenses on a straight line basis.
- 5) Under TFRS 16, right-of-use assets are tested for impairment in accordance with TAS 36.

Lease incentives (e.g. rent free period) are recognised as part of the measurement of the right-of-use assets and lease liabilities whereas under TAS 17 they resulted in the recognition of a lease incentive, amortised as a reduction of rental expenses on a straight line basis.

Under TFRS 16, right-of-use assets are tested for impairment in accordance with TAS 36.

For short-term leases (lease term of 12 months or less) and leases of low-value assets, small items, the Company has opted to recognise a lease expense on a straight-line basis as permitted by TFRS 16. This expense is presented within “other expenses” in profit or loss.

The Group has used the following practical expedients when applying the cumulative catch-up approach to leases previously classified as operating leases applying TAS 17.

- The Group has applied a single discount rate to a portfolio of leases with reasonably similar characteristics.
- The Group has elected not to recognise right-of-use assets and lease liabilities to leases for which the lease term end within 12 months of the date of initial application.
- The Group has excluded initial direct costs from the measurement of the right-of-use asset at the date of initial application.
- The Group has used hindsight when determining the lease term when the contract contains options to extend or terminate the lease.

#### Financial impact of the initial application of TFRS 16

The Group recognized lease liabilities in relation to leases, which had previously been classified as operating leases under the principles of TAS 17. The right-of-use assets were measured at its carrying amount as if TFRS 16 had been applied since the commencement date, but discounted using the lessee’s incremental borrowing rate at the date of initial application. These liabilities were measured at the present value of the remaining lease payments, discounted using the Company’s Group’s incremental borrowing rates. The weight average lessees incremental borrowing rate applied to lease liabilities recognized in the statement of financial position on January 1, 2020 are 3% - 5%.

The following table shows the operating lease commitments disclosed applying TAS 17 at December 31, 2019, discounted using incremental borrowing rate at the date of initial application and the lease liabilities recognized in the statement of financial position at the date of initial application.

Impact recognized as at January 1, 2020:

	<b>CONSOLIDATED FINANCIAL STATEMENTS</b>	<b>Unit : Baht SEPARATE FINANCIAL STATEMENTS</b>
Operating lease commitments disclosed as at December 31, 2019	17,961,699	9,258,831
<u>Less</u> Lease for which the underlying asset is of low value	(281,840)	(119,840)
<u>Less</u> Contracts reassessed as service agreements	<u>(9,988,762)</u>	<u>(5,630,741)</u>
	7,691,097	3,508,250
<u>Less</u> Deferred interest expenses	<u>(3,308,274)</u>	<u>(1,195,399)</u>
Additional lease liabilities from TFRS 16 adoption	4,382,823	2,312,851
Finance lease liabilities as at December 31, 2019	<u>9,373,063</u>	<u>5,290,317</u>
Lease liabilities recognized as at January 1, 2020	<u><u>13,755,886</u></u>	<u><u>7,603,168</u></u>

The recognized right-of-use assets relate to the following types of assets:

	<b>CONSOLIDATED FINANCIAL STATEMENTS</b>	<b>Unit : Baht SEPARATE FINANCIAL STATEMENTS</b>
<b>As at January 1, 2020</b>		
Building	12,292,497	6,018,384
Vehicles	<u>1,276,277</u>	<u>-</u>
Total right-of-use assets	<u><u>13,568,774</u></u>	<u><u>6,018,384</u></u>

As at December 31, 2020, the consolidated financial statement presented right-of-use assets included in building improvements and equipment items amounting to Baht 16.19 million (see Note 13) and lease liabilities included in other non-current liabilities amounting to Baht 16.90 million (see Note 20) in the consolidated financial statements.

As at December 31, 2020, the separated financial statement presented right-of-use assets included in building improvements and equipment items amounting to Baht 7.58 million (see Note 13) and lease liabilities included in other non-current liabilities amounting to Baht 8.96 million (see Note 20) in the separate financial statements.

In addition, the Federation of Accounting Professions has announced two Accounting Treatment Guidances, which have been announced in the Royal Gazette on April 22, 2020, detail as follows

Accounting Treatment Guidance on “The temporary relief measures for entities supporting their debtors who effected from the situations that affected Thailand’s economy”

The objective of this accounting treatment guidance is to grant the temporary relief measures for entities helping their debtors who effected from the situations that affected Thailand’s economy with the helping period during January 1, 2020 to December 31, 2021 or until there are any changes from the Bank of Thailand, which require the compliance for such changes. The entities who support their debtors and elect to apply this accounting treatment guidance should be comply with all relief measures specified in this accounting treatment guidance.

The Group has not adopted such accounting treatment guidance.

Accounting Treatment Guidance on “The temporary relief measures for additional accounting alternatives to alleviate the impacts from COVID-19 outbreak”

This accounting treatment guidance is the option for all entities applying Financial Reporting Standards for Publicly Accountable Entities. Since the preparation of financial statements during the period, which COVID-19 situation still be highly uncertainty as at the end of reporting period may cause the entities’ management to use the critical judgment in the estimation or the measurement and recognition of accounting transactions. Objective of this accounting treatment guidance is to alleviate some of the impact of applying certain financial reporting standards, and to provide clarification about accounting treatments during the period of uncertainty relating to this situation. The entities can apply this accounting treatment guidance for the preparation of financial statements with the reporting period ending within the period from January 1, 2020 to December 31, 2020.

The Group has elected to apply the following temporary relief measures

- Not to account for any reduction in lease payments by lessors as a lease modification, with the lease liabilities that come due in each period reduced in proportion to the reduction and depreciation of right-of-use assets and interest on lease liabilities recognised in each period reversed in proportion to the reduction, with any differences then recognised in profit or loss.
- Not to consider the COVID-19 situation as an indication that an asset may be impaired in accordance with TAS 36, Impairment of Assets.
- Not to use information relating to the COVID-19 situation that may affect the cash flow forecasts used in testing impairment of investment in associated companies.

### 3.2 Thai Financial Reporting Standard No.16 “Leases”

TFRS 16 has been amended for the Rent Concessions related to COVID-19, which is effective from 1 June 2020 with earlier application permitted. The amendment permits lessees, as a practical expedient, not to assess whether rent concessions that occur as a direct consequence of the COVID-19 pandemic and meet specified conditions are lease modifications and, instead, to account for those rent concessions as if they were not lease modifications. In addition, the revised TFRS 16 also added the requirements for the temporary exception arising from interest rate benchmark reform, which an entity shall apply these amendments for annual reporting periods beginning on or after January 1, 2022 with earlier application permitted. This revised TFRS 16 has been announced in the Royal Gazette on January 27, 2021.

### 3.3 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, 2021 onwards. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards, with most of the changes directed towards revisions to references to the Conceptual Framework in TFRSs, except for the revisions of definitions and accounting requirements as follows:

## Conceptual Framework for Financial Reporting

The revised Conceptual Framework for Financial Reporting consisted of the revised definitions and recognition criteria of asset and liability as well as new guidance on measurement, derecognition of asset and liability, presentation and disclosure. In addition, this Conceptual Framework for Financial Reporting clearly clarifies management's stewardship of the entity's economic resources, prudence, and measurement uncertainty of financial information.

### Definition of Business

The revised Thai Financial Reporting Standard No.3 "Business Combinations" clearly clarifies the definition of business and introduce an optional concentration test. Under the optional concentration test, the acquired set of activities and assets is not a business if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar assets. This revised financial reporting standard requires prospective method for such amendment. Earlier application is permitted.

### Definition of Materiality

The revised definition of materiality resulted in the amendment of Thai Accounting Standards No.1 "Presentation of Financial Statements" and Thai Accounting Standards No.8 "Accounting Policies, Changes in Accounting Estimates and Errors", including other financial reporting standards which refer to materiality. This amendment is intended to make the definition of material to comply with the Conceptual Framework which requires prospective method for such amendment. Earlier application is permitted.

### The Interest Rate Reform

Due to the interest rate reform, there are the amendments of specific hedge accounting requirements in Thai Financial Reporting Standard No.9 "Financial Instruments" and Thai Financial Reporting Standard No.7 "Financial Instruments: Disclosures".

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.

## **4. SIGNIFICANT ACCOUNTING POLICIES**

### 4.1 Revenue and expense recognition

#### 4.1.1 Fees and services income

##### Fee from digital asset business

ICO portal fee income is recognized when the Company has satisfied its performance obligation in providing the promised service to the customer, and recognized based on contractual rate agreed with customers. Accordingly, the revenue is recognized at over time.

#### 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.

#### 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 based on the effective interest rate.

#### 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.

#### 4.5 Trade and other current receivables

Trade receivables, other receivables are stated at their invoice value less allowance for expected credit losses.

The allowance for expected credit losses has disclosed in Note 4.6.

#### 4.6 Financial instruments

##### ***Policies applicable from January 1, 2020***

Financial assets and financial liabilities are recognized in the consolidated statement of financial position when the group becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss.

##### **Financial assets**

All recognized financial assets are measured subsequently in their entirety at either amortized cost or fair value, depending on the classification of the financial assets.

##### Classification and measurement of financial assets

All recognized financial assets that are within the scope of TFRS 9 are required to be measured subsequently at amortized cost or fair value on the basis of the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets, specifically:

- Debt instruments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal amount outstanding, are measured subsequently at amortized cost;
- Debt instruments that are held within a business model whose objective is both to collect the contractual cash flows and to sell the debt instruments, and that have contractual cash flows that are solely payments of principal and interest on the principal amount outstanding, are measured subsequently at fair value through other comprehensive income (FVTOCI);
- All other debt investments and equity investments are measured subsequently at fair value through profit or loss (FVTPL).

Despite the a foregoing, the Company may take the following irrevocable election/designation at initial recognition of a financial asset;

- The Group may irrevocably elect to present subsequent changes in fair value of an equity investment that is neither held for trading nor contingent consideration recognized by an acquirer in a business combination in other comprehensive income
- The Group may irrevocably designate a debt investment that meets the amortized cost or FVTOCI criteria as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch,

When a debt investment measured at FVTOCI is derecognized, the cumulative gain or loss previously recognized in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment. When an equity investment designated as measured at FVTOCI is derecognized, the cumulative gain or loss previously recognized in other comprehensive income is subsequently transferred to retained earnings.

Debt instruments that are measured subsequently at amortized cost or at FVTOCI are subject to impairment. The Group's management reviewed and assessed the Company's existing financial assets as at January 1, 2020 based on the facts and circumstances that existed at that date and concluded that the initial application of TFRS 9 has had impact on the Company's financial assets as regards their classification and measurement as the followings:

- The Group's investments in equity instruments (neither held for trading nor a contingent consideration arising from a business combination) that were previously classified as investments held as available-for-sale and were measured at fair value at each reporting date under TAS 105 "Accounting for Investments in Debt and Equity Securities" have been designated as at FVTOCI. The change in fair value on these equity instruments continues to be accumulated in the investment revaluation reserve;
- There is no change in the measurement of the Group's investments in equity instruments that are held for trading; those instruments were and continue to be measured at FVTPL;
- Investments classified as held-to-maturity under TAS 105 "Accounting for Investments in Debt and Equity Securities" and loans and receivables as they are held within a business model to collect contractual cash flows and interest on the principal amount outstanding, are measured subsequently at amortizing cost.

#### Classification and measurement of financial liabilities

- A significant change introduced by TFRS 9 in the classification and measurement of financial liabilities relates to the accounting for changes in the fair value of a financial liability designated as at FVTPL attributable to changes in the credit risk of the issuer.

- Specifically, TFRS 9 requires that the changes in the fair value of the financial liability that is attributable to changes in the credit risk of that liability be presented in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. Changes in fair value attributable to a financial liability's credit risk are not subsequently reclassified to profit or loss, but are instead transferred to retained earnings when the financial liability is derecognized.
- The application of TFRS 9 has had no impact on the classification and measurement of the Group's financial liabilities.

#### Impairment of financial assets

The Group recognizes a loss allowance for expected credit losses on investments in debt instruments that are measured at amortized cost. The amount of expected credit losses is updated at each reporting period date to reflect changes in credit risk since initial recognition of the respective financial instrument.

The Group recognizes allowance for lifetime ECL when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month ECL. Lifetime ECL represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In contrast, 12-month ECL represents the portion of lifetime ECL that is expected to result from default events on a financial instrument that are possible within 12 months after the reporting date.

#### (i) Write-off policy

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

#### (ii) Measurement and recognition of expected credit losses

The measurement of expected credit losses is a function of the probability of default, loss given default (i.e. the magnitude of the loss if there is a default) and the exposure at default. The assessment of the probability of default and loss given default is based on historical data adjusted by forward-looking information. As for the exposure at default, for financial assets, this is represented by the asset's gross carrying amount at the reporting date; for financial guarantee contracts, the exposure includes the amount drawn down as at the reporting date, together with any additional amounts expected to be drawn down in the future by default date determined based on historical trend, the Group's understanding of the specific future financing needs of the debtors, and other relevant forward-looking information.

For financial assets, the expected credit loss is estimated as the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive, discounted at the original effective interest rate. For a lease receivable, the cash flows used for determining the expected credit losses is consistent with the cash flows used in measuring the lease receivable in accordance with TFRS 16 “Leases”.

For a financial guarantee contracts, as the Group is required to make payments only in the event of a default by the debtor in accordance with the terms of the instrument that is guaranteed, the expected loss allowance is the expected payments to reimburse the holder for a credit loss that it incurs less any amounts that the Group expects to receive from the holder, the debtor or any other party.

If the Group has measured the loss allowance for a financial instrument at an amount equal to lifetime ECL in the previous reporting period, but determines at the current reporting date that the conditions for lifetime ECL are no longer met, the Company measures the loss allowance at an amount equal to 12-month ECL at the current reporting date, except for assets for which simplified approach was used.

The Group recognizes an impairment gain or loss in profit or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account, except for investments in debt instruments that are measured at FVTOCI, for which the loss allowance is recognized in other comprehensive income and accumulated in the investment revaluation reserve, and does not reduce the carrying amount of the financial asset in the statement of financial position.

#### *Derecognition of financial assets*

The Group derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognizes its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received.

On derecognition of a financial asset measured at amortized cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognized in profit or loss. In addition, on derecognition of an investment in a debt instrument classified as at FVTOCI, the cumulative gain or loss previously accumulated in the investments revaluation reserve is reclassified to profit or loss. In contrast, on derecognition of an investment in equity instrument which the Group has elected on initial recognition to measure at FVTOCI, the cumulative gain or loss previously accumulated in the investments revaluation reserve is not reclassified to profit or loss, but is transferred to retained earnings.

## **Financial liabilities**

All financial liabilities are measured subsequently at amortized cost using the effective interest method.

### ***Policies applicable before January 1, 2020***

The allowance for doubtful accounts on securities 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.

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.

***Policies applicable before January 1, 2020***

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.

4.7 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.

4.8 Securities business receivables and allowance for expected credit loss

Securities business receivables comprise three categories which are receivables from securities businesses of cash accounts, loan for securities purchases and other receivables. Receivables from securities 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 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.

#### 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
Right-of-use assets	3 - 5 years

#### Impairment

At the end of reporting period, the Group reviews whether there is an indicator indicating that the assets are impaired. In case there is an indicator, the Group 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 Other intangible assets other than goodwill

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:

Deferred REIT license fees	5 years
Computer software	2 - 5 years

Intangible assets with indefinite useful life consist of other 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 Leases

The Group has applied TFRS 16 using the cumulative catch-up approach and therefore comparative information has not been restated and is presented under TAS 17. The details of accounting policies under both TAS 17 and TFRS 16 are as follows.

##### ***Policies applicable from January 1, 2020***

###### *The Group as lessee*

The Group assesses whether a contract is or contains a lease, at inception of the contract. The Company recognizes a right-of-use asset and corresponding lease liability with respect to all lease arrangements in which it is the lease, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leases assets are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Company uses its incremental borrowing rate.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Company expects to exercise a purchase option, the related right-of-use is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The Group applies TAS 36 to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in the “Building improvements and equipment” policy.

Variable rents that do not depend on an index or rate are not included in the measurement the lease liability and the right-of-use asset. The related payments are recognized as an expense in the period in which the event or condition that triggers those payments occurs and are included in the line “Other expenses” in profit or loss.

***Policies applicable before January 1, 2020***

Long-term lease

4.12.1 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 expenses to the statements of comprehensive income over the lease term.

4.12.2 Finance lease

Lease in which substantially all the risks and rewards of ownership other than legal title are transferred to the Group 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.

4.13 Non-current provisions for employee benefit

4.13.1 Provident fund

The Group 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 expenses in the statements of comprehensive income for the period they incur.

4.13.2 Post-employment benefits

The Group 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 income statement when the plan amendment is effective.

#### 4.13.3 Unused paid vacation leave

The Group 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.

#### 4.14 Provisions

The Company and its subsidiaries recognize provisions in the financial statements when the amount of the liability can be reliable 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.

#### 4.15 Income tax

Income tax comprises current income tax and deferred income tax.

##### 4.15.1 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.

##### 4.15.2 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 offset 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.

#### 4.16 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.

#### 4.17 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.

#### 4.18 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.

#### 4.19 Critical accounting judgments and key source of estimation uncertainty

##### 4.19.1 Use of management's critical judgments in applying accounting policies

The preparation of financial statements in conformity with Thai Financial Reporting Standard also requires the Company's management to exercise 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 revenues and expenses during the reporting period. Although, these estimates are based on management's reasonable consideration of current events, actual results may differ from these estimates.

##### 4.19.2 Key sources of estimation uncertainty

The Group have estimates with the assumptions concerning the future. Although these estimates are based on management's reasonable consideration of current events, actual results may differ from these estimates. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are outlined below.

##### Fair value measurements and valuation processes

Some of the Company's assets and liabilities are measured at fair value for financial reporting purposes. The Company's management has to determine the appropriate valuation techniques and inputs for fair value measurements.

In estimating the fair value of an asset or liability, the Company uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Group uses other observable information either directly or indirectly.

Information about valuation techniques and inputs used in determining the fair value of various assets and liabilities are disclosed in Note 38.2.5.

##### Impairment of Investments in subsidiaries and associated companies

Determining whether investments in subsidiaries and associated companies is impaired requires an estimation of the value in use of the cash-generating. The value-in-use calculation requires the Company's management to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate present value where the actual future cash flows are less than expected, an impairment loss may arise.

##### Calculation of recoverable amount

In the calculation of recoverable amount, the Group's management estimated the future cash flows discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

#### 4.20 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

Cash and cash equivalents as at December 31, consist of:

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	As at	As at	As at	As at
	December 31,	December 31,	December 31,	December 31,
	2020	2019	2020	2019
	Baht	Baht	Baht	Baht
Cash, short-term deposits and promissory notes				
with original maturity less than 3 months	294,889,928	427,917,336	200,323,597	301,820,064
<u>Less</u> Cash deposits held for customers*	<u>(4,259,627)</u>	<u>(12,161,502)</u>	<u>(4,244,310)</u>	<u>(12,110,879)</u>
Total cash and cash equivalents	<u>290,630,301</u>	<u>415,755,834</u>	<u>196,079,287</u>	<u>289,709,185</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, 2020 and 2019, the Company had deposits at financial institutions held for customers in the consolidated statements of financial position in amounting to Baht 4.26 million and Baht 12.16 million, respectively, and the separate statements of financial position in amounting to Baht 4.24 million and Baht 12.11 million, respectively, which the Company must return to the customers at call.

As at December 31, 2020 and 2019, the securities business customers with outstanding balance of 398 accounts and 425 accounts, respectively, which were transferred to Krungthai Zmico Securities Co., Ltd. (see Note 39), 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 4.24 million and Baht 4.28 million, respectively, and shares with the values of Baht 82.31 million and Baht 103.73 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.

The Company successfully returned the securities business license to the Securities and Exchange Commission. Therefore, the Company is currently proceeding to enter into a contract in light of transferring and depositing of the remaining assets of existing clients with an assigned securities company.

## 6. TRADE AND OTHER CURRENT RECEIVABLES

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	As at	As at	As at	As at
	December 31, 2020	December 31, 2019	December 31, 2020	December 31, 2019
	Baht	Baht	Baht	Baht
Trade receivables	31,820,526	24,209,296	-	5,317,439
Accrued fees and service income from asset management business	192,236	26,950	-	-
Total trade and other current receivables	<u>32,012,762</u>	<u>24,236,246</u>	<u>-</u>	<u>5,317,439</u>

## 7. SHORT-TERM LOANS TO RELATED PARTIES

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

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

(The separate financial statements as at December 31, 2020: Nil)

## 8. FINANCIAL ASSETS

8.1 The Company has other current financial assets which are non-collateralised investments as follows:

	<b>CONSOLIDATED FINANCIAL STATEMENTS As at December 31, 2020 Baht</b>
<b>Investments, fair value through profit or loss</b>	
Equity securities	
Listed securities	39,385,562
Unit trust	35,054,549
Total equity securities	<u>74,440,111</u>
Debt securities	
Bill of exchange	589,893,904
Unit trust	1,362,726
Corporate debt securities	3,416,174
Total debt securities	<u>594,672,804</u>
Total investments, fair value through profit or loss	<u>669,112,915</u>
Total other current financial assets	<u>669,112,915</u>
	<b>Unit : Baht SEPARATE FINANCIAL STATEMENTS As at December 31, 2020 Baht</b>
<b>Investments, fair value through profit or loss</b>	
Equity securities	
Listed securities	39,385,562
Unit trust	15,034,024
Total equity securities	<u>54,419,586</u>
Debt securities	
Bill of exchange	589,893,904
Unit trust	1,362,726
Total debt securities	<u>591,256,630</u>
Total investments, fair value through profit or loss	<u>645,676,216</u>
Total other current financial assets	<u>645,676,216</u>

As at December 31, 2019, The Company has investments in debt and equity securities classified by investment type as follows:

<b>CONSOLIDATED FINANCIAL STATEMENTS As at December 31, 2019</b>		
	<b>Cost/ Book value Baht</b>	<b>Fair value Baht</b>
<u>Trading securities</u>		
Equity securities - Listed securities	35,951,541	14,148,784
Debt securities - Corporate bond	3,195,550	3,195,550
Debt securities - Bill of exchange	580,352,376	583,802,331
Total	619,499,467	601,146,665
<u>Less</u> Revaluation adjustments	(18,352,802)	-
Total trading securities	601,146,665	601,146,665
<u>Held-to-maturity investments</u>		
Deposits at financial institutions	19,000,000	19,000,000
Total held-to-maturity investments	19,000,000	19,000,000
Total investments	620,146,665	620,146,665

<b>SEPARATE FINANCIAL STATEMENTS As at December 31, 2019</b>		
	<b>Cost/ Book value Baht</b>	<b>Fair value Baht</b>
<u>Trading securities</u>		
Equity securities - Listed securities	35,951,541	14,148,784
Debt securities - Bill of exchange	580,352,376	583,802,331
Total	616,303,917	597,951,115
<u>Less</u> Revaluation adjustments	(18,352,802)	-
Total trading securities	597,951,115	597,951,115
Total investments	597,951,115	597,951,115

8.2 The Company has other non-current financial assets which are non-collateralised investments as follows:

	<b>CONSOLIDATED FINANCIAL STATEMENTS As at December 31, 2020 Baht</b>
<b>1. Investments, fair value through profit or loss</b>	
Equity securities	
Ordinary shares	<u>45,873,311</u>
Total equity securities	<u>45,873,311</u>
Total investments, fair value through profit or loss	<u>45,873,311</u>
<b>2. Investments, fair value through other comprehensive income</b>	
Listed securities	<u>123,422,415</u>
Total investments, fair value through other comprehensive income	<u>123,422,415</u>
<b>3. Investments, amortized cost securities</b>	
Bill of exchange	15,399,654
<u>Less</u> Allowances for expected credit loss	<u>(15,399,654)</u>
Total investments, amortised cost securities	<u>-</u>
Total other non-current financial assets	<u>169,295,726</u>
	<b>SEPERATE FINANCIAL STATEMENTS As at December 31, 2020 Baht</b>
<b>1. Investments, fair value through profit or loss</b>	
Equity securities	
Ordinary shares	<u>45,873,311</u>
Total equity securities	<u>45,873,311</u>
Total investments, fair value through profit or loss	<u>45,873,311</u>
<b>2. Investments, fair value through other comprehensive income</b>	
Listed securities	<u>123,422,415</u>
Total investments, fair value through other comprehensive income	<u>123,422,415</u>
Total other non-current financial assets	<u>169,295,726</u>

As at December 31, 2019, The Company has investments in debt and equity securities classified by investment type as follows:

<b>CONSOLIDATED FINANCIAL STATEMENTS As at December 31, 2019</b>		
	<b>Cost/ Book value Baht</b>	<b>Fair value Baht</b>
<u>Trading securities</u>		
Debt securities - Bill of exchange	65,133,799	-
Total	65,133,799	-
<u>Less</u> Allowance for impairment	(65,133,799)	-
Total trading securities	-	-
<u>Available-for-sale securities</u>		
Equity securities - Listed securities	168,559,655	133,401,107
<u>Less</u> Revaluation adjustments	(35,158,548)	-
Total available-for-sale securities	133,401,107	133,401,107
<u>General investments</u>		
Ordinary shares	51,607,203	45,882,412
Preference shares	125,000	125,000
Total	51,732,203	46,007,412
<u>Less</u> Allowance for impairment	(5,724,791)	-
Total general investments	46,007,412	46,007,412
Total investments	179,408,519	179,408,519

<b>SEPARATE FINANCIAL STATEMENTS As at December 31, 2019</b>		
	<b>Cost/ Book value Baht</b>	<b>Fair value Baht</b>
<u>Available-for-sale securities</u>		
Equity securities - Listed securities	168,559,655	133,401,107
<u>Less</u> Revaluation adjustments	(35,158,548)	-
Total available-for-sale securities	133,401,107	133,401,107
<u>General investments</u>		
Ordinary shares	51,607,203	45,882,412
Preference shares	125,000	125,000
Total	51,732,203	46,007,412
<u>Less</u> Allowance for impairment	(5,724,791)	-
Total general investments	46,007,412	46,007,412
Total investments	179,408,519	179,408,519

8.3 Deposit at financial institutions and debt securities classified by remaining periods to maturity

				Unit: Baht
CONSOLIDATED FINANCIAL STATEMENTS				
As at December 31, 2019				
	Within 1 year	1 - 5 years	Over 5 years	Total
Certificate of deposits	19,000,000	-	-	19,000,000
Total	<u>19,000,000</u>	<u>-</u>	<u>-</u>	<u>19,000,000</u>

(The consolidated financial statement and separate financial statements as at December 31, 2020: Nil and the separate financial statements December 31, 2019: Nil)

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

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	As at	As at	As at	As at
	December 31,	December 31,	December 31,	December 31,
	2020	2019	2020	2019
	Baht	Baht	Baht	Baht
Beginning balance of the period	(26,744,233)	(12,873,149)	(26,744,233)	(12,873,149)
Changes during the period				
- from re-measuring of investments	38,998,231	(17,338,855)	38,998,231	(17,338,855)
- from deferred tax adjustment	(7,799,646)	3,467,771	(7,799,646)	3,467,771
Ending balance of the period	<u>4,454,352</u>	<u>(26,744,233)</u>	<u>4,454,352</u>	<u>(26,744,233)</u>

8.5 Investment in equity instruments designated at fair value through other comprehensive income was as follow:

					Unit: Baht
CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS					
As at December 31, 2020					
Investments	Reason for use of alternative in presentation as mentioned	Fair value	Dividend received for the year	Retained earnings (deficit) transferred in owner's equity	Reason to transfer
Thai Foods Group Plc.	Intention to held in long-term period	84,700,000	4,868,709	-	-
Charn Issara Development Plc.	Intention to held in long-term period	18,209,250	382,075	-	-
Others	Intention to held in long-term period	20,513,165	1,628,624	-	-
Total		<u>123,422,415</u>	<u>6,879,408</u>	<u>-</u>	

During the year 2020, the Company writes off investments as follows:

Write - off items :	Fair value at write - off date	Dividend received	Retained earning or Retained losses from write - off	Unit : Baht
				Reason to transfer
Yeah1 Group Corporation	8,179,791	-	(41,101,537)	Sold
Other	19,425,427	6,457,207	7,539,847	Sold
Total	<u>27,605,218</u>	<u>6,457,207</u>	<u>(33,561,690)</u>	

## 9. OTHER CURRENT ASSETS

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	As at December 31, 2020 Baht	As at December 31, 2019 Baht	As at December 31, 2020 Baht	As at December 31, 2019 Baht
Accrued interest income	699,906	230,455	121,447	-
Prepaid insurance	144,027	806,547	144,027	149,160
Prepaid repair and maintenance	345,648	229,687	-	-
Prepaid SET fee	152,846	153,270	152,846	153,270
Prepaid other	1,121,758	801,837	113,493	260,379
Value-added-tax receivable	7,262,796	2,966,746	-	-
Others	322,727	570,499	2,916	133,828
Total	<u>10,049,708</u>	<u>5,759,041</u>	<u>534,729</u>	<u>696,637</u>

## 10. SECURITIES BUSINESS RECEIVABLES

The Company has securities business receivables as follows:

	Unit : Baht CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS	
	As at December 31, 2020	As at December 31, 2019
Other receivables		
Receivables under litigation	<u>34,374,206</u>	<u>42,548,314</u>
Total securities business receivables	<u>34,374,206</u>	<u>42,548,314</u>
<u>Less</u> Allowance for expected credit loss	<u>(34,374,206)</u>	<u>(42,548,314)</u>
Total	<u>-</u>	<u>-</u>

Classification of securities business receivables and allowance for expected credit loss was as follow:

**Unit : Baht**

**CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS**  
**As at December 31, 2020**

	<b>Securities business receivables and accrued interest receivables</b>	<b>Exposure at default for expected credit loss</b>	<b>Allowance for expected credit loss</b>
<u>Securities business receivables</u>			
Performing debts	-	-	-
Under-performing debts	-	-	-
Non-performing debts	34,374,206	34,374,206	34,374,206
<b>Total</b>	<b>34,374,206</b>	<b>34,374,206</b>	<b>34,374,206</b>

**Unit : Baht**

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

	<b>Securities business receivables and accrued interest receivables</b>	<b>Allowance for doubtful account</b>	<b>Securities business receivables and accrued interest receivables</b>
Normal debts	-	-	-
Substandard debts	-	-	-
Doubtful debts	42,548,314	(42,548,314)	-
<b>Total</b>	<b>42,548,314</b>	<b>(42,548,314)</b>	<b>-</b>

## 11. ALLOWANCE FOR EXPECTED CREDIT LOSS

Allowances for expected credit loss as at December 31, 2020 consisted of the following:

**Unit : Baht**

	<b>CONSOLIDATED FINANCIAL STATEMENT</b>			
	<b>Allowance for performing</b>	<b>Allowance for under- performing</b>	<b>Allowance for non-performing</b>	<b>Total</b>
<u>Securities business receivables</u>				
Beginning balance	-	-	42,548,314	42,548,314
Change in allowance for ECL during the period	-	-	(8,174,108)	(8,174,108)
Ending balance	-	-	34,374,206	34,374,206
<u>Debt securities are measured at amortized cost</u>				
Beginning balance	-	-	65,133,799	65,133,799
Change in allowance for ECL during the period	-	-	(49,734,145)	(49,734,145)
Ending balance	-	-	15,399,654	15,399,654

Unit : Baht

	SEPARATE FINANCIAL STATEMENT			
	Allowance for performing	Allowance for under-performing	Allowance for non-performing	Total
<u>Securities business receivables</u>				
Beginning balance	-	-	42,548,314	42,548,314
Change in allowance for ECL during the period	-	-	(8,174,108)	(8,174,108)
Ending balance	-	-	34,374,206	34,374,206

Allowances for doubtful accounts as at December 31, 2019 consisted of the following:

Unit: Baht

CONSOLIDATED AND SEPARATE  
FINANCIAL STATEMENTS  
December 31, 2019

<u>Securities business receivables</u>	
Balances - beginning of the year	62,605,839
<u>Less</u> Reversal of allowances for doubtful accounts during the year	(20,057,525)
Balances - ending of the year	<u>42,548,314</u>

## 12. 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:

Company name	Type of business	Type of shares	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,	December 31,	December 31,	December 31,	December 31,	December 31,	December 31,	December 31,	December 31,
			2020	2019	2020	2019	2020	2019	2020	2019	
		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	1,387.2	1,297.8	
Scentimental (Thailand) Co., Ltd	Import and whole sale perfume	Export									
	Retail										
	and	Ordinary									
	cosmetics	share	100.0	100.0	26.00	26.00	26.0	26.0	11.7	15.4	
Absolute Yoga Co., Ltd	Yoga Studio, Food and hotel business	Ordinary share	60.0	60.0	30.00	30.00	217.8	217.8	188.3	197.2	
							<u>1,487.9</u>	<u>1,487.9</u>	<u>1,587.2</u>	<u>1,510.4</u>	

SEPARATE FINANCIAL STATEMENTS										
Company name	Type of business	Type of shares	Paid-up capital		% of voting right		Cost method		Equity method	
			As at invested December 31, 2020 Million Baht	As at December 31, 2019 Million Baht	As at December 31, 2020 %	As at December 31, 2019 %	As at December 31, 2020 Million Baht	As at December 31, 2019 Million Baht	As at December 31, 2020 Million Baht	As at December 31, 2019 Million Baht
<b>Subsidiaries</b>										
Innotech Asset Management Co., Ltd.	Mutual, private and provident fund	Ordinary	67.6	112.7	100.00	100.00	275.8	275.8	72.2	63.8
Lumpini Asset Management Co., Ltd.	Purchasing or taking transfer and managing of non-performing asset of financial institution	Ordinary	25.0	25.0	100.00	100.00	25.0	25.0	21.9	24.2
SE Digital Co., Ltd.	Digital Assets	Ordinary	475.0	475.0	100.00	100.00	475.0	475.0	387.1	442.7
<u>Less</u> Allowance for impairment							(203.6)	(212.0)	-	-
							<u>572.2</u>	<u>563.8</u>	<u>481.2</u>	<u>530.7</u>
<b>Associate</b>										
Krungthai ZMICO Securities Co., Ltd.	Securities business	Ordinary	2,137.8	2,137.8	49.71	49.71	1,244.1	1,244.1	1,387.2	1,297.8
Scentimental (Thailand) Co., Ltd.	Import Export Retail and whole sale perfume and cosmetics	Ordinary	100.0	100.0	26.00	26.00	26.0	26.0	11.7	15.4
Absolute Yoga Co., Ltd.	Yoga Studio, Food and hotel business	Ordinary	60.0	60.0	30.0	30.0	217.8	217.8	188.3	197.2
							<u>1,487.9</u>	<u>1,487.9</u>	<u>1,587.2</u>	<u>1,510.4</u>
							<u>2,060.1</u>	<u>2,051.7</u>	<u>2,068.4</u>	<u>2,041.1</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, 2020			As at December 31, 2019		
	Million Baht			Million Baht		
	Krungthai Zmico Securities Co., Ltd.	Others	Total	Krungthai Zmico Securities Co., Ltd.	Others	Total
Total assets	4,251.3	168.2	4,419.5	3,075.6	154.8	3,230.4
Total liabilities	(3,067.6)	(122.3)	(3,189.9)	(1,944.4)	(98.7)	(2,043.1)
Net assets	1,183.7	45.9	1,229.6	1,131.2	56.1	1,187.3

  

	For the year ended As at December 31, 2020			For the year ended As at December 31, 2019		
	Million Baht			Million Baht		
	Krungthai Zmico Securities Co., Ltd.	Others	Total	Krungthai Zmico Securities Co., Ltd.	Others	Total
Total revenue	680.2	144.0	824.2	545.6	184.0	729.6
Share of profit (loss) from investment in associates	81.7	(12.5)	69.2	(15.6)	3.8	(11.8)
Net other comprehensive income(loss) for the period	7.7	-	7.7	6.7	-	6.7

#### Scentimental (Thailand) Co., Ltd

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 amounting to Baht 26.00 million.

#### Innotech Asset Management Co., Ltd

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 Registrar of Partnerships and Companies 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 deficits and registered the decrease in authorized share capital and issued and paid-up share capital with the Registrar of Partnerships and Companies on September 26, 2019.

On February 14, 2020, 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 112.70 million to Baht 67.62 million by decreasing number of authorized share capital from 22,540,000 shares to 13,524,000 shares and to offset the premium on share capital to reduce retained deficits and registered the decrease in authorized share capital and issued and paid-up share capital with the Registrar of Partnerships and Companies on March 30, 2020.

#### 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 Registrar of Partnerships and Companies on March 29, 2019.

### 13. BUILDING IMPROVEMENTS AND EQUIPMENT

	CONSOLIDATED FINANCIAL STATEMENTS					
	Balance as at January 1, 2020 as previously stated Baht	Effects of the Initial Adoption of TFRS 16 Baht	Balance as at January 1, 2020 Baht	Increase Baht	Decrease Baht	Balance as at December 31, 2020 Baht
<b>Cost</b>						
Building improvement - in progress	-	-	-	7,626,902	(7,626,902)	-
Building improvement	12,897,405	-	12,897,405	7,794,074	-	20,691,479
Office equipment	10,781,921	-	10,781,921	1,454,400	(67,196)	12,169,125
Vehicles	7,378,000	-	7,378,000	-	-	7,378,000
Right-of-use assets	-	13,568,774	13,568,774	5,714,723	-	19,283,497
Total cost	<u>31,057,326</u>	<u>13,568,774</u>	<u>44,626,100</u>	<u>22,590,099</u>	<u>(7,694,098)</u>	<u>59,522,101</u>
<b>Accumulated depreciation</b>						
Building improvement	(8,068,672)	-	(8,068,672)	(1,399,823)	-	(9,468,495)
Office equipment	(7,934,249)	-	(7,934,249)	(1,332,000)	18,037	(9,248,212)
Vehicles	(3,495,182)	-	(3,495,182)	(1,475,600)	-	(4,970,782)
Right-of-use assets	-	-	-	(3,097,155)	-	(3,097,155)
Total accumulated depreciation	<u>(19,498,103)</u>	<u>-</u>	<u>(19,498,103)</u>	<u>(7,304,578)</u>	<u>18,037</u>	<u>(26,784,644)</u>
Balance before allowance for impairment	11,559,223	-	-	-	-	32,737,457
Less Allowance for impairment	-	-	-	-	-	(2,089,774)
<b>Total building improvements and equipment</b>	<u>11,559,223</u>					<u>30,647,683</u>

CONSOLIDATED FINANCIAL STATEMENTS				
	Balance as at January 1, 2019 Baht	Increase Baht	Decrease Baht	Balance as at December 31, 2019 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>
<b>Depreciation for the year ended December 31,</b>				
2020				<u>7,304,578</u>
2019				<u>3,160,931</u>

SEPARATE FINANCIAL STATEMENTS						
	Balance as at January 1, 2020 as previously stated Baht	Effects of the Initial Adoption of TFRS 16 Baht	Balance as at January 1, 2020 Baht	Increase Baht	Decrease Baht	Balance as at December 31, 2020 Baht
<b>Cost</b>						
Building improvement	6,281,587	-	6,281,587	218,449	-	6,500,036
Office equipment	2,959,931	-	2,959,931	541,143	(67,196)	3,433,878
Vehicles	7,378,000	-	7,378,000	-	-	7,378,000
Right-of-use assets	-	6,018,384	6,018,384	2,890,283	-	8,908,667
Total cost	<u>16,619,518</u>	<u>6,018,384</u>	<u>22,637,902</u>	<u>3,649,875</u>	<u>(67,196)</u>	<u>26,220,581</u>
<b>Accumulated depreciation</b>						
Building improvement	(4,912,356)	-	(4,912,356)	(411,674)	-	(5,324,030)
Office equipment	(2,234,024)	-	(2,234,024)	(248,784)	18,037	(2,464,771)
Vehicles	(3,495,182)	-	(3,495,182)	(1,475,600)	-	(4,970,782)
Right-of-use assets	-	-	-	(1,327,005)	-	(1,327,005)
Total accumulated depreciation	<u>(10,641,562)</u>	<u>-</u>	<u>(10,641,562)</u>	<u>(3,463,063)</u>	<u>18,037</u>	<u>(14,086,588)</u>
<b>Total building improvements and equipment</b>	<u>5,977,956</u>					<u>12,133,993</u>

SEPARATE FINANCIAL STATEMENTS				
	Balance as at January 1, 2019 Baht	Increase Baht	Decrease Baht	Balance as at December 31, 2019 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>
<b>Depreciation for the year ended December 31,</b>				
2020				<u>3,463,063</u>
2019				<u>2,164,123</u>

The Company has adopted TFRS 16 from January 1, 2020, the impact from the adoption of new financial reporting standards on the lease liabilities as at January 1, 2020 has been presented in Note 3.1.2

As at December 31, 2020 and 2019, in the consolidated financial statements, there are certain building improvements and equipment items that have been fully depreciated but are still in use. The original cost, before deducting accumulated depreciation, of those assets amounting to Baht 14.41 million and Baht 13.84 million, respectively.

For the separate financial statements as at December 31, 2020 and 2019, 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 6.58 million and Baht 6.51 million, respectively.

#### 14. OTHER INTANGIBLE ASSETS OTHER THAN GOODWILL

CONSOLIDATED FINANCIAL STATEMENTS						
	Useful lives	Balance as at January 1, 2020 Baht	Additions Baht	Amortization Baht	Write-off/ Transfer out Baht	Balance as at December 31, 2020 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
Trust	5 years	393,863	-	(80,000)	-	313,863
Digital Token	Indefinite**	66,200,000	-	-	-	66,200,000
Computer software	2 - 5 years	2,388,860	6,069,082	(1,211,338)	-	7,246,604
Computer software under installation	-	1,724,000	14,018,681	-	(5,141,105)	10,601,576
<b>Total</b>		<b>75,395,216</b>	<b>20,087,763</b>	<b>(1,291,338)</b>	<b>(8,461,653)</b>	<b>85,729,988</b>

CONSOLIDATED 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						
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
<b>Total</b>		<b>71,040,000</b>	<b>4,535,506</b>	<b>(180,290)</b>	<b>-</b>	<b>75,395,216</b>

#### Amortization for the years ended December 31,

2020	1,291,338
2019	180,290

SEPARATE FINANCIAL STATEMENTS						
Useful lives	Balance as at January 1, 2020 Baht	Additions Baht	Amortization Baht	Write-off/ Transfer out Baht	Balance as at December 31, 2020 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		<u>69,520,549</u>	<u>-</u>	<u>-</u>	<u>(3,320,548)</u>	<u>66,200,001</u>

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		<u>69,520,549</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>69,520,549</u>

**Amortization of de for the years ended December 31,**

2020	-
2019	-

\* Deferred license fees have indefinite useful lives as they have no expiring date and they are expected to contribute to the Company and its subsidiaries's 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.

As at December 31, 2020 and 2019, 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 7.72 million and Baht 7.65 million, respectively. As at December 31, 2020 and 2019, 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.

During the year 2020, the Company successfully returned the securities business licenses due to the Office of the Securities and Exchange Commission resulting a write-off expenses of derivative business license amount of Baht 3.32 million.

## 15. DEFERRED INCOME TAX

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	As at	As at	As at	As at
	December 31, 2020	December 31, 2019	December 31, 2020	December 31, 2019
	Baht	Baht	Baht	Baht
<b>Deferred tax assets</b>				
Allowance for expected credit loss	199,304	199,304	199,304	199,304
Allowance for impairment of investments	40,735,675	45,023,093	40,735,675	45,023,093
Unrealized loss on investments, fair value through profit or loss	3,074,199	4,360,551	3,074,199	4,360,551
Unrealized loss on re-measuring available-for-sale investments	-	6,686,058	-	6,686,058
Other assets	10,357	10,357	10,357	10,357
Unrealized gain on transfer of business to an associated company	22,718,163	22,718,163	-	-
	<u>66,737,698</u>	<u>78,997,526</u>	<u>44,019,535</u>	<u>56,279,363</u>
<b>Deferred tax liabilities</b>				
Unrealized loss on investments, fair value through profit or loss	5,494,173	5,505,948	5,494,173	5,505,948
Unrealized gain on investment, fair value through other comprehensive income	1,113,588	-	1,113,588	-
Amortization of derivative license	-	664,110	-	664,110
	<u>6,607,761</u>	<u>6,170,058</u>	<u>6,607,761</u>	<u>6,170,058</u>
Deferred tax assets	<u>60,129,937</u>	<u>72,827,468</u>	<u>37,411,774</u>	<u>50,109,305</u>

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

	CONSOLIDATED FINANCIAL STATEMENTS			
	As at	Items as	Items as	As at
	January 1, 2020	recognized in profit or loss (see Note 34)	recognized in other comprehensive income	December 31, 2020
	Baht	Baht	Baht	Baht
<b>Deferred tax assets</b>				
Allowance for expected credit loss	199,304	-	-	199,304
Allowance for impairment of investments	45,023,093	(4,287,418)	-	40,735,675
Unrealized loss on investments, fair value through profit or loss	4,360,551	(1,286,352)	-	3,074,199
Unrealized loss on investment, fair value through other comprehensive income	6,686,058	-	(6,686,058)	-
Other assets	10,357	-	-	10,357
Unrealized gain on transfer of business to an associated company	22,718,163	-	-	22,718,163
	<u>78,997,526</u>	<u>(5,573,770)</u>	<u>(6,686,058)</u>	<u>66,737,698</u>
<b>Deferred tax liabilities</b>				
Unrealized gain on investments, fair value through profit or loss	5,505,948	(11,775)	-	5,494,173
Unrealized gain on investment, fair value through other comprehensive income	-	-	1,113,588	1,113,588
Amortization of derivative license	664,110	(664,110)	-	-
	<u>6,170,058</u>	<u>(675,885)</u>	<u>1,113,588</u>	<u>6,607,761</u>
Deferred tax assets	<u>72,827,468</u>	<u>(4,897,885)</u>	<u>(7,799,646)</u>	<u>60,129,937</u>

CONSOLIDATED FINANCIAL STATEMENTS

	As at January 1, 2019	Items as recognized in profit or loss (see Note 34)	Items as recognized in other comprehensive income	As at December 31, 2019
	Baht	Baht	Baht	Baht
<b>Deferred tax assets</b>				
Allowance for expected credit loss	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>

SEPARATE FINANCIAL STATEMENTS

	As at January 1, 2020	Items as recognized in profit or loss (see Note 34)	Items as recognized in other comprehensive income	As at December 31, 2020
	Baht	Baht	Baht	Baht
<b>Deferred tax assets</b>				
Allowance for expected credit loss	199,304	-	-	199,304
Allowance for impairment of investments	45,023,093	(4,287,418)	-	40,735,675
Unrealized loss on investments, fair value through profit or loss	4,360,551	(1,286,352)	-	3,074,199
Unrealized loss on investment, fair value through other comprehensive income	6,686,058	-	(6,686,058)	-
Other assets	10,357	-	-	10,357
	<u>56,279,363</u>	<u>(5,573,770)</u>	<u>(6,686,058)</u>	<u>44,019,535</u>
<b>Deferred tax liabilities</b>				
Unrealized gain on investments, fair value through profit or loss	5,505,948	(11,775)	-	5,494,173
Unrealized gain on investment, fair value through other comprehensive income	-	-	1,113,588	1,113,588
Amortization of derivative license	664,110	(664,110)	-	-
	<u>6,170,058</u>	<u>(675,885)</u>	<u>1,113,588</u>	<u>6,607,761</u>
Deferred tax assets	<u>50,109,305</u>	<u>(4,897,885)</u>	<u>(7,799,646)</u>	<u>37,411,774</u>

	SEPARATE FINANCIAL STATEMENTS			
	As at January 1, 2019	Items as recognized in profit or loss (see Note 34)	Items as recognized in other comprehensive income	As at December 31, 2019
	Baht	Baht	Baht	Baht
<b>Deferred tax assets</b>				
Allowance for expected credit loss	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>

As at December 31, 2020 and 2019, the Company has unused tax losses carry forward of Baht 71.55 million and Baht 15.28 million, respectively, which will be expired within 5 years.

## 16. OTHER NON-CURRENT ASSETS

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	As at December 31, 2020	As at December 31, 2019	As at December 31, 2020	As at December 31, 2019
	Baht	Baht	Baht	Baht
Other deposits	2,507,110	2,124,733	1,091,019	1,066,944
Corporate income tax claim receivable	3,749,052	12,147,563	3,342,264	3,095,645
Advance payment for legal fee of funds managed by subsidiary	14,429,948	14,443,039	-	-
Others	473,894	330,000	1,563,784	330,000
Total	<u>21,160,004</u>	<u>29,045,335</u>	<u>5,997,067</u>	<u>4,492,589</u>

## 17. OTHER BORROWINGS

As at December 31, 2020 and 2019, the Company has other borrowings, as follows:

CONSOLIDATED FINANCIAL STATEMENTS				
As at December 31, 2020				
Residual maturities				
Interest rate per annum (%)	Within 1 year Baht	1 - 5 years Baht	Over 5 years Baht	Total Baht
<b>Other borrowings</b>				
Bill of exchange	3.40 – 3.75	167,311,342	-	167,311,342
Total other borrowings		167,311,342	-	167,311,342

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

SEPARATE FINANCIAL STATEMENTS				
As at December 31, 2020				
Residual maturities				
Interest rate per annum (%)	Within 1 year Baht	1 - 5 years Baht	Over 5 years Baht	Total Baht
<b>Other borrowings</b>				
Bill of exchange	3.40 – 3.75	167,311,342	-	167,311,342
Loan	3.50	290,000,000	-	290,000,000
Total other borrowings		457,311,342	-	457,311,342

SEPARATE FINANCIAL STATEMENTS				
As at December 31, 2019				
Residual maturities				
Interest rate per annum (%)	Within 1 year Baht	1 - 5 years Baht	Over 5 years Baht	Total Baht
<b>Other borrowings</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

Movements in other borrowings during the year ended December 31, 2020 and 2019 are summarized below:

	<b>CONSOLIDATED</b>	
	<b>FINANCIAL STATEMENTS</b>	
	<b>As at</b>	<b>As at</b>
	<b>December 31,</b>	<b>December 31,</b>
	<b>2020</b>	<b>2019</b>
	<b>Baht</b>	<b>Baht</b>
Beginning balance	148,349,296	528,062,334
Financing cash flow		
Cash received from other borrowings	264,909,090	780,777,460
Cash paid from other borrowings	(250,000,000)	(1,170,000,000)
Non - cash item changes		
Interest expenses	4,052,956	9,509,502
Ending balance of the periods	<u>167,311,342</u>	<u>148,349,296</u>

	<b>SEPARATE</b>	
	<b>FINANCIAL STATEMENTS</b>	
	<b>As at</b>	<b>As at</b>
	<b>December 31,</b>	<b>December 31,</b>
	<b>2020</b>	<b>2019</b>
	<b>Baht</b>	<b>Baht</b>
Beginning balance	498,349,296	528,062,334
Financing cash flow		
Cash received from other borrowings	264,909,090	780,777,460
Cash received from other borrowings of Subsidiary	90,000,000	350,000,000
Cash paid from other borrowings	(250,000,000)	(1,170,000,000)
Cash paid from other borrowings of Subsidiary	(150,000,000)	-
Non - cash item changes		
Interest expenses	4,052,956	9,509,502
Ending balance of the periods	<u>457,311,342</u>	<u>498,349,296</u>

## 18. OTHER CURRENT LIABILITIES

	<b>CONSOLIDATED</b>		<b>SEPARATE</b>	
	<b>FINANCIAL STATEMENTS</b>		<b>FINANCIAL STATEMENTS</b>	
	<b>As at</b>	<b>As at</b>	<b>As at</b>	<b>As at</b>
	<b>December 31,</b>	<b>December 31,</b>	<b>December 31,</b>	<b>December 31,</b>
	<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>
	<b>Baht</b>	<b>Baht</b>	<b>Baht</b>	<b>Baht</b>
Withholding tax payable	1,519,693	2,096,661	377,771	564,944
Value-added-tax payable	255,160	505,534	91,103	111,624
Other payables	628,160	2,072,470	154,114	808,850
Accrued expenses	16,535,545	19,610,537	8,239,206	16,908,945
Others	12,906	456,954	12,906	505,523
Total	<u>18,951,464</u>	<u>24,742,156</u>	<u>8,875,100</u>	<u>18,899,886</u>

## 19. NON-CURRENT PROVISIONS FOR EMPLOYEE BENEFITS

Non-current provisions for employee benefits as at December 31, 2020 and 2019 consists of the following:

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	As at December 31, 2020 Baht	As at December 31, 2019 Baht	As at December 31, 2020 Baht	As at December 31, 2019 Baht
Post-employment benefits obligation	23,007,311	29,150,909	18,774,356	27,219,542
Unused paid vacation leave	-	1,748,776	-	1,185,318
	<u>23,007,311</u>	<u>30,899,685</u>	<u>18,774,356</u>	<u>28,404,860</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 FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	For the year ended December 31, 2020 Baht	For the year ended December 31, 2019 Baht	For the year ended December 31, 2020 Baht	For the year ended December 31, 2019 Baht
Current service cost	922,280	4,449,120	(1,350,060)	2,602,073
Interest cost	304,122	341,428	274,874	339,884
Past service cost	-	20,549	-	-
	<u>1,226,402</u>	<u>4,811,097</u>	<u>(1,075,186)</u>	<u>2,941,957</u>

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

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	For the years ended December 31, 2020 Baht	For the years ended December 31, 2019 Baht	For the years ended December 31, 2020 Baht	For the years ended December 31, 2019 Baht
Beginning balance of post-employment benefits obligation	29,150,909	11,125,769	27,219,542	10,747,603
Current service cost	922,280	4,449,120	(1,350,060)	2,602,073
Interest cost	304,122	341,428	274,874	339,884
Past service cost	-	20,549	-	-
Actuarial (gain) loss in statement of comprehensive income				
- from experience adjustment	-	12,843,971	-	13,183,977
- from changes in demographic assumption	-	567,669	-	541,022
- from changes in financial assumption	-	(197,597)	-	(195,017)
Employee benefit paid during the years	<u>(7,370,000)</u>	<u>-</u>	<u>(7,370,000)</u>	<u>-</u>
Ending balance of post-employment benefits obligation	<u>23,007,311</u>	<u>29,150,909</u>	<u>18,774,356</u>	<u>27,219,542</u>

The principle actuarial assumptions used to calculate the obligation under the post-employment benefits plans as at December 31, 2020 and 2019 are as follows:

<b>CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS (% per annum)</b>		
	<b>As at December 31, 2020</b>	<b>As at December 31, 2019</b>
<b>Financial assumptions</b>		
Discount rate	1.40 - 1.87	1.40 - 1.87
Employee turnover rate	4.0 - 29.0	4.0 - 29.0
	Subject to range of age of employee	Subject to range of age of employee
Expected rate of salary increase	5.0	5.0

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.

	<b>CONSOLIDATED FINANCIAL STATEMENTS</b>		<b>SEPARATE FINANCIAL STATEMENTS</b>	
	<b>As at December 31, 2020</b>	<b>As at December 31, 2019</b>	<b>As at December 31, 2020</b>	<b>As at December 31, 2019</b>
Salary incremental rates - 1% increase	1,471,019	1,031,970	1,071,763	865,221
Salary incremental rates - 1% decrease	(1,305,588)	(929,284)	(968,043)	(787,420)
Life expectancy rate - 1% increase	74,291	63,544	56,053	53,756
Life expectancy rate - 1% decrease	(73,923)	(63,244)	(55,814)	(53,515)
Turnover rate - 1% increase	(1,211,885)	(987,114)	(899,603)	(839,695)
Turnover rate - 1% decrease	644,524	431,123	384,699	318,144
Discount rate - 1% increase	(1,147,590)	(937,364)	(853,678)	(798,299)
Discount rate - 1% decrease	1,315,782	1,060,708	958,513	893,139

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.

## 20. OTHER NON – CURRENT LIABILITIES

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	As at	As at	As at	As at
	December 31, 2020 Baht	December 31, 2019 Baht	December 31, 2020 Baht	December 31, 2019 Baht
Other payables	5,526,440	5,526,440	5,526,440	5,526,440
Amounts of capital reduction and dividend not redeemed by shareholders	5,896,122	5,896,124	5,896,122	5,896,124
Liabilities under lease agreement	16,901,394	-	8,958,758	-
Others	612,311	612,311	612,311	612,311
<b>Total</b>	<b>28,936,267</b>	<b>12,034,875</b>	<b>20,993,631</b>	<b>12,034,875</b>

## 21. 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 THB 2.70 per share. The Company had allocated the Warrants on April 18, 2019.

As at December 31, 2020 and 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.

Weighted average number of ordinary shares as at December 31, 2020 and 2019 are calculated as follows:

	<b>CONSOLIDATED AND SEPARATE FINANCIAL STATEMENT</b>	
	<b>For the year ended December 31,</b>	
	<b>2020</b>	<b>2019</b>
	<b>Shares</b>	<b>Shares</b>
Beginning balance (Baht 0.50 per share)	1,588,328,707	1,307,736,926
Increase during the periods	65,408,219	280,591,781
Weighted average number of ordinary shares	<u>1,653,736,926</u>	<u>1,588,328,707</u>

## **22. DIVIDEND**

On July 21, 2020, the Annual General Meeting of Shareholders of the year 2020 has passed the resolution to omit the dividend payment for the operation for the year ended December 31, 2019.

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.

## **23. CAPITAL MANAGEMENT**

The objectives of capital management of the Company and its subsidiaries are to sustain the Company and its subsidiaries's 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.

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, 2020, the Company is not required to maintain its net liquid capital and equity per those requirements due to the Company successfully returned the securities business licenses to The Office of the Securities and Exchange commission. However, the Subsidiary is able to maintain its net liquid capital more than the required condition.

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

## **24. 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.

## 25. 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, 2020 and 2019, the Company has statutory reserve at the rate of 8.87 percent of authorized share capital.

## 26. FEE AND SERVICE INCOME

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	For the year ended		For the year ended	
	December 31,		December 31,	
	2020	2019	2020	2019
	Baht	Baht	Baht	Baht
Private fund management, mutual fund management and provident fund management	885,464	369,895	-	-
Digital asset business	28,779,297	17,994,500	-	-
Others	315,407	986,111	315,407	986,111
Total	<u>29,980,168</u>	<u>19,350,506</u>	<u>315,407</u>	<u>986,111</u>

## 27. INTEREST INCOMES

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	For the year ended		For the year ended	
	December 31,		December 31,	
	2020	2019	2020	2019
	Baht	Baht	Baht	Baht
Deposit at financial institutions	1,433,700	2,276,170	1,217,436	1,443,232
Other	680,622	505,291	596,270	1,754,851
Total	<u>2,114,322</u>	<u>2,781,461</u>	<u>1,813,706</u>	<u>3,198,083</u>

## 28. GAIN ON INVESTMENT

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	For the year ended		For the year ended	
	December 31,		December 31,	
	2020	2019	2020	2019
	Baht	Baht	Baht	Baht
Gains (Loss) on investment in equity securities	(16,273,409)	41,215,921	(16,273,409)	41,215,921
Gains on investment in debt securities	31,220,562	22,533,005	31,072,215	19,842,370
Total	<u>14,947,153</u>	<u>63,748,926</u>	<u>14,798,806</u>	<u>61,058,291</u>

## 29. DIRECTORS' REMUNERATION

Directors 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 year 2020 and 2019, were approved from the ordinary shareholders' meetings of the Company and its subsidiaries as follows:

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	For the year ended December 31,		For the year ended December 31,	
	2020	2019	2020	2019
	Baht	Baht	Baht	Baht
Directors' remuneration	11,247,301	11,058,334	9,000,000	9,000,000
	<u>11,247,301</u>	<u>11,058,334</u>	<u>9,000,000</u>	<u>9,000,000</u>

## 30. FEE AND SERVICE EXPENSES

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	For the year ended December 31,		For the year ended December 31,	
	2020	2019	2020	2019
	Baht	Baht	Baht	Baht
Fees for private fund and mutual fund licenses	1,074,900	25,000	-	-
Fund management fee	188,665	43,911	-	-
Fee from digital asset business	22,779,297	-	-	-
Others	182,131	1,586,981	58,953	908,131
Total	<u>24,224,993</u>	<u>1,655,892</u>	<u>58,953</u>	<u>908,131</u>

## 31. REVERSAL EXPECTED CREDIT LOSS

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	For the year ended December 31,		For the year ended December 31,	
	2020	2019	2020	2019
	Baht	Baht	Baht	Baht
Investment in debt securities at amortized cost	49,734,145	39,866,201	-	-
Securities business receivables	8,174,108	20,057,525	8,174,108	20,057,525
Total	<u>57,908,253</u>	<u>59,923,726</u>	<u>8,174,108</u>	<u>20,057,525</u>

### 32. OTHER EXPENSES

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	For the year ended		For the year ended	
	December 31,		December 31,	
	2020	2019	2020	2019
	Baht	Baht	Baht	Baht
Premises and equipment expenses	17,880,548	13,257,110	7,753,484	7,954,294
Consulting fee	14,781,432	21,177,498	2,376,663	4,661,455
Communication and information expenses	5,116,830	2,649,030	1,799,532	1,207,640
Entertainment expenses	249,682	305,709	15,686	146,757
Publication and marketing expenses	4,209,563	1,063,576	60,776	36,808
Traveling expenses	1,682,306	1,654,802	1,050,889	1,238,796
SET fee	1,322,637	3,385,360	1,322,637	3,385,360
Stationery and office supply	742,359	740,577	489,243	349,276
Taxation	1,489,371	1,410,415	1,405,400	1,242,973
Loss (gain) on exchange rate	-	1,448,236	-	1,448,236
Loss on disposal intangible assets	3,320,548	-	3,320,548	-
Meeting and conference	1,071,021	1,798,497	1,058,162	1,337,600
Professional fee	9,100,334	6,778,620	4,761,840	3,427,780
Others	2,966,776	3,524,657	823,541	2,639,267
Total	<u>63,933,407</u>	<u>59,194,087</u>	<u>26,238,401</u>	<u>29,076,242</u>

### 33. 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 TMB Asset Management Public Company Limited. Subsequently, SCB Asset Management Public Company Limited since July 2020.

For the year ended December 31, 2020 and 2019, the Company has contributed Baht 2.19 million and Baht 1.90 million, respectively, to the fund and the subsidiaries has contributed Baht 0.57 million and Baht 0.34 million, respectively.

### 34. INCOME TAX

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	For the year ended		For the year ended	
	December 31,		December 31,	
	2020	2019	2020	2019
	Baht	Baht	Baht	Baht
Income tax - income (expenses) (see note 15)	(4,897,885)	2,663,779	(4,897,885)	2,667,289
Total	<u>(4,897,885)</u>	<u>2,663,779</u>	<u>(4,897,885)</u>	<u>2,667,289</u>

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

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	For the year ended		For the year ended	
	December 31,		December 31,	
	2020	2019	2020	2019
	Baht	Baht	Baht	Baht
Profit (loss) before tax	(11,718,801)	78,667,556	(22,347,653)	121,940,536
Tax rate	20%	20%	20%	20%
The result of the account profit (loss) multiplied by the income tax rate - income (expenses)	2,343,760	(15,733,511)	4,469,531	(24,388,107)
Tax effect of the non-deductible income and expense	9,894,577	(8,526,794)	7,768,806	131,312
Effect of the temporary difference not recognized as deferred tax assets	(2,826,206)	(714,975)	(2,826,206)	(714,975)
Use of tax loss carry forward (unused tax)	(14,310,016)	27,639,059	(14,310,016)	27,639,059
Income tax – income (expenses) (see note 15)	<u>(4,897,885)</u>	<u>2,663,779</u>	<u>(4,897,885)</u>	<u>2,667,289</u>

### 35. 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:

35.1 Balances with related parties as at December 31, 2020 and 2019 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,
	2020	2019	2020	2019
	Baht	Baht	Baht	Baht
<b>Subsidiaries</b>				
Innotech Asset Management Co., Ltd.				
Investment in a subsidiaries (see Note 12)	-	-	72,170,047	63,789,107
Investment in private fund managed by a subsidiary	10,971,744	-	10,971,744	-
Short-term loans	-	-	-	19,000,000
Accrued interest	-	-	-	256,967
Other receivables	-	-	2,916	8,807
Accrued private fund management fee expense	-	-	9,767	-
Lumpini Asset Management Co., Ltd.				
Investment in subsidiaries (see Note 12)	-	-	25,000,000	25,000,000
SE Digital Co., Ltd.				
Investment in subsidiaries (see Note 12)	-	-	475,000,000	475,000,000
Short-term loan	-	-	290,000,000	350,000,000
Accrued interest expense	-	-	500,548	702,869

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	As at	As at	As at	As at
	December 31, 2020 Baht	December 31, 2019 Baht	December 31, 2020 Baht	December 31, 2019 Baht
<b>Associates</b>				
Krungthai Zmico Securities Co., Ltd.				
Investment in associate (see Note 12)	1,387,198,077	1,297,802,506	1,244,095,520	1,244,095,520
Cash balance for securities trading	35,766,475	5,151,455	35,766,475	5,151,455
Other receivables	-	5,317,439	-	5,317,439
Other payables	941,317	323,553	941,317	323,553
Scentimental (Thailand) Co., Ltd.				
Investment in associate (see Note 12)	11,742,332	15,340,486	26,000,000	26,000,000
Absolute Yoga Co., Ltd.				
Investment in associate (see Note 12)	188,277,951	197,225,394	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	-	88,868,494
Crystal Sealed Professional Car Coating Co., Ltd.				
Investment in ordinary shares	37,800,000	37,800,000	37,800,000	37,800,000

35.2 Significant transactions with related parties for the year ended December 31, 2020 and 2019 are as follows:

	CONSOLIDATED		SEPARATE		Pricing policy
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS		
	For the year ended		For the year ended		
	December 31,		December 31,		
	2020	2019	2020	2019	
	Baht	Baht	Baht	Baht	
<b>Subsidiaries</b>					
Innotech Asset Management Co., Ltd.					
Interest income from short-term loans	-	-	596,270	949,296	At the rate determined under the contract 5% per year
Service fee income	-	-	5,160,000	4,730,000	At the rate determined under the contract of Baht 430,000 per month (see Note 35.3.4)
Rental income	-	-	877,500	804,375	At the rate determined under the contract of Baht 73,125 per month (see Note 35.3.5)
Other income	-	-	836,666	545,802	At the actual rate
Management fee of private fund	-	-	50,100	-	At the rate determined under the contract (see Note 35.3.7)
Lumpini Asset Management Co., Ltd.					
Rental income	-	-	-	105,705	At the rate determined under the contract of Baht 7,605 per month and cancelled the contract since December 31, 2019 onward
SE Digital Co., Ltd.					
Service fee income	-	-	5,640,000	5,170,000	At the rate determined under the contract of Baht 470,000 per month (see Note 35.3.6)
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 expense from short-term loan	-	-	9,689,888	702,869	At the rate determined under the contract 3.5% per year

	CONSOLIDATED		SEPARATE		Pricing policy
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS		
	For the year ended		For the year ended		
	December 31,		December 31,		
	2020	2019	2020	2019	
	Baht	Baht	Baht	Baht	
<b>Associates</b>					
Krungthai Zmico Securities Co., Ltd.					
Interest received 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	2,250,000	3,000,000	2,250,000	3,000,000	At the rate determined under the contract of Baht 250,000 per month and cancelled the contract since October 1, 2020 onward (see Note 35.3.2)
Service expenses	808,920	616,320	808,920	616,320	At the rate determined under the contract (see Note 35.3.1)
Other fee expenses	596,955	1,305,645	596,955	1,305,645	At the rate determined under the contract
Management fee of private fund	-	878,583	-	878,583	At the rate determined under the contract (see Note 35.3.3)
Withdrawal private fund manage by associates	-	110,045,620	-	110,045,620	Investment value
Scentimental (Thailand) Co., Ltd.					
Interest received from Bill of exchange	-	4,998,923	-	4,998,923	At the rate determined under the contract
Investment in Bill of exchange	-	76,277,564	-	76,277,564	Investment value
Withdrawal from Bill of exchange	-	128,508,077	-	128,508,077	Investment value
<b>Related with subsidiaries and associate</b>					
Service fee expenses	624,000	1,089,600	-	-	At the rate determined under the contract

For the year ended December 31, 2020 and 2019, compensations paid to key management personnel under TAS 24 (Revised 2019) “Related Party Disclosures” are as follows:

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	For the year ended		For the year ended	
	December 31,		December 31,	
	2020	2019	2020	2019
	Baht	Baht	Baht	Baht
Short-term employee benefits	24,729,300	18,643,619	9,749,950	7,344,619
Post-employment benefits	2,613,977	2,432,813	1,285,321	1,050,834
Total	<u>27,343,277</u>	<u>21,076,432</u>	<u>11,035,271</u>	<u>8,395,453</u>

### 35.3 Significant agreements with related parties

35.3.1 On June 1, 2018, the Company entered into the agreement with Krungthai ZMICO Securities Co., Ltd. for management service of providing human resourcing, technology and management service of operation. The term of agreement is one year 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 before the expiry date of the agreement in each time by payment a monthly fee in amount of Baht 48,000.

On April 1, 2020, the Company made the agreement to change the scope of agreement for consulting human resourcing, technology, management service of operations and legal jobs. The term of agreement is one year effectively from April 1, 2020 to March 31, 2021. 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 by payment a monthly fee in amount of Baht 68,000.

- 35.3.2 On May 1, 2013, the Company entered into agreement with Krungthai 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. However, the Company agreed to cancel agreement since October 1, 2020 onward.
- 35.3.3 On March 21, 2018, the Company entered into an agreement with Krungthai 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.
- 35.3.4 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.
- 35.3.5 On February 1, 2019, the Company entered into the agreement with Innotech Asset Management Co., Ltd. which is subsidiary company for office rental which the term of agreement is from February 1, 2019 to January 31, 2022. The Company will receive a monthly fee of Baht 73,125.
- 35.3.6 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.

35.3.7 On July 7, 2020, the Company entered into an agreement with Innotech Asset Management Co., Ltd. which is a subsidiary company. The subsidiary will manage the Company's fund for two year. 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 percent per annum of the net asset value of the fund.

### 36. COMMITMENTS WITH NON-RELATED PARTIES

As at December 31, 2020 and 2019, the Company and its subsidiaries have commitments under long-term lease agreements for Office equipment and other commitments are as follows: (As at December 31, 2019 including long-term lease agreements for its office building and vehicle)

	CONSOLIDATED		(Unit: Thousand Baht) SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	As at	As at	As at	As at
	December 31, 2020	December 31, 2019	December 31, 2020	December 31, 2019
Within 1 year	3,680	7,788	2,744	4,428
Over 1 year to 5 years	1,763	10,174	263	4,831
Total	<u>5,443</u>	<u>17,962</u>	<u>3,007</u>	<u>9,259</u>

### 37. BUSINESS/GEOGRAPHICAL SEGMENT INFORMATION

Business segment information of the Company and its subsidiaries for year ended December 31, 2020 and 2019 are as follows:

	(Unit: Thousand Baht)				
	For the year ended December 31, 2020				
Securities segment	Fund asset Management segment	Digital assets business segment	Investment and other segments	Consolidated Financial statement	
Revenue from external customers	81,727	885	28,779	17,610	129,001
Total revenues	<u>81,727</u>	<u>885</u>	<u>28,779</u>	<u>17,610</u>	<u>129,001</u>
Segment income (loss)	81,727	(41,747)	(64,752)	17,610	(7,162)
Unallocated income and expenses:					
Gain on transfer of business to the associated company					-
Other income					12,097
Servicing and administrative expenses					(16,654)
Income tax - expenses					<u>(4,898)</u>
Net loss					<u><u>(16,617)</u></u>

(Unit: Thousand Baht)

For the year ended December 31, 2019					
	Securities segment	Fund asset Management segment	Digital assets business segment	Investment and other segments	Consolidated Financial statement
Revenue from external customers	(15,567)	370	17,995	80,106	82,904
Total revenues	(15,567)	370	17,995	80,106	82,904
Segment income (loss)	(15,567)	(32,875)	(35,268)	80,106	(3,604)
Unallocated income and expenses:					
Gain on transfer of business to the associated company					18
Other income					107,754
Servicing and administrative expenses					(25,501)
Income tax - income					2,664
Net profit					81,331

Assets classified by segment of the Company as at December 31, 2020 and 2019 were presented as follows:

(Unit: Thousand Baht)

	Securities segment	Fund assets Management segment	Digital assets business segment	Investment and other segments	Assets Management segment	Unallocated assets	Consolidated Financial statement
<b>Assets by segment</b>							
As at December 31, 2020	1,387,198	77,773	114,022	1,014,992	22,173	340,517	2,956,675
As at December 31, 2019	1,297,803	86,270	97,760	989,925	24,260	449,172	2,945,190

## 38. RISK MANAGEMENT

### 38.1 Liquidity risk

#### The Company

Under the Notification of the Office of the Securities and Exchange Commission No. Kor Thor. 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.

As at December 31, 2019, 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. Kor Thor. 4/2561 regarding “Ongoing capital adequacy of some specific intermediaries”.

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

However, as at December 31, 2020, 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 due to the Company returned the securities business licenses which was effective since December 8, 2020 onward.

### 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, 2020 and 2019, the subsidiary is able to maintain the capital adequacy which is in accordance with the SEC's regulations.

The periods of time from the end of reporting period to the maturity dates of financial instruments as of December 31, 2020 and 2019 are as follows:

(Unit: Million Baht)

CONSOLIDATED FINANCIAL STATEMENTS							
As at December 31, 2020							
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	-	-	-	-	-	34	34
Other current financial asset	-	593	-	-	76	-	669
Other non-current financial asset	-	-	-	-	169	-	169
Total	290	593	-	-	245	34	1,162
<b>Financial liabilities</b>							
Other borrowing	-	167	-	-	-	-	167
Total	-	167	-	-	-	-	167

(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
Other current financial asset	-	603	3	-	14	-	620
Other non-current financial asset	-	-	-	-	180	-	180
Total	416	603	3	-	194	43	1,259
<b>Financial liabilities</b>							
Other borrowing	-	148	-	-	-	-	148
Total	-	148	-	-	-	-	148

(Unit: Million Baht)

SEPARATE FINANCIAL STATEMENTS							
As at December 31, 2020							
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	196	-	-	-	-	-	196
Securities business receivables	-	-	-	-	-	34	34
Other current financial asset	-	590	-	-	56	-	646
Other non-current financial asset	-	-	-	-	169	-	169
Total	196	590	-	-	225	34	1,045
<b>Financial liabilities</b>							
Other borrowing	-	457	-	-	-	-	457
Total	-	457	-	-	-	-	457

(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
Other current financial asset	-	583	-	-	14	-	597
Other non -current financial asset	-	-	-	-	180	-	180
Loan	-	19	-	-	-	-	19
Total	290	602	-	-	194	43	1,129
<b>Financial liabilities</b>							
Other borrowing	-	498	-	-	-	-	498
Total	-	498	-	-	-	-	498

### 38.2 Significant financial instruments risk

As at December 31, 2020 and 2019, the Company and its subsidiaries have not speculated in or engaged in trading of any off-financial position financial derivatives instruments.

#### 38.2.1 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, 2020

Outstanding balances of net financial instruments  
reprising or maturity dates

	Floating interest rate	At call	Within 1 year	1-5 years	Over 5 years	Non- performing receivables	No interest	Total	Interest rate (Percent)	
									Floating rate	Fixed rate
<b>Financial assets</b>										
Cash and cash equivalents	231	-	-	-	-	-	59	290	0.10 - 1.10	-
Securities business receivables	-	-	-	-	-	34	-	34	-	-
Other current financial asset	-	-	593	-	-	-	76	669	-	4.00 - 12.00
Other non - current financial asset	-	-	-	-	-	-	169	169	-	-
Total	231	-	593	-	-	34	304	1,162		
<b>Financial liabilities</b>										
Other borrowing	-	-	167	-	-	-	-	167	-	3.40 - 3.75
Total	-	-	167	-	-	-	-	167		

(Unit : Million Baht)

CONSOLIDATED FINANCIAL STATEMENTS

As at December 31, 2019

Outstanding balances of net financial instruments  
repricing or maturity dates

	Floating interest		Within			Non-performing		No interest	Total	Interest rate (Percent)	
	rate	At call	1 year	1-5 years	Over 5 years	receivables	Floating rate			Fixed rate	
<b>Financial assets</b>											
Cash and cash equivalents	369	-	-	-	-	-	47	416	0.375 - 1.20	-	
Securities business receivables	-	-	-	-	-	43	-	43	-	-	
Other current financial asset	-	-	603	-	-	-	14	617	-	1.60 - 12.00	
Other non-current financial asset	-	-	-	3	-	-	180	183	-	4.00	
<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 borrowing	-	-	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)

SEPARATE FINANCIAL STATEMENTS

As at December 31, 2020

Outstanding balances of net financial instruments  
repricing or maturity dates

	Floating interest		Within			Non-performing		No interest	Total	Interest rate (Percent)	
	rate	At call	1 year	1-5 years	Over 5 years	receivables	Floating rate			Fixed rate	
<b>Financial assets</b>											
Cash and cash equivalents	147	-	-	-	-	-	49	196	0.10 - 1.10	-	
Securities business receivables	-	-	-	-	-	34	-	34	-	-	
Other current financial asset	-	-	590	-	-	-	56	646	-	6.75 - 12.00	
Other non-current financial asset	-	-	-	-	-	-	169	169	-	-	
<b>Total</b>	<b>147</b>	<b>-</b>	<b>590</b>	<b>-</b>	<b>-</b>	<b>34</b>	<b>274</b>	<b>1,045</b>			
<b>Financial liabilities</b>											
Other borrowing	-	-	457	-	-	-	-	457	-	3.40 - 3.75	
<b>Total</b>	<b>-</b>	<b>-</b>	<b>457</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>457</b>			

(Unit : Million Baht)

**SEPARATE FINANCIAL STATEMENTS**  
As at December 31, 2019  
Outstanding balances of net financial instruments  
repricing or maturity dates

	Floating interest		Within			Non-performing		No interest	Total	Interest rate (Percent)	
	rate	At call	1 year	1-5 years	5 years	receivables	Floating rate			Fixed rate	
<b>Financial assets</b>											
Cash and cash equivalents	258	-	-	-	-	-	32	290	0.375-1.20	-	
Securities business receivables	-	-	-	-	-	43	-	43	-	-	
Other current financial asset	-	-	583	-	-	-	14	597	-	6.35-9.00	
Other non-current financial asset	-	-	-	-	-	-	180	180	-	-	
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>			

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

(Unit : Baht)

**CONSOLIDATED FINANCIAL STATEMENTS**  
As at December 31, 2020

Financial Instruments	Average balance	Interest income / Interest expense	Average yield (Percent)
<b>Financial assets</b>			
Cash and cash equivalents	394,201,235	1,433,700	0.36
Investment in debt securities	493,680,317	32,178,113	6.52
Investment, amortized cost securities	9,500,000	154,030	1.62
<b>Financial liabilities</b>			
Other borrowing	105,833,333	3,680,647	3.48

(Unit : Baht)

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

Financial Instruments	Average balance	Interest income / Interest expense	Average yield (Percent)
<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 borrowing	248,333,333	8,900,053	3.58

(Unit : Baht)

**SEPARATE FINANCIAL STATEMENTS**  
As at December 31, 2020

Financial Instruments	Average balance	Interest income / Interest expense	Average yield (Percent)
<b>Financial assets</b>			
Cash and cash equivalents	231,944,232	1,217,436	0.52
Investment in debt securities	446,498,463	32,178,113	7.21
Loan	11,166,667	596,270	5.34
<b>Financial liabilities</b>			
Other borrowing	375,833,333	13,370,536	3.56

(Unit : Baht)

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

Financial Instruments	Average balance	Interest income / Interest expense	Average yield (Percent)
<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 borrowing	277,500,000	9,602,922	3.46

### 38.2.2 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 instrument, less provision for losses, as stated in the statements of financial position.

### 38.2.3 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, 2020, 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, 2020
Ordinary shares	Lao People's Democratic Republic LAK	8,325,774	0.003215
Ordinary shares	United States USD	211	29.7749

### 38.2.4 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.

### 38.2.5 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.

38.2.5.1 Certain financial assets and financial liabilities of the Company and subsidiaries 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 are determined.

(Unit : Baht)				
CONSOLIDATED FINANCIAL STATEMENTS				
Financial assets/ Financial liabilities	Fair value		Fair value hierarchy	Valuation techniques and key inputs
	December 31, 2020	December 31, 2019		
<u>Financial Assets</u>				
Non - Collateralised Investment				
Fair value through profit or loss				
Listed securities	39,385,562	14,148,784	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
Ordinary shares	45,873,311	46,007,412	2	Net asset value of the last working day of the reporting period and cost
Debt securities - Bill of exchange	589,893,904	583,802,331	2	Discount cash flow by future cash flows are estimated based on forward interest rate at the end of the reporting period
Unit trust securities	36,381,275	-	2	Net asset value of the last working day of the reporting period
Debt securities - Corporate bond	3,416,174	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
Fair value through other comprehensive income				
Listed securities	123,422,415	133,401,107	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
Amortized cost				
Certificate of deposits	-	19,000,000	2	Discount cash flow by future cash flows are estimated based on forward interest rate at the end of the reporting period
<u>Financial liabilities</u>				
Other borrowing	167,311,342	148,349,296	2	Discount cash flow by future cash flows are estimated based on forward interest rate at the end of the reporting period

<b>SEPARATE FINANCIAL STATEMENTS</b>				<b>Unit : Baht)</b>
<b>Financial assets/ Financial liabilities</b>	<b>Fair value</b>		<b>Fair value hierarchy</b>	<b>Valuation techniques and key inputs</b>
	<b>December 31, 2020</b>	<b>December 31, 2019</b>		
<u>Financial Assets</u>				
Non - Collateralised Investment				
Fair value through profit or loss				
Listed securities	39,385,562	14,148,784	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
Ordinary shares	45,873,311	46,007,412	2	Net asset value of the last working day of the reporting period and cost
Debt securities - Bill of exchange	589,893,904	583,802,331	2	Discount cash flow by future cash flows are estimated based on forward interest rate at the end of the reporting period
Unit trust securities	16,396,750	-	2	Net asset value of the last working day of the reporting period
Fair value through other				
comprehensive income Listed securities	123,422,415	133,401,107	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
<u>Financial liabilities</u>				
Other borrowing	457,311,342	498,349,296	2	Discount cash flow by future cash flows are estimated based on forward interest rate at the end of the reporting period

### 38.2.5.2 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:

<b>CONSOLIDATED FINANCIAL STATEMENTS</b>				<b>(Unit : Baht)</b>
	<b>As at December 31, 2020</b>		<b>Fair value hierarchy</b>	<b>Valuation techniques and key inputs</b>
	<b>Carrying Amount</b>	<b>Fair Value</b>		
	<b>Baht</b>	<b>Baht</b>		
<u>Financial assets</u>				
Cash and cash equivalents	290,630,301	290,630,301	3	Net present value of expected cash inflow

<b>CONSOLIDATED FINANCIAL STATEMENTS</b>				<b>(Unit : Baht)</b>
	<b>As at December 31, 2019</b>		<b>Fair value hierarchy</b>	<b>Valuation techniques and key inputs</b>
	<b>Carrying Amount</b>	<b>Fair Value</b>		
	<b>Baht</b>	<b>Baht</b>		
<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 Borrowing Bill of Exchange	148,349,296	148,349,296	3	Net present value of expected cash outflow

(Unit : Baht)

	SEPARATE FINANCIAL STATEMENTS			
	As at December 31, 2020		Fair value hierarchy	Valuation techniques and key inputs
	Carrying Amount Baht	Fair Value Baht		
<u>Financial assets</u>				
Cash and cash equivalents	196,079,287	196,079,287	3	Net present value of expected cash inflow

(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	46,007,412	46,007,412	3	Net asset value of invested company
Equity securities				
Loan	19,000,000	19,000,000	3	Net present value of expected cash inflow
<u>Financial liabilities</u>				
<u>Other Borrowings</u>				
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

### 39. TRANSFER OF BUSINESS

On May 1, 2009, the Company transferred its business and margin loan accounts to Krungthai 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 an 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 year ended December 31, 2019, the Company recognized additional gain on transfer of business to the associated company of Baht 0.02 million.

As at December 31, 2020 and 2019, the remaining amount unrealized gain on transfer of business to an associated company were Baht 148.20 million.

#### **40. 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.

On March 17, 2020, the Company, an associated company and third party 30 persons have been jointly sued from the same seven prosecutors above in criminal case which is currently in the process of preliminary hearing.

#### **41. APPROVAL OF FINANCIAL STATEMENTS**

These financial statements have been approved for issuing by the audit committee and authorized director of the Company on February 22, 2021.