



ANNUAL REPORT

2024

ENVISIONING
A BETTER FUTURE
FOR FINANCIAL MARKETS

TSFC Securities Public Company Limited

Message from Chairman and Managing Director

In 2024, the global economy continues to grow at a pace similar to the previous year, supported by easing inflation and signs of recovery in international trade despite prolonged geopolitical risks. Thailand's economy has experienced its highest expansion since the COVID-19 crisis. Nevertheless, this growth remains concentrated in specific groups, resulting in continued fluctuations in the stock market investment and reflecting lower trading volumes.

The global economy continues to expand, driven by major economic powerhouses such as the United States, Europe, and China, where domestic economies have shown signs of recovery following a slowdown in inflation. This has led to a relaxation of monetary tightening measures. Notably, the Federal Reserve (Fed) reduced interest rates three times in the fourth quarter of 2024, amounting to a 1% decrease, effectively ending the nearly three-year cycle of global interest rate hikes. This shift has been

a key factor in supporting the global economic recovery. This shift has been a key factor in the global economic recovery. However, escalating geopolitical conflicts have intensified global power divisions, speeding up the implementation of trade protectionist measures. These barriers pose significant challenges, hindering the pace of global economic recovery.

In 2024, the economy of Thailand experienced an expansion at an average rate of 2.5%, which represents an improvement from the previous rate of 1.9% in 2023; however, it remains below initial expectations. The recovery was predominantly observed in specific groups, with critical economic drivers, such as tourism, continuing to perform robustly. Nonetheless, numerous other sectors encountered difficulties, particularly within the manufacturing industry, where several segments are experiencing a decline in competitiveness. Moreover, the export sector has faced challenges due to increasing volatility, attributed to rising Trade Barriers,



Mrs. Kesara Manchusee
Chairman

"TSFC is prepared to provide liquidity assistance to Thailand's capital market, thereby enabling it to overcome the financial crisis"



which subsequently affected investment levels and precipitated a deceleration in private consumption compared to the prior year. Sustained elevated interest rates over an extended duration have further exacerbated underlying structural economic challenges, particularly concerning household debt, which persists at levels exceeding 90% of GDP. These factors have notably diminished **investor confidence in the Thai stock market, leading to increased volatility and significant capital outflows. Consequently, the stock index has declined for the second consecutive year, with trading volume reaching its lowest point in 9 years.**

In 2024, the overall Credit Balance Financing industry continued to experience a noticeable deceleration, correlating with the subdued investment sentiment observed in the stock market. The total outstanding margin loan balance decreased to THB 7.31 billion, marking the lowest level in nearly 4 years and representing a decline of 19% from THB 9.03 billion in 2023. This decrease reflects diminishing investor confidence, which is driven by weaker-than-anticipated corporate earnings, escalating

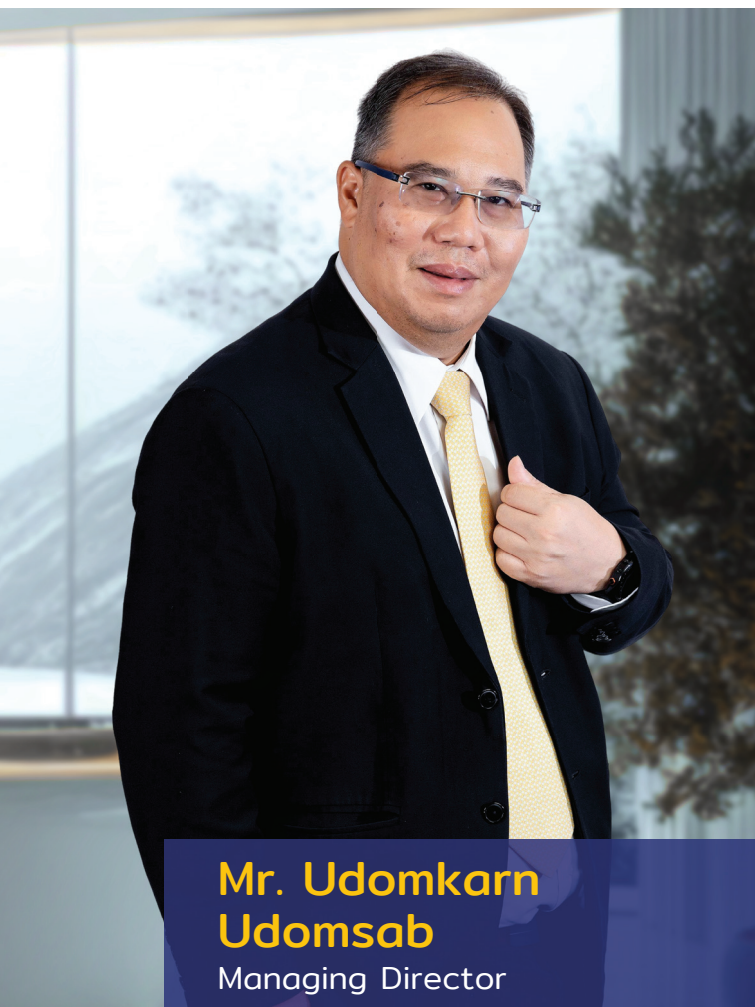
concerns regarding corporate governance among listed companies, and issues associated with off-market margin pledging by executives, ultimately resulting in forced sell-offs and considerable investor losses. Consequently, brokerage firms have increased the stringency of their lending policies or decreased the size of their margin loan portfolios. **Notwithstanding these arduous conditions, the Company has upheld rigorous risk management protocols in alignment with regulatory standards, thereby safeguarding itself from adverse effects. Furthermore, it has effectively maintained its market share at a level comparable to the preceding year's.**

The economic outlook for Thailand in 2025 is characterized by significant challenges stemming from structural issues, potential risks associated with the policies of a prospective Trump administration, and persistent geopolitical tensions. The Gross Domestic Product (GDP) is projected to expand by approximately 2.8%, primarily supported by government stimulus initiatives and efforts to resolve household debt. Furthermore, the tourism sector is expected to continue serving

as a vital strength for Thailand's economy. Notwithstanding, apprehensions regarding the export sector continue to exist, and considerable challenges are anticipated to arise from U.S. trade policies, including tariff and trade barriers that may adversely affect global trade. In the realm of geopolitics, military conflicts are expected to lessen, shifting focus instead to trade disputes and diplomatic tensions, attributed to the newly adopted trajectory of U.S. foreign policy.

The overall Thai stock market is anticipated to exhibit a modest recovery in 2025, hindered by subdued listed company earnings and ambiguities pertaining to U.S. policies. Investment sentiment during the first half of the year is expected to remain unstable as investors seek enhanced clarity regarding the implications of the U.S. "America First" policy, which may impose trade pressures on Thailand. Such uncertainty has prompted some investors to postpone their investments, thereby perpetuating ongoing market volatility. However, **it is anticipated that market conditions will improve in the latter half of 2025 as the policy directions of the United States become increasingly apparent.**

Furthermore, the expected reductions in interest rates, along with government initiatives designed to restore market confidence—such as augmenting the authority of the Securities and Exchange Commission (The SEC) to combat stock manipulation and the enforcement of more stringent reporting requirements concerning pledged shares—are expected to exert a positive influence on the economy and investment sentiment. Such measures have the potential to stimulate capital inflows and enhance investor confidence, ultimately resulting in a more pronounced recovery of the stock market and a resurgence in demand for credit balance financing.



**Mr. Udomkarn
Udomsab**
Managing Director

"TSFC is dedicated to advancing Thailand's capital market through innovation and limitless creativity by integrating AI technology, driving transformative change, enhancing professional excellence, and fostering inspiration for the future."

Despite challenges in the Thai capital market, which led to a decline in the SET Index and the systematic of margin loan outstanding in 2024, TSFC remains a pillar of stability and strength, reaffirming its leadership within the security industry, fostering toward sustainable advancement in Thailand's capital market in 2025.

The year 2024 presented considerable challenges for the Credit Balance (CB) financing industry, as heightened economic and market volatility resulted in a marked decrease in investor confidence. This downturn precipitated a widespread slowdown in the stock market, leading to a continuous decline in the value of securities utilized as collateral in CB accounts. This Credit Balance Crisis has presented unprecedented challenges in risk management for securities companies offering margin loans. As the value of collateral deteriorated, these

companies were unavoidably compelled to execute forced sales in an effort to mitigate risk. However, given the unfavorable market conditions, these liquidations often failed to adequately cover outstanding debt obligations, resulting in a significant increase in credit losses across the industry, totaling 1,953 million baht in the first nine months of 2024 — representing a 79.5% rise from 1,088 million baht during the corresponding period in 2023. Furthermore, some securities companies were forced to cease offering margin loans services, highlighting the severity of the industry's challenges and the persistent pressures encountered by market participants throughout the year.

By implementing effective risk management in Credit Balance (CB) transactions, the Company has successfully sustained its financial stability despite the depreciation in collateral value, whilst this decline has compelled numerous securities companies to issue margin calls.

The Company has proactively anticipated that the overall investment outlook in 2024 may encounter multiple challenges and risk factors, potentially affecting its operations. Nevertheless, it has instituted rigorous risk management strategies over the years to effectively navigate market volatility and diminish possible detrimental effects. Consequently, as a result of these strategies, the Company has proficiently preserved its financial stability, remaining unaffected by the sharp and prolonged decline in stock prices of several listed companies, including Nex Point Public Company Limited (NEX), Sabuy Technology Public Company Limited (SABUY), Thonburi Healthcare Group Public Company Limited (THG), Yggdrasil Group Public Company Limited (YGG), Successmore Being Public Company Limited (SCM), and RS Public Company Limited (RS). This resilience is indicative of the Company's robust risk management capabilities. Indeed, although

profitability in 2024 may decline consistently with prevailing industry trends, the Company has consistently generated operating profits since 2013 and has effectively accomplished its business objectives. This achievement is attributable to a flexible strategic approach coupled with rigorous risk management, which reinforces its long-term strength and financial stability.

As of December 31, 2024, the Company's total assets amounted to 3,768 million baht, which signifies an increase of 18 million baht in comparison to 2023. This growth has been primarily attributed to expanding the Company's loan portfolio, encompassing credit balance financing and loans to securities companies. However, due to heightened volatility in the stock market, the overall demand for financing experienced a decline, resulting in a net profit of 30 million baht in 2024. This figure represents a decrease of 27 million baht, equivalent to 48%, compared to the previous year. **Notwithstanding the challenges presented by the market, the Company has consistently surpassed the performance of numerous securities companies within the industry, many of which have reported operating losses. This resilience underscores the effectiveness of the Company's risk management strategies and**

its capacity to maintain robust operational performance, even amidst a highly challenging economic environment.



In 2024, the Company may not have completely fulfilled its financial targets, primarily due to prevailing market conditions and more stringent risk management protocols in credit lending. Nonetheless, it has effectively attained other critical targets despite the increased volatility and challenges within the stock market. The Company maintained a strong financial position, with a Net Capital Ratio (NCR) of 100.04% at the end of 2024, exceeding the minimum regulatory requirements set by the Securities and Exchange Commission (SEC). Additionally, shareholders' equity remained high, approaching 2 million baht, emphasizing the Company's financial stability, resilience against economic fluctuations, and commitment to long-term business continuity.

Throughout its operations, the Company has remained steadfast in its commitment to **enhancing business efficiency** and expanding its service capabilities to address the evolving needs of its clients more effectively. **Recognizing risk management's paramount significance, both in terms of business operations and liquidity management while adhering to corporate governance principles** in order to establish a solid foundation for sustainable long-term growth. To drive the organization forward, the

Company **prioritized developing and exploring innovative financial products and services** through strategic business partnerships with industry experts. This methodology fortifies the Company's market position and amplifies its capacity for innovation, ensuring that its offerings remain aligned with the rapidly changing financial market environment. A summary of significant achievements in 2024 and an outline of the Company's strategic plans for the next three years are as follows:

- **Leader in Information Technology System:** The Company has successfully migrated all core system cloud-based infrastructure at the rate of 100%, utilizing AWS—a globally recognized provider that meets international security and compliance benchmarks. This migration has substantially bolstered data security and lowered maintenance expense efficiency. Furthermore, the cloud migration has strengthened the Company's IT infrastructure, ensuring enhanced flexibility and security to support forthcoming business expansion.
- **Enhancing Collaborations in Securities Firms in the Industry:** The Company has enhanced its collaboration

with leading securities companies, including Kingsford Securities Public Company Limited, to facilitate client Credit Balance (CB) account openings. In alignment with this initiative, the Company has developed an integrated data connection system that optimizes the account opening procedure between the Company and securities companies serving as brokers for clientele. This collaboration has successfully eliminated redundancies in document submission, alleviated clients' paperwork burden, and expedited processing time, culminating in a more timely and seamless account opening experience. By enhancing operational efficiency and convenience, this initiative significantly elevates customer satisfaction while also optimizing service standards throughout the securities industry.

- **Prudent Risk Management:** The Company places high priority on rigorous and effective risk management to proactively adapt to evolving business risks and mitigate potential impacts from market volatility. To achieve this, the company has continuously enhanced and refined its risk management framework, incorporating advanced tools and methodologies to

optimize risk oversight. One of the principal tools implemented is Value at Risk (VaR), a sophisticated financial methodology utilized to evaluate the price risk associated with customer collateral. VaR empowers the Company to accurately calculate and forecast potential losses resulting from market fluctuations, thereby enhancing risk prediction capabilities. By integrating VaR into its risk management framework, the Company has successfully adopted a more proactive risk strategy, continuously adjusting its collateral management policies to correspond with the ever-evolving market conditions. This approach has mitigated customer default risk, strengthened the Company financial stability.

- **Collaboration with Offshore Fin-tech/ Start-up Partnerships:**

- **AI Research Analytic:** Artificial intelligence (AI) technology can augment stock analysis for publicly listed companies in international markets. The AI system is designed to process and analyze complex financial data from various sources, providing in-depth insights and actionable intelligence while presenting analytical results in Thai.

- **Off-shore Investment Platform :** The platform allows investors to effortlessly access a diverse array of global assets, including stocks, government bonds, and corporate bonds, within the international market denominated in Thai baht. This functionality eliminates foreign exchange barriers and simplifies the investment process in global assets, thereby effectively offering enhanced portfolio management options.

- **Crowdfunding Business and Platform :** The platform offers an alternative fundraising avenue for non-listed companies, facilitating businesses to raise capital by issuing shares and corporate bond offerings.

- **Office Relocation & Renovation:** In alignment with the Company's development strategy, the Company has relocated to a new office designed to cultivate a dynamic and collaborative work environment. This new space is meticulously tailored to enhance creativity, stimulate innovation, and encourage cross-departmental collaboration, ultimately reinforcing corporate culture and

teamwork. By optimizing the workspace, the Company aspires to increase employee efficiency and productivity, ensuring its workforce is adequately prepared to support business growth and sustainably address customers' evolving needs.

- **Future Projects:**

The Company is dedicated to developing innovative financial products and services through strategic business partnerships with industry experts. This initiative is designed to fortify its market position and broaden service offerings, thereby addressing the needs of all stakeholders within the capital market and promoting sustainable and resilient growth within the entire security industry. The Company intends to undertake feasibility studies concerning several pivotal initiatives in the future. These will serve as essential mechanisms to drive business expansion and enhance its capability to adapt to rapidly evolving market trends. The key projects currently under the study include:

– **Build Up Products & Services: Align with Major Shareholder Strategies (SET):**

AI Research Analytic for Investors: This Project is designed to provide Thai investors access to Thai-language research reports, facilitating their analysis and enabling informed investment decisions concerning internationally listed securities. By leveraging AI-driven analytics, the platform assists in overcoming language barriers and enhances investors' capability to utilize precise, real-time market insight, ultimately improving investment efficiency and decision-making.

Bond Connect Platform: This project is designed to expand access to bond investments for both retail investors and the general public while simultaneously generating new business opportunities for market participants in the bond market. The platform will enable the acquisition of debt securities in the primary market as well as facilitate the acquisition in the secondary market.

"TSFC is committed to driving financial innovation to address the continually evolving demands of the market by developing and introducing new financial products and service platforms that create value and foster equal opportunities for all stakeholders in the capital market."

– **Invest or Build Up the Future of New Businesses and Financial Platforms:**

The Securities and Exchange Commission (SEC) is currently engaged in the process of amending regulations governing share acquisitions and the operation of other businesses for the Company in order to align with the criteria that presently permit other securities companies to invest in or conduct additional businesses. This regulatory amendment aims to eliminate existing restrictions, thereby enabling the Company to expand its business scope beyond its current operation. The SEC initially anticipated enforcing these new regulations by the second to third quarter of 2025. The Company is awaiting the official implementation of these regulatory updates, which will

create new investment opportunities and allow for broader participation in additional business activities beyond the current framework.

– **IT Securities Platform Leadership:**

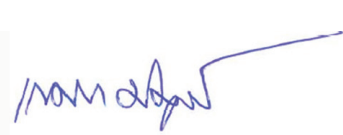
The Company is poised to develop a next-generation core technology system to replace its legacy infrastructure, which has increasingly presented challenges for upgrading and expansion. The new core system is meticulously designed to enhance adaptability and efficiency, ensuring its effectiveness in supporting the dynamic demands of the business environment. Furthermore, this new core system will be strategically developed for seamless integration with emerging technologies, including AI-driven analytics and flexible system connectivity, to optimize business operations and align with prevailing industry trends. It is also designed to accommodate new financial transactions and services, allowing the Company to swiftly adapt to future innovations and become the technology leader in the securities industry. In addition, it will strengthen system stability, safeguard against cyber threats, and bolster the Company's operational resilience.

- **ESG:** The Company is dedicated to sustainable business operations, thereby formulating the Environmental, Social, and Governance (ESG) policy and expressing its intent to adhere to ESG best practices. By embedding ESG principles into its business management processes, the Company strives to enhance operational efficiency and foster responsibility for all stakeholders.

The Company's credit rating has been reaffirmed at the BBB level with a "Stable" rating outlook by TRIS Rating, following the latest review conducted in December 2024. This rating indicates the Company's strong capital base and resilient risk profile. However, the TRIS Rating has evaluated the Company's business position, financial performance, sources of funding, and liquidity status at a "moderate" level.

On behalf of the Board of Directors and management team, the Company extends its profound gratitude to our customers, shareholders, business partners, and

stakeholders for unwavering continued trust and support. The Company firmly believes that sustainable growth, underpinned by strong corporate governance, is a pivotal driver of long-term business success. This commitment not only enhances the Company's capacity to capitalize on new business opportunities but also fosters collaboration in creating shared value, benefiting all stakeholders. Moving forward, the Company remains dedicated to strengthening its credit balance financing portfolio while continuously developing innovative financial products and services, thereby aspiring to be a paragon within the capital market industry, characterized not only by social and environmental responsibility but also by a commitment to a sustainable future.



**Mrs. Kesara
Manchusee**
Chairman



**Mr. Udomkarn
Udomsab**
Managing Director





Management Discussion and Analysis (MD&A)

Comparative performance results for the period spanning 2023 to 2024. The Company's net profit for the fiscal year 2024 was recorded at 29.85 million baht, which signifies a reduction of 27.01 million baht from the previous year's net profit of 56.87 million baht, equating to a decline of 48%. This decline was primarily caused by a deceleration in investment activities within the Stock Exchange of Thailand (SET), which was influenced by various risk factors that undermined investor confidence and reduced demand for margin loans compared to the preceding year. Despite a decline in net profit the Company's overall operations have successfully achieved the key performance indicators because the company has already anticipated considerable volatility in the investment environment of the Stock Exchange of Thailand in 2024. To mitigate potential risks, the Company implemented more rigorous risk management measures, resulting in a stagnation of its total loan portfolio, consistent with the prevailing trend in the securities industries. Nevertheless, the Company's financial performance persisted in

accordance with the broader securities sector, which also experienced a deceleration.

- In fiscal year 2024, the Company recorded a total revenue of 215.86 million baht, indicating a decline of 38.67 million baht, compared to the total revenue of 254.53 million baht in 2023. Subsequent factors primarily contributed to this reduction in revenue:
 - Interest income derived from margin loans experienced a decline of 40.55 million baht, resulting in 182.91 million baht. The primary factor behind this decrease was a reduction in the average loan margin in 2024 compared to the preceding year. This decline resulted from heightened market volatility and adverse investment conditions, driven by several global and domestic economic factors. The intensification of geopolitical conflicts in various regions has significantly increased uncertainty, gravely affecting investor confidence. Moreover, the shifts in foreign policies by significant economies, particularly the United States, have raised concerns regarding global trade and economic relations following its recent election. Furthermore, central banks worldwide have embraced a more conservative approach to

monetary policy, executing interest rate reductions at a slower rate and lesser magnitude than market expectations. Moreover, Thailand's sluggish economic growth has resulted in heightened uncertainty among investors, consequently declining investment confidence. The Company has also implemented more rigorous management measures to ensure compatibility with prevailing market conditions and effectively mitigate risks related to continuously evolving external factors. As a result, the average loan margin decreased compared to the preceding year.

- Revenue from other transactions recorded a modest increase of 1.88 million baht compared to the previous year.
- In 2024, the Company's interest expense amounted to 59.28 million baht, reflecting a decrease of 9.95 million baht compared to the previous year. This decrease was primarily due to a reduction in the Company's total margin loan, which resulted from a decrease in total outstanding, so the Company's borrowing requirements declined accordingly. However, despite the reduction in loan balances, the Company experienced an increase in financing costs, driven by the Bank of Thailand's policy

rate hikes, which directly impacted market lending rates.

- In 2024, the Company's other expenses amounted to 119.07 million baht, representing an increase of 5.07 million baht compared to the previous year. This rise was primarily driven by higher costs associated with customer service operations and increased employee-related expenses, which were significant factors contributing to the overall increase in total expenditure.

Regarding the financial status as of December 31, 2024, the Company reported total assets of 3,767.64 million baht, reflecting a slight increase compared to 3,749.66 million baht at the end of 2023. The main factor contributing to this increase was the 120-million-baht growth in loan receivables, culminating in 680 million baht. Conversely, net securities business receivables declined by 71.61 million baht, totaling 2,895.89 million baht. This reduction was primarily driven by investor trepidations surrounding the investment condition within the SET, which were influenced by various external factors that have affected overall investment confidence. As a result, the demand for credit declined compared to the corresponding period in the previous year.

With regards to liabilities as of December 31, 2024, the Company reported total liabilities amounting to 1,868.05 million baht, signifying

an increase of 17.44 million baht compared to the preceding year. This increase was primarily driven by the decline in loan borrowings, which aligns with the overall reduction in lending. The Company has implemented an effective capital management strategy, diversifying its funding sources to enhance financial flexibility and mitigate risks associated with reliance on a single funding channel. These measures include borrowing from financial institutions, issuing and offering debt instruments, and fundraising through bond crowdfunding platforms to optimize liquidity management. As of December 31, 2024, the Company reported outstanding debt securities of 90 million baht, marking a decrease from 245 million baht in 2023.

As of December 31, 2024, shareholders' equity amounted to 1,899.59 million baht, representing an increase of 0.53 million baht compared to the end of the fiscal year 2023. This increase was primarily attributable to the Company's operating profit of 29.85 million baht for the year 2024. However, the Company distributed dividends totaling 32.53 million baht for 2023, corresponding to its performance for the year 2023.

Important financial information

(Unit: Million Baht)

Financial Status	2024	2023	2022
Total Assets	3,767.64	3,749.66	4,667.10
Total Liabilities	1,868.05	1,850.61	2,790.28
Shareholders' Equity	1,899.59	1,899.05	1,886.81

(Unit: Million Baht)

Operating Result	2024	2023	2022
Interest income	215.49	253.43	255.21
<u>Deduct</u> Interest expenses	59.28	69.23	57.42
Net interest income	156.21	184.20	197.79
Non-interest Income	0.37	1.10	1.15
<u>Deduct</u> Operating Expenses	119.07	113.99	98.12
Earnings before income taxes	37.51	71.31	100.82
Income tax expense	(7.66)	(14.44)	(20.20)
Net Profit	29.85	56.87	80.62

Important financial information (continued)

(Unit: Million Baht)

Key Financial Ratio	2024	2023	2022
Per share (baht)			
Earnings Per Share	0.19	0.37	0.52
Book Value	12.26	12.25	12.18
Yield ratio (%)			
Return On Equity (ROE)	1.58	3.01	4.31
Return on Assets (ROA)	1.07	1.29	1.55
Capital ratio (%)			
Equity to assets at the end of the period	50.42	50.65	40.34
Net capital rule ratio	100.44	100.86	69.63

Significant achievements



Funding

Management of Funding Sources and Liquidity

In 2024, the Company prudently managed its funding sources and liquidity to ensure sufficient financial resources for business operations and future growth. A diverse range of funding strategies were employed, including financing from commercial banks and the continuous issuance of corporate debt securities.

As of December 31, 2024, the Company had outstanding debt securities amounting to 90 million baht, offered to institutional and high-net-worth investors (IHNW). Additionally, the Company has been actively raising funds through a bond crowdfunding platform since 2023—the first year it adopted this fundraising method. This strategy enhances the Company's flexibility in capital funding and provides an alternative to traditional financing sources.

The primary objective of these fundraising efforts is to ensure adequate liquidity for business operations, particularly in the context of external uncertainties such as financial market volatility and changes in key

factors that may affect the Company's future financing capabilities. By maintaining a diverse and sufficient range of funding sources, the Company can effectively manage liquidity risks and sustain financial stability under all circumstances.

Capital Structure Management Strategy

Over the past year, the Company has restructured its capital by increasing the proportion of long-term borrowings to enhance financial stability and reduce the risks associated with excessive reliance on short-term debt. Additionally, the Company is currently evaluating the feasibility of securitizing its margin loan portfolio to expand funding capabilities through innovative financial instruments, which will bolster the Company's flexibility in liquidity management.

Liquidity Risk Management

The Company employs various tools to effectively manage liquidity risk, ensuring adequate liquidity maintenance and the continuity of uninterrupted business operations. These measures include:

- **NCR (Net Capital Rule)**
Used to assess the company's capital funds in compliance with regulatory requirements
- **Liquidity Gap Analysis**
Used to evaluate the mismatch between assets and maturing liabilities
- **Funding Concentration Limit**
Used to restrict over-reliance on a single funding source
- **Mismatching Fund Management**
Used to ensure proper matching of assets and liabilities
- **Liquidity Reserve Ratio**
Used to maintain liquidity reserves at appropriate levels to meet business requirements

Through a prudent approach to funding and liquidity management, the Company has succeeded in preserving financial stability in the face of challenges within the capital market, thereby ensuring the Company's capability to operate efficiently and achieve long-term sustainability.

Online Account Opening: "e-Open Account"

The Company has consistently advanced and refined its online account opening system, "e-Open Account," for margin loan applications in which the system is integrated with securities brokerage companies to enhance the speed and efficiency of the account opening process for customers. Additionally, this system aligns with the Company's development plan for the e-Securities Platform, scheduled to commence in 2025. The platform is intended to further optimize the efficiency of the online account opening process by improving cost-effectiveness and minimizing processing time.

Internal Process Improvement

Launch of Intranet Portal to Enhance Work Efficiency

In 2024, the Company introduced a new Intranet Portal to enhance internal communication and improve workflow efficiency. This new portal facilitates employees' prompt and convenient access to essential corporate information while supporting a self-service platform for human resource operations, such as expense reimbursements and leave

requests. This feature empowers employees to manage their information more easily.

Additionally, Intranet Portal significantly enhances the Company's human resource management processes with comprehensive functionalities such as payroll, employee benefits management, and claims processing. These improvements contribute to greater convenience for both employees and management.

Office relocation to support growth and sustainable operations

The relocation to a modern office space represents a noteworthy advancement in enhancing operational processes. Specifically, the implementation of a paperless system contributes to a reduction in operational expenses, an increase in efficiency, and a decrease in environmental impact. This shift is consistent with the Company's dedication to sustainable business practices.

Enhancing Security Measures

The Company prioritizes data security and is dedicated to protecting its information systems against cyber threats. To strengthen its security framework, the Company has enhanced its security measures, which have

been externally audited and strictly comply with ISO 27001 standards. These efforts ensure the highest level of protection for corporate data and systems while enabling the Company to tackle challenges effectively within an increasingly dynamic digital environment.

Information System Improvement

The Company has successfully migrated its core systems to a 100% cloud-based infrastructure, utilizing AWS, a globally recognized provider that adheres to international standards. This migration enhances security, optimizes maintenance expenses, and fortifies the Company's IT infrastructure by rendering it more robust, adaptable, and secure to ensure adequate preparation for future operations.

Core Business Systems Improvement: Advancing into the Future with Modern Technology

In an era of rapid business transformation, the evaluation and enhancement of core systems, some of which have been in operation for over 13 years—has become imperative.

Legacy systems may no longer adequately support emerging technologies or fulfill the increasing market demands for efficiency and competitiveness.

The Core System Modernization Project is a key strategic initiative to ensure that the Company's business systems remain aligned with corporate objectives, scalable, and capable of supporting future growth. This transformation necessitates a comprehensive understanding of business goals, operational challenges, and emerging technological trends.

Methodology for Effecting Transformation

- Comprehensive analysis of Legacy Systems to identify deficiencies and opportunities for improvement.
- Adoption of advanced technologies to enhance efficiency, simplify processes, and improve operational agility.
- Seamless system integration to facilitate a smooth transition with minimal disruption to business operations.
- Balancing costs and returns to optimize investment value to yield long-term

benefits and sustainable business growth.

Building a Strong Future with Technology Solutions

Modernizing core business systems is not merely a technological upgrade but a strategic imperative to enhance competitive advantage. In today's rapidly evolving market, businesses must adopt future-ready, scalable solutions that optimize operational efficiency.

By investing in modern and flexible information systems, the Company can enhance efficiency, unlock new opportunities, and drive sustainable growth in the digital era — an era filled with both challenges and opportunities.

Advancements in Securities Research for Collateralization

Over the past year, the Research Division has continuously refined its operational processes to adapt to the rapidly changing investment circumstances and economic conditions. These enhancements have been implemented in three principal areas as follows:

Proactive Research Analysis Enhancement

Emphasizing future risk management pertaining to margin loan transactions. Notably, an in-depth analysis of the margin loan industry has been conducted, incorporating insights into the movement of highly concentrated securities. Recent market developments have indicated that certain securities experienced significant declines, triggering forced-sale margin accounts, which adversely impacted investors and brokerage companies. To mitigate such risks, the Research Division has refined its framework to encompass various dimensions, including industry-wide and individual security analyses. These enhanced research reports have been published and are available on the Company's website, ensuring that customers and investors have access to valuable insights to facilitate well-informed investment decisions.

Enhancement of the Securities Screening Process for Margin Loans

In light of increased market volatility, the Research Division has strengthened the screening process to determine eligible collateral for margin loans. The revised framework ensures a more rigorous and adaptable approach, allowing the screening

process to react promptly to market fluctuations and emerging risk factors. The primary objective of this improvement is to establish a well-defined list of suitable securities, ensuring that investors can efficiently leverage margin loans for their investment endeavors.

Collaboration with Other Organizations to Develop Innovative Financial Transactions

In addition to refining research analyses and enhancing the securities screening process, the Research Division has prioritized collaboration with various organizations to develop novel transaction models that generate additional value for investors and can support the Company in achieving sustainable revenue growth over the long term.

Innovation in Financial Products and Services

In alignment with the Company's three-year strategic plan, which emphasizes creating financial products and services designed to promote stability and sustainable growth within the securities industry, several key projects have been initiated since 2023.

Currently, the Company is developing a product that facilitates Thai investors' access to international investments denominated in Thai Baht in close collaboration with M-DAQ.

Furthermore, the Company is diligently engaging in research and co-development of financial innovations in collaboration with expert partners to introduce new services that effectively address the evolving requirements of investors, including

- **Crowdfunding Business and Platform**
A platform for equity and bond fundraising was developed in collaboration with licensed service providers regulated by the Securities and Exchange Commission. This project is intended to facilitate more manageable and more efficient access to funding sources for entrepreneurs.
- **Offshore Investment Platform**
A platform designed to facilitate Thai investors' access to investments in government bonds and corporate bonds issued by leading international firms. The Company has partnered with a Singapore-based bond trading platform developer to create a secure and convenient solution for offshore fixed-income investments.

- **AI Research Analytic**

An artificial intelligence (AI) technology is designed for analyzing stock data of publicly listed companies in global markets, with the capability to present insights in Thai for enhanced accessibility and comprehension. This project is being developed in collaboration with leading technology firms from Israel and Hong Kong.

The development of these new financial products and services underscores the Company's commitment to delivering innovative solutions that address the needs of Thai investors. Furthermore, these projects play an essential role in fostering the long-term sustainable growth of the securities industry.

Human Resource Management in Accordance with Good Corporate Governance (CG) Principles

Employees are the Company's most valuable asset and play an important role in driving the Company toward success. A strong and efficient human resource management

framework is essential for enhancing business operations, requiring a workforce equipped with diverse knowledge, expertise, and skill sets to ensure operational effectiveness. To remain competitive, the Company must offer appropriate remuneration and benefits that align with current labor market conditions and economic circumstances.

Recognizing the importance of human capital, the Company has established a Human Resource Management Policy to employ as a guiding framework for human resource governance to ensure that all relevant departments apply fair, equitable, and standardized practices in managing employees and personnel. It encompasses key aspects such as organizational structuring and workforce planning, ensuring optimal staffing levels to enhance employees' capabilities efficiently, sustainably, and stably in driving business growth.

The Company is committed to developing the capabilities of its employees at all levels, ensuring they are adequately equipped to perform their responsibilities proficiently and adapt swiftly to change so that an annual budget and structured training programs are allocated to enhance knowledge and expertise continuously. Additionally, the Company has established a transparent career progression plan framework, enabling employees to grow

within their respective fields. The promotion, transfer, and rotation criteria are defined with transparent and equity, establishing a merit-based system that retains high-quality talent. This systematic approach motivates employees to strive for excellence in their respective roles, thereby facilitating their appropriate growth within the organization.

A fundamental element of sustainable workforce planning is the succession plan, formulated to ensure leadership continuity as senior executives approach retirement. Potential candidates with the requisite qualifications and readiness for leadership positions are identified and developed to enhance their capabilities. Individual development plans are important in preparing employees to adapt to a transforming business environment, including emerging technologies, shifting consumer behaviors, and intensifying market competition. This strategic investment in human capital will further develop human resources with better competitive capabilities.

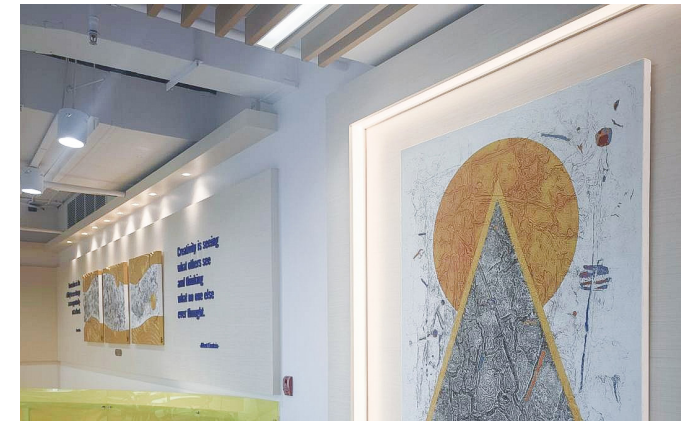
Office Relocation

In an era where work styles are rapidly changing, the Company realizes the significance of creating an environment conducive to efficient work in terms of convenience, modern technology, and promoting employee

collaboration. In order to be in line with contemporary working methodologies, the Company has relocated its office to a new location at 33/4, The Nine Towers Grand Rama 9 Tower A, 32nd floor, on Rama 9 Road, focusing on space design under the concept of Activity-Based Workplace, which designs spaces based on employee activities to support flexible work by providing Collaborative Areas for working together, Hot Seats for freely selecting seats, and Focus Zones for work that requires concentration, allowing employees to choose any workspaces that are most appropriate for their specific task thereby maximizing work efficiency and meeting flexible work requirements. Furthermore, the design supports the integration of digital technology and creates a work environment that enhances efficiency and collaboration within the organization.

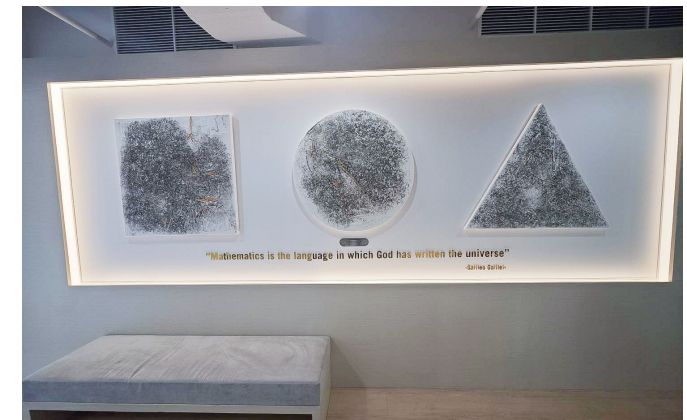
In addition to designing office spaces that accommodate contemporary work styles, the Company has adopted the theme of **"The Galaxy"** as the principal concept in office design to create a working atmosphere that stimulates creativity and fosters innovation, drawing inspiration from the vastness and limitlessness of the universe. This workspace is envisioned as a platform open to new ideas, encouraging employees to explore new opportunities and approaches in their

professional endeavors. Similarly, the pursuit of space exploration, which requires courage, creativity, and collaboration to unveil new discoveries, and the design of the office under the theme "The Galaxy" not only fosters a productive environment conducive to creativity but also embodies the organization's concept that focuses on enhancing the capabilities of its personnel and allowing employees to demonstrate their potential fully.



"Because We Believe..."

Adorning the workplace with evocative maxims like "Ad Astra – To The Stars" isn't merely about aesthetics—it's about kindling ambition, galvanizing teams toward their goals, and embodying of collaboration.



"A Powerful Image, Resonating with Profound Meaning"

Because an image is not merely what meets the eye—it is a force that inspires thought, broadens perspectives, and ignites the flames of imagination and creativity in every corner of the workplace.

The Company aspires for the new office **to be more than merely a workplace** but a space that stimulates innovation, encourages collaboration, and improves the overall employee experience, with the primary objectives as follows:

- **Foster a conducive work environment**

The workspaces are designed to accommodate diverse tasks, with modern meeting rooms, sound-dampening workstations, and an ambiance that encourages creativity while motivating employees to formulate new ideas.

- **Improve a corporate image**

The new office exemplifies the Company's modernization and progression, creating a positive impression on customers and business partners. Additionally, it is a vital factor in attracting and retaining potential personnel.

- **Promote collaboration and teamwork**

Creating an office environment that includes common areas, such as a cafeteria, and an open-space layout office enhances employee interactions, diminishes communication barriers between departments, and improves efficiency in collaborative efforts.

- **Build a stronger corporate culture**

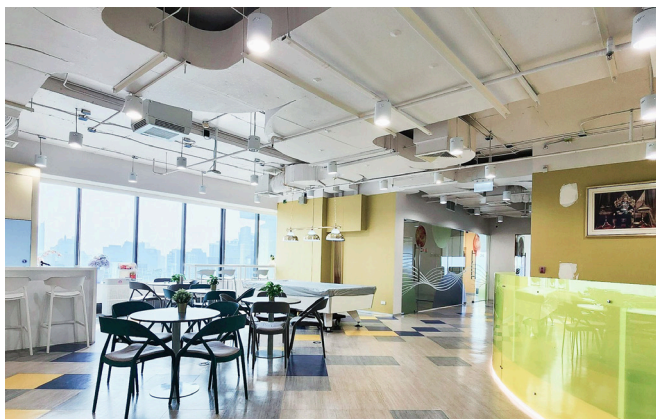
Office relocation is an opportunity to foster a sense of inclusion within an organization, foster a sense of ownership and pride in the new workplace, and facilitate employees' embrace of new working methods and policies.

- **Enhance efficiency in cost and resource management**

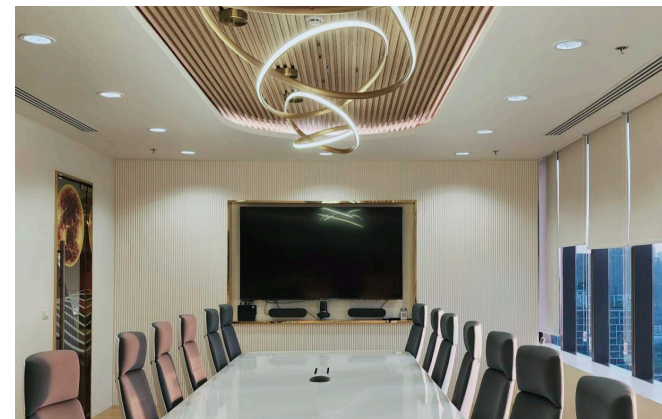
The new office has been designed to facilitate the organization's growth by optimizing space utilization, minimizing superfluous areas, and contributing to a reduction in operating costs over time.



Modern, cutting-edge, and integrated with technology reflecting a new corporate image and providing a superior experience for customers and employees.



Cafeteria Zone
A place to relax, connect, and recharge in a warm and modern atmosphere.



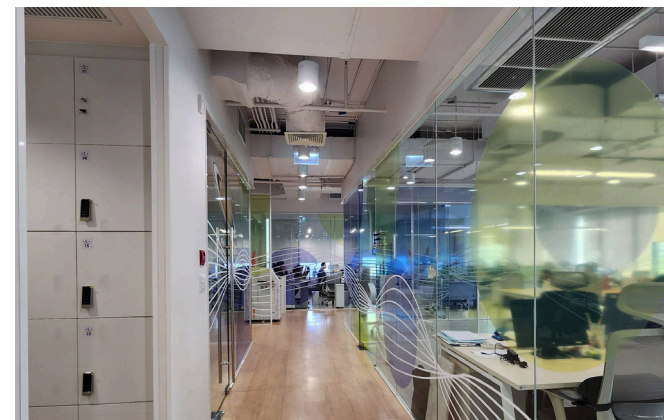
Meeting Room
Modern meeting room with cutting-edge technology to support flexible and efficient work.

Corporate Culture Change

The Company emphasizes a work culture that emphasizes collaboration and measurable outcomes through implementing Key Result Indicators (KRIs) to enable all employees to play an important role in driving the organization toward its goals through effective teamwork and interdepartmental cooperation.

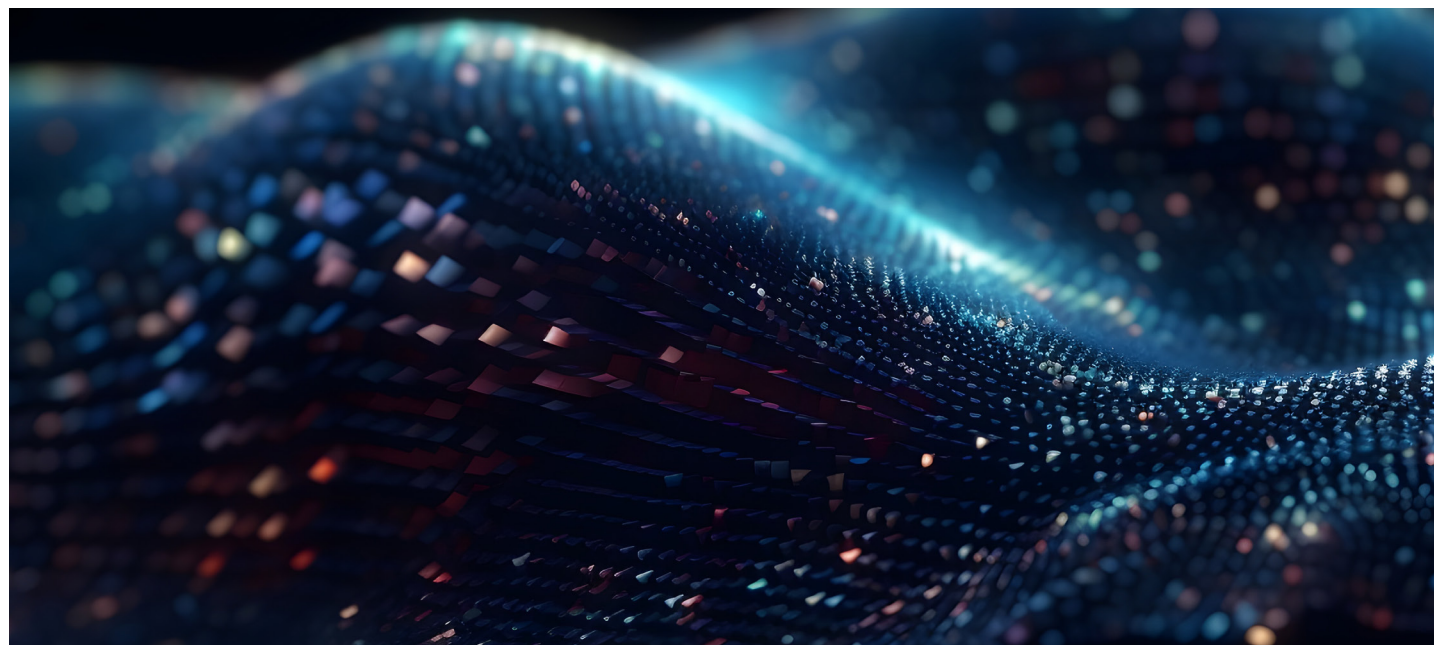
To foster this organizational culture, the Company actively promotes a work environment conducive to creativity and participation. The office layout is intentionally designed to reflect the organization's value of transparency and collaboration. Glass partitions are utilized instead of solid walls to create an open atmosphere that encourages the free exchange of ideas. Additionally, there are no private offices for the heads of each department to promote access and cooperation among teams. The office space design includes various sizes of meeting rooms to accommodate flexible work arrangements and facilitate efficient meetings. The Company also provides a cafeteria area, which serves as a communal space that supports meetings, discussions, and exchanges of perspectives to strengthen interpersonal relationships among employees.

The Company is of the opinion that positive interpersonal relationships among employees significantly influence work efficiency. Therefore, Happy Hour activities are organized every month so that employees can meet in a relaxed atmosphere and engage in informal exchange of ideas. This project aims to help create unity within the organization and enhance collaborative efforts. With an operational approach that emphasizes **cooperation, participation, and an environment conducive to creativity**, the Company is committed to its development for sustainable growth because each employee plays a vital role in propelling the organization toward success.



Open Workspace

An expansive open workspace that encourages teamwork, creativity, and unlimited idea exchange.



Independent Auditor's Report

To the Shareholders of TSFC Securities Public Company Limited

Opinion

I have audited the accompanying financial statements of TSFC Securities Public Company Limited (the Company), which comprise the statement of financial position as at December 31, 2024, and the related statements of comprehensive income, changes in owners' equity and cash flows for the year then ended, and notes to the financial statements, including material accounting policy information (collectively "the financial statements").

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of TSFC Securities Public Company Limited as at December 31, 2024, its financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing. My responsibilities under those standards are further described in the

Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am independent of the Company in accordance with the Code of Ethics for Professional Accountants including Independence Standards issued by the Federation of Accounting Professions (Code of Ethics for Professional Accountants) that are relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code of Ethics for Professional Accountants. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key Audit Matters

Key audit matters are those matters that, in my professional judgement, were of most significance in my audit of the financial statements for the current period. These matters were addressed in the context of my audit of the financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters

I have fulfilled the responsibilities described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report, including in relation to these matters. Accordingly, my audit included the performance of procedures designed to respond to

my assessment of the risks of material misstatement of the financial statements. The results of my audit procedures, including the procedures performed to address the matters below, provide the basis for my audit opinion on the accompanying financial statements as a whole.

Key audit matters and how audit procedures respond for each matter are described below.

Recognition of revenue from interest on margin loans

The Company's revenue mainly consisted of interest on margin loans as described in Note 25 to the financial statements, which amounted to Baht 183 million for the year ended December 31, 2024, representing 85% of the Company's total revenues. Thai Financial Reporting Standard 9 Financial Instruments requires the Company to recognise revenue from interest on margin loans by applying the effective interest rate method over the expected period or shorter period if appropriate. The Company recognises interest on no credit-impaired margin loans after initial recognition on a gross basis. If the margin loans are considered credit-impaired after initial recognition, the Company recognises interest in margin loans at amortised cost. The interests are fixed rates that are adjusted

periodically based on market conditions and competitive environment. Because of the size and volume of transactions, the number of customers, and the recognition of revenue from interest on margin loans relying primarily on data processed by information systems, I addressed the measurement and occurrence of interest on margin loans as key audit matter.

The audit procedures I performed were to assess and test, on a sampling basis, the Company's internal controls relevant to margin loans and recognition of interest on margin loans, including computer-based controls relevant to the calculation of interest on margin loans. I also tested, on a sampling basis, interest rates, calculation and account recording. In addition, I performed analytical procedures on interest on margin loans and examined, on a sampling basis, material manual adjustments via journal vouchers.

Allowance for expected credit losses of securities business receivables

As discussed in Note 4.10 to the financial statements, Thai Financial Reporting Standard 9 Financial Instruments requires the Company to recognise the impairment of securities business receivables in accordance with the expected credit loss model. The Company uses

a general approach to determine an allowance for expected credit losses by considering the change in credit risk in three stages and determining measurement method for each stage. Expected credit losses must be measured at the amount equal to 12-month expected credit losses, except in cases where credit risk has increased significantly since initial recognition or assets are impaired, the allowance must be measured at the amount equal to the lifetime expected credit losses of receivables. The estimation of allowance for expected credit losses is significant because the management has to make subjective judgements on the basis of the significant change in credit risk and the assumptions used in the model. The Company also has a number of customers and amounts of the receivables that are significant to the Company's financial statements (as at December 31, 2024, securities business receivables amounted to Baht 2,896 million, representing 77% of the Company's total assets). Therefore, I addressed the adequacy of allowance for expected credit losses for such receivables as key audit matter.

I have performed audit procedures on the allowance for expected credit losses as follows:

- I assessed, and tested on a sampling basis,

the Company's internal controls relevant to the status of receivables, the calculation of the collateral value, the reasonableness of assumptions and expected credit loss model, the stage assignment of the change in credit risk, the calculation of expected credit losses, and the recording of expected credit losses. I also assessed the methods applied by the Company to the determination and calculation of the allowance for expected credit losses compared to the Company's policies and the financial reporting standards. I tested certain controls over the computer-based controls relevant to the calculation of the fair values of collateral and the providing of collateral values of the Company.

- I examined the adequacy of allowance for expected credit losses as at the period-end date by testing the data used in the calculation of allowance for expected credit losses, testing on a sampling basis the status of outstanding receivables, the valuation of collateral items, the stage assignment of the change in credit risk, the calculation of expected credit losses, collections of receivables after the period-end date, and the calculation of allowance for expected credit losses, including the sufficiency and appropriateness of the data disclosure.

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable

assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Thai Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions,

misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Company to

cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

I am responsible for the audit resulting in this independent auditor's report.



Kirdsiri Kanjanaprakasit

Certified Public Accountant
(Thailand) No. 6014

EY Office Limited

Bangkok: February 25, 2025

TSFC Securities Public Company Limited
Statement of financial position
As at 31 December 2024

		(Unit: Baht)	
	<u>Note</u>	<u>2024</u>	<u>2023</u>
Assets			
Cash and cash equivalents	7	3,783,861	3,867,667
Receivables from Clearing House		9,917,611	14,601,374
Securities business receivables	8	2,895,890,147	2,967,501,654
Non-collateralised investments	9	15,071,371	79,288,700
Collateralised investments			
Collateralised investments without granting right to transferee to sell or repledge	9	126,731,354	98,844,906
Loans	11	680,000,000	560,000,000
Equipment	12	12,780,126	1,286,909
Intangible assets	13	4,858,322	3,422,009
Deferred tax assets	29	3,367,695	5,462,605
Right-of-use assets	14	12,041,495	8,522,292
Other assets	15	3,194,953	6,865,091
Total assets		<u>3,767,636,935</u>	<u>3,749,663,207</u>

TSFC Securities Public Company Limited
Statement of financial position (continued)
As at 31 December 2024

		(Unit: Baht)	
	<u>Note</u>	<u>2024</u>	<u>2023</u>
Liabilities and owners' equity			
Liabilities			
Borrowings from financial institutions	16	1,780,000,000	1,689,468,413
Payables from Clearing House		28,993,666	-
Securities business payables		12,699,417	17,530,505
Income tax payable		4,032,820	5,483,980
Debt issued and borrowings	17	-	90,000,000
Lease liabilities	18	10,202,131	7,562,166
Provisions	19	16,583,981	25,729,636
Other liabilities	20	15,537,792	14,835,469
Total liabilities		<u>1,868,049,807</u>	<u>1,850,610,169</u>
Owners' equity			
Issued and paid-up share capital			
Ordinary shares	21	1,549,125,840	1,549,125,840
Retained earnings			
Appropriated - statutory reserve	22	46,157,303	44,664,626
Unappropriated		304,140,795	305,340,830
Other components of owners' equity	9.3	163,190	(78,258)
Total owners' equity		<u>1,899,587,128</u>	<u>1,899,053,038</u>
Total liabilities and owners' equity		<u>3,767,636,935</u>	<u>3,749,663,207</u>

TSFC Securities Public Company Limited
Statement of comprehensive income
For the year ended 31 December 2024

		(Unit: Baht)	
	<u>Note</u>	<u>2024</u>	<u>2023</u>
Revenues			
Fees and service income	24	132,365	78,759
Interest incomes	25	215,491,069	253,427,253
Losses and return on financial instruments	26	(179)	(14,213)
Other incomes		237,845	1,038,244
Total revenues		<u>215,861,100</u>	<u>254,530,043</u>
Expenses			
Employee benefits expenses		70,160,972	65,666,333
Fees and service expenses		1,604,193	1,638,255
Interest expenses		59,275,895	69,225,082
Expected credit loss	27	5,319,708	7,120,930
Other expenses		41,984,718	39,576,459
Total expenses		<u>178,345,486</u>	<u>183,227,059</u>
Profit before income tax		<u>37,515,614</u>	<u>71,302,984</u>
Income tax expenses	29	(7,662,054)	(14,436,406)
Profit for the year		<u>29,853,560</u>	<u>56,866,578</u>

TSFC Securities Public Company Limited
Statement of comprehensive income (continued)
For the year ended 31 December 2024

		(Unit: Baht)	
	<u>Note</u>	<u>2024</u>	<u>2023</u>
Other comprehensive income			
<i>Items that will be reclassified subsequently to profit or loss</i>			
Gain (loss) on investments in debt instruments designated at fair value through other comprehensive income		304,006	(6,008)
Less: Income tax effect	29	(60,801)	1,202
Items that will be reclassified subsequently to profit or loss - net of income tax		<u>243,205</u>	<u>(4,806)</u>
<i>Items that will not be reclassified subsequently to profit or loss</i>			
Loss on investments in equity instruments designated at fair value through other comprehensive income		(2,196)	(774)
Less: Income tax effect		439	155
Loss on investments in equity instruments designated at fair value through other comprehensive income - net of income tax		<u>(1,757)</u>	<u>(619)</u>
Actuarial gains on defined benefit plan	19	3,713,406	2,316,637
Less: Income tax effect	29	(742,681)	(463,327)
Actuarial gains on defined benefit plan - net of income tax		<u>2,970,725</u>	<u>1,853,310</u>
Items that will not be reclassified subsequently to profit or loss - net of income tax		<u>2,968,968</u>	<u>1,852,691</u>
Other comprehensive income for the year		<u>3,212,173</u>	<u>1,847,885</u>
Total comprehensive income for the year		<u>33,065,733</u>	<u>58,714,463</u>
Basic earnings per share			
Profit for the year	30	<u>0.19</u>	<u>0.37</u>

TSFC Securities Public Company Limited
Statement of changes in owners' equity
For the year ended 31 December 2024

(Unit: Baht)

	Note	Issued and paid-up share capital	Retained earnings		Other components of owher's equity	Total owners' equity
			Appropriated	Unappropriated	Gain (loss) on investments designated at fair value through other comprehensive income	
Balance as at 1 January 2023		1,549,125,840	41,821,297	295,938,046	(72,833)	1,886,812,350
<u>Change during the year</u>						
Profit for the year		-	-	56,866,578	-	56,866,578
Other comprehensive income for the year		-	-	1,853,310	(5,425)	1,847,885
Total comprehensive income for the year		-	-	58,719,888	(5,425)	58,714,463
Appropriation of retained earnings	22	-	2,843,329	(2,843,329)	-	-
Dividend paid	23	-	-	(46,473,775)	-	(46,473,775)
Balance as at 31 December 2023		<u>1,549,125,840</u>	<u>44,664,626</u>	<u>305,340,830</u>	<u>(78,258)</u>	<u>1,899,053,038</u>
Balance as at 1 January 2024		1,549,125,840	44,664,626	305,340,830	(78,258)	1,899,053,038
<u>Change during the year</u>						
Profit for the year		-	-	29,853,560	-	29,853,560
Other comprehensive income for the year		-	-	2,970,725	241,448	3,212,173
Total comprehensive income for the year		-	-	32,824,285	241,448	33,065,733
Appropriation of retained earnings	22	-	1,492,677	(1,492,677)	-	-
Dividend paid		-	-	(32,531,643)	-	(32,531,643)
Balance as at 31 December 2024		<u>1,549,125,840</u>	<u>46,157,303</u>	<u>304,140,795</u>	<u>163,190</u>	<u>1,899,587,128</u>
		-	-	-	-	-

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

TSFC Securities Public Company Limited
Statement of cash flows
For the year ended 31 December 2024

	(Unit: Baht)	
	2024	2023
Cash flows from operating activities		
Profit before income tax	37,515,614	71,302,984
Adjustments to reconcile profit before tax to net cash provided by (paid for) operating activities:		
Depreciation and amortisation	10,781,270	10,533,877
Expected credit loss	5,319,708	7,120,930
Loss on change in fair value of investments	179	14,713
Gain on disposal equipment	(139,095)	(809,345)
Interest expenses	59,275,895	69,225,082
Interest incomes	(215,491,069)	(253,427,253)
Dividend income	-	(500)
Gain from the adjustment of estimated demolition cost	(416,758)	-
Long-term employee benefits expenses	4,873,192	3,131,602
Loss from operating activities before changes in operating assets and liabilities	(98,281,064)	(92,907,910)
Decrease (increase) in operating assets		
Receivables from Clearing House	4,683,763	51,365,875
Securities business receivables	249,203,816	1,031,704,413
Loans to financial institutions	(120,000,000)	115,000,000
Other assets	3,868,056	720,719
Increase (decrease) in operating liabilities		
Borrowings from financial institutions	90,531,587	(163,651,278)
Payables from Clearing House	28,993,666	(71,780,679)
Securities business payables	(4,831,088)	(137,350,215)
Debt issued and borrowings	(90,000,000)	(551,688,024)
Cash paid for long-term employee benefits	(9,355,262)	-
Other liabilities	679,767	(2,893,445)
Cash flows from operating activities	55,493,241	178,519,456
Cash received from interest income	28,651,657	27,126,068
Cash paid for interest expenses	(59,331,551)	(68,637,483)
Cash paid for corporate income tax	(7,821,347)	(18,398,088)
Net cash flows from operating activities	16,992,000	118,609,953

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

TSFC Securities Public Company Limited
Statement of cash flows (continued)
For the year ended 31 December 2024

	(Unit: Baht)	
	2024	2023
Cash flows from investing activities		
Cash paid for purchase of collateralised investments designated at fair value through other comprehensive income	-	29,495,426
Cash paid for purchase of non-collateralised investments designated at fair value through other comprehensive income	(240,095,698)	(1,119,344,987)
Cash received from disposal of non-collateralised investments designated at fair value through other comprehensive income	280,000,000	1,029,413,016
Cash received interest income from investment designated at fair value through other comprehensive income	457,690	-
Cash received from dividends	-	500
Cash paid for purchase of equipment	(12,883,828)	(2,292,097)
Cash paid for purchases of intangible assets	(2,299,172)	(2,190,186)
Cash received from disposal of equipment	149,813	809,344
Cash paid for building demolition	(2,560,000)	-
Net cash flows from (used in) investing activities	22,768,805	(64,108,984)
Cash flows from financial activities		
Dividend paid	(32,531,643)	(46,473,775)
Cash paid for lease liabilities	(7,312,968)	(8,521,798)
Net cash flows used in financial activities	(39,844,611)	(54,995,573)
Net decrease in cash and cash equivalents	(83,806)	(494,604)
Cash and cash equivalents at beginning of year	3,867,667	4,362,271
Cash and cash equivalents at end of year (Note 7)	3,783,861	3,867,667
	-	-

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

TSFC Securities Public Company Limited

Notes to financial statements

For the year ended 31 December 2024

1. General information

TSFC Securities Public Company Limited (hereinafter referred to as “the Company”) is a public company incorporated and domiciled in Thailand. The Company is principally engaged in securities business and has two business licenses to engage in granting credits to securities business and securities borrowing and lending business.

On 14 May 2024, the Company registered with the Ministry of Commerce to change the registered address from No. 898 Ploenchit Tower, 10th Floor, Ploenchit Road, Lumpini Sub-District, Patumwan District, Bangkok to No. 33/4 The 9th Towers Grand Rama 9, Tower A, 32nd Floor, Rama 9 Road, Huaykwang Sub-District, Huaykwang District, Bangkok.

2. Basis of preparation

The financial statements have been prepared in accordance with Thai Financial Reporting Standards enunciated under the Accounting Profession Act. B.E. 2547, and reference to the principles stipulated by of the Office of the Securities and Exchange Commission (“SEC”). The presentation of the financial statements has been made in compliance with the requirement of the Notification of the Office of the SEC relating to the format of the financial statements of securities companies (version 3), No. SorThor. 6/2562 dated 8 January 2019.

The financial statements in Thai language are the official statutory financial statements of the Company. The financial statements in English language have been translated from the Thai language financial statements.

The financial statements have been prepared on a historical cost basis except where otherwise disclosed in the accounting policies.

3. New financial reporting standards

3.1 Financial reporting standards that became effective in the current year

During the year, the Company has adopted the revised financial reporting standards which are effective for fiscal years beginning on or after 1 January 2024. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

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

3.2 Financial reporting standards that will become effective for fiscal years beginning on or after 1 January 2025

The Federation of Accounting Professions issued a number of revised financial reporting standards, which are effective for fiscal years beginning on or after 1 January 2025. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

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

4. Accounting policies

4.1 Revenue and expenses recognition

a) Interest incomes

Interest income is recognised as interest accrues based on the effective rate method.

The Company calculates interest income on financial assets, other than those considered credit-impaired, by applying the effective interest rate method to the gross carrying amount of the financial asset. When a financial asset becomes credit-impaired, the Company calculates interest income by applying the effective interest rate method to the net book value (gross carrying amount less allowance for expected credit losses) of the financial asset. If the financial asset is no longer credit-impaired, the Company reverts to calculating interest income on a gross basis.

b) Fees and service income

Fees and service income are recognised when services have been rendered taken into account to the stage of completion.

c) Gains (losses) and return on financial instruments

Gain (loss) on investments and derivatives trading

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

Dividend

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

d) Expenses

The Company recognises expenses on an accrual basis.

4.2 Cash and cash equivalents

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

4.3 Recognition of customers assets

Cash received from customers of credit balance accounts are recorded as assets and liabilities of the Company for the internal control purposes. At the end of the reporting period, the Company excludes these amounts from both assets and liabilities and presents only the assets which belong to the Company.

4.4 Securities borrowing and lending

The Company records its obligations to return borrowed securities which it has been sold as short selling or lent as "Securities borrowing and lending payables" and securities lent to customers are recorded as "Securities borrowing and lending receivables" in the statements of financial position. At the end of the reporting period, the balance of "Securities borrowing and lending payables" and "Securities borrowing and lending receivables" are adjusted based on the closing price quoted on the Stock Exchange of Thailand of the last working day of the reporting period. In addition, the Company records cash paid as collateral for securities borrowing as "Collateral receivables" and cash received as collateral for securities lending as "Collateral payables".

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

4.5 Securities purchased under resale agreements

The Company enters into purchase of securities under agreements to resale securities at certain dates in the future at a fixed price. Securities purchased under resale agreements presented as assets in the statements of financial position are stated at amounts paid for the purchase of those securities.

The difference between the purchase and sale considerations is recognised on an accrual basis over the period of the transaction and is included in interest income.

4.6 Receivables from Clearing House and broker - dealers

Receivables from Clearing House and broker - dealers comprise the net receivable from Thailand Clearing House (TCH) for settlement of equity securities trades made through the Stock Exchange of Thailand, and the net receivable from domestic broker in respect of securities trades settled through domestic broker, including cash collateral pledged with domestic broker for securities trading.

4.7 Securities business receivables

Securities business receivables are the net balances of securities business receivables after deducting allowance for expected credit losses.

In addition, securities business receivables include customer trading transactions during the last 2 days of the accounting period, for which settlement was not yet due as at the end of reporting period, credit balance accounts, securities borrowings and lending receivables, collateral receivables (which comprise cash pledged as security with securities lenders) and other receivables such as securities receivables which are the subject of legal proceedings, are undergoing restructuring or are being settled in installments.

4.8 Financial instruments

Classification and measurement categories of financial assets and liabilities

Financial assets - debt instruments

The Company classifies its financial assets - debt instruments measured at either amortised cost or fair value based on the business model for managing the assets and the contractual cash flow characteristic, as summarised below.

- Financial assets measured at amortised cost when they are held within a business model with the objective to hold financial assets in order to collect contractual cash flows that are solely payments of principal and interest on the principal amount outstanding. These financial assets are initially measured at fair value on trade date and are subsequently measured at amortised cost and are subject to impairment (if any).
- Financial assets measured at fair value through OCI when they are held within a business model with the objective of both hold financial assets in order to collect contractual cash flows that are solely payments of principal and interest on the principal amount outstanding and selling financial assets. These financial assets are initially and subsequently measured at fair value. Gains and losses arising due to changes in fair value recognised in OCI. Cumulative gains or losses previously recognised in OCI will be reclassified to profit or loss in the statement of comprehensive income once sold or derecognition. Foreign exchange gains and losses, expected credit losses, and interest income using effective interest rate method are recognised in the statement of comprehensive income.
- Financial assets measured at fair value through profit or loss when they are held within a business model without the objective to collect contractual cash flows or according to the conditions in financial assets contracts, it is not solely payments of principal and interest on the principal amount outstanding. These financial assets are initially and subsequently measured at fair value. Gains and losses arising due to changes in fair value and once sold are recognised through gains and return on financial instruments.

Financial assets - equity instruments

The Company classified its investment in equity instruments which are held for trading as financial assets measured at fair value through profit or loss.

In some cases, the Company elects to classify irrevocably its equity instruments which are not held for trading, but for strategic purpose or having high fluctuation in its price as financial assets measured at fair value through OCI. Gains and losses on these financial assets from changes in fair value will be recognised in OCI and gain and losses from selling are never recycled to profit or loss in the statement of comprehensive income, but recognised through retained earnings instead. Dividends are recognised in the statement of comprehensive income, except when the Company benefits from such proceeds as a recovery of part of the cost of the instrument.

The classification is determined on an instrument-by-instrument basis.

Financial liabilities

The Company classifies and measures its financial liabilities at amortised cost. Such financial liabilities are initially measured at fair value and subsequently measured at amortised cost. Except, securities borrowing and lending payables, and derivative (losses) are measured at fair value through profit or loss.

Changes in conditions of financial instruments which are not measured at fair value

Financial assets

If there is a change in conditions of financial instruments and the Company estimates that cash flows of the financial assets significantly change, the former financial assets will be derecognised and reverted to be recorded at fair value. The difference of those book values is recorded in profit or loss as a part of loss on impairment.

If the cash flows of financial assets have an insignificant change, the Company adjusts gross value of the financial assets and records the adjusted amount to profit (loss) on changes in contractual term in profit or loss which is a part of loss on impairment.

Financial liabilities

The Company derecognises the financial liabilities if there is a change in contractual terms which causes significant changes in cash flows of the financial liabilities, and recognises the financial liabilities at fair value. The difference between book value and fair value is recorded in profit or loss.

If the cash flows of financial liabilities have an insignificant change, the Company adjusts gross value of the financial liabilities which reflects the reviewed net present value, then discounts using the former effective interest rate, and records the adjusted amount to profit or loss.

Derecognition

Financial assets are primarily derecognised when the rights to receive cash flows from the asset have expired or when the Company has transferred its rights to receive cash flows from the asset and either transferred substantially all the risks and rewards of the asset. Interest derived from remaining financial asset or transferred is recognised as asset or liability.

Financial liabilities are derecognised when the obligation under the liability are discharged or cancelled or expires.

Write-offs

Financial assets are written off either partially or in their entirety only when the Company has no reasonable expectation of recovering a financial asset in its entirety or a portion thereof. Financial assets written off may still be subject to enforcement activities under the Company's recovery procedures.

4.9 Derivatives

Derivative financial instruments held for trading are initially recognised at fair value on the date on which a derivative contract is entered into. The Company recognised gains (losses) from changes in the fair value of derivatives are included in profit or loss. The fair value of derivatives is based on the daily settlement price of the last working day as quoted on Thailand Futures Exchange Public Company Limited or the latest bid or offer price of the last working day as quoted on the Stock Exchange of Thailand.

In event that the fair value of derivatives cannot be determined from Thailand Futures Exchange Public Company Limited or the Stock Exchange of Thailand, because there are non-active market conditions such as low trading volume or significant fluctuations in price, the fair value is determined by using a valuation technique and model. The input to this model is derived from observable markets, and includes consideration of underlying price and volatility of the underlying asset.

4.10 Allowance for expected credit losses of financial assets

The Company recognises a loss allowance for expected credit losses on investments in debt instruments including cash equivalents, receivables from Clearing House and broker - dealers, securities business receivables, loans and investment in debt securities that are measured at amortised cost or fair value through other comprehensive income by using General Approach. Expected credit losses are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate. For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, expected credit losses are provided for credit losses that result from default events that are possible within the next 12 months.

Allowance for expected credit losses are re-measured at every end of reporting period in order to reflect the change in credit risk from those have been initially recognised of related financial instruments.

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 present observable and supportable and reasonable 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. The Company continuously reviews and revisits the methods used, assumptions and forward-looking information.

For credit balance accounts, the allowance is set up based on the Company's historical credit loss experience, adjusted for factors that are specific to the debtors and general economic conditions assessment/forward-looking. In considering whether there has been a significant increase in credit risk since initial recognition, it is based on outstanding status of the debtors, required maintaining of collateral, high credit-risk debtors with a high attention by the Company's management, and the default.

Increase (decrease) of allowance for expected credit losses is recorded as expenses during the year in the statement of comprehensive income.

4.11 Equipment and depreciation

Equipment is stated at cost less accumulated depreciation. Depreciation is provided for all equipment using the straight-line basis over the estimated useful lives as follows:

Leasehold improvement	5 - 6 years
Office equipment	5 years
Furniture and fixtures	5 - 10 years

Depreciation is included in determining income.

Expenditures for additions, renewals and betterments, which result in a substantial increase in an asset's current replacement value, are capitalised. Repair and maintenance costs are recognised as an expense when incurred.

4.12 Intangible assets and amortisation

Intangible assets are stated at cost less accumulated amortisation and any accumulated impairment losses (if any).

Intangible assets with finite lives are amortised on the straight-line basis over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life is reviewed at least at each financial year end. The amortisation expense is charged to profit or loss.

Intangible assets with finite lives are as follows:

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

4.13 Impairment of non-financial assets

At the end of each reporting period, the Company performs impairment reviews in respect of the equipment and intangible assets whenever events or changes in circumstances indicate that an asset may be impaired. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount.

An impairment loss is recognised in profit or loss.

4.14 Payables to Clearing House and broker - dealers

Payables to Clearing House and broker - dealers comprise the net payable to Thailand Clearing House (TCH) for settlement of equity securities trades made through the Stock Exchange of Thailand, and the net payable to domestic broker in respect of securities trades settled through domestic broker.

4.15 Securities business payables

Securities business payables are the obligations of the Company in respect of its securities business with outside parties, such as customer trading transactions during the last 2 days of the accounting period, for which settlement was not yet due as at the end of reporting period, securities delivery obligations as a result of securities borrowing, and obligations to return assets held by the Company as collateral for securities lending.

4.16 Employee benefits

Short-term employee benefits

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

Post-employment benefits

Defined contribution plans

The Company and its employees have jointly established a provident fund. The fund is monthly contributed by employees and by the Company. The fund's assets are held in a separate trust fund and the Company's contributions are recognised as expenses when incurred.

Defined benefit plans

The Company has obligations in respect of the severance payments it must make to employees upon retirement under labor law. The Company treats these severance payment obligations as a defined benefit plan.

The obligation under the defined benefit plan is determined by a professionally qualified independent actuary based on actuarial techniques, using the projected unit credit method.

Actuarial gains and losses arising from post-employment benefits are recognised immediately in other comprehensive income.

Past service costs are recognised in profit or loss on the earlier of the date of the plan amendment or curtailment and the date that the Company recognises restructuring-related costs.

4.17 Provisions

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

4.18 Income tax

Income tax expense represents the sum of corporate income tax currently payable and deferred tax.

Current tax

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

Deferred tax

Deferred income tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts at the end of each reporting period, using the tax rates enacted at the end of the reporting period.

The Company recognises deferred tax liabilities for all taxable temporary differences while it recognises deferred tax assets for all deductible temporary differences and tax losses carried forward to the extent that it is probable that future taxable profit will be available against which such deductible temporary differences and tax losses carried forward can be utilised.

At each reporting date, the Company reviews and reduces the carrying amount of deferred tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

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

4.19 Related party transactions

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

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

4.20 Leases

The Company assesses whether a contract is or contains a lease, at inception of the contract. 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.

The Company as a lessee

The Company applied a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. At the commencement date of the lease (i.e. the date the underlying asset is available for use), the Company recognises right-of-use assets representing the right to use underlying assets and lease liabilities based on lease payments.

Right-of-use assets

The Company recognises right-of-use assets at the commencement date (the date that underlying assets are available to use). They are subsequently measured at cost less accumulated depreciation and impairment losses (if any), adjusted with any remeasurement of corresponding lease liabilities.

Depreciation of right-of-use assets is calculated from their costs. Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset, as follows.

Leasehold improvement	3 years
Motor vehicles	5 years
Equipment	5 years

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.

Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of the lease payments to be made over the lease term, discounted by the interest rate implicit in the lease or the Company's incremental borrowing rate. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification or reassessment.

Short-term leases and Leases of low-value assets

Payments under leases that, have a lease term of 12 months or less at the commencement date, or are leases of low-value assets, are recognised as expenses on a straight-line basis over the lease term.

4.21 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between buyer and seller (market participants) at the measurement date. The Company applies a quoted market price in an active market to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards. Except in case of no active market of an identical asset or liability or when a quoted market price is not available, the Company measures fair value using valuation technique that are appropriate in the circumstances and maximises the use of relevant observable inputs related to assets and liabilities that are required to be measured at fair value.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy into three levels based on categorise of input to be used in fair value measurement as follows:

Level 1 - Use of quoted market prices in an observable active market for such assets or liabilities

Level 2 - Use of other observable inputs for such assets or liabilities, whether directly or indirectly

Level 3 - Use of unobservable inputs such as estimates of future cash flows

At the end of each reporting period, the Company determines whether transfers have occurred between levels within the fair value hierarchy for assets and liabilities held at the end of the reporting period that are measured at fair value on a recurring basis.

5. Significant accounting judgements and estimates

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

Recognition and derecognition of assets and liabilities

In considering whether to recognise or to derecognise assets or liabilities, the management is required to make judgement on whether significant risk and rewards of those assets or liabilities have been transferred, based on their best knowledge of the current events and arrangements.

Allowances for expected credit losses of financial assets

The management is required to make judgement on estimation of allowance for expected credit losses of financial assets. The calculation of allowance for expected credit losses is according to the condition in considering the increase of credit risk, credit risk model, the risk for the call of the securities used as collateral, debtor's status analysis either by individual or group basis, probability of the return, and the selection of the information relating to expected economic conditions into the model. However, using different estimates and assumptions might affect the amount of allowance for expected credit losses. As a result, there is a possibility to have an adjustment of allowance for expected credit losses in the future.

6. Related party transactions

During the year, the company had significant business transactions with individuals or entities related to each other. These business transactions were conducted according to commercial terms and criteria agreed upon between the company and these related individuals or entities, which were in line with normal business practices.

Summarise significant business transaction with related parties as follows.

(Unit: Thousand Baht)			
	2024	2023	Transfer pricing policy
Transactions with related parties			
Interest income	-	32	As stipulated in the agreement
Service expense	983	1,014	Contract price
Interest expense	10,115	9,558	As stipulated in the agreement

The balances of the accounts between the Company and those related companies are as follows:

(Unit: Thousand Baht)		
	2024	2023
Deposits in current accounts - related party		
Related company	80	79
Receivable from Clearing House - related party		
Related company	9,918	14,601
Borrowings from financial institutions - related parties		
Related companies	290,000	180,000
Payable from Clearing House - related party		
Related company	28,994	-
Other liabilities - related parties		
Related companies	62	62

Directors and management's benefits

During the year, the Company had salaries, bonuses, meeting allowances, post-employee benefits, gratuities of its directors and management, which were as follows:

(Unit: Thousand Baht)		
	2024	2023
Short-term employee benefits	34,677	33,300
Post-employment benefits	3,802	3,744
Total	38,479	37,044

7. Cash and cash equivalents

(Unit: Thousand Baht)		
	2024	2023
Cash	30	30
Saving and current deposits	27,040	22,079
Less: Deposits for customers' account	(23,286)	(18,241)
Total cash and cash equivalents	3,784	3,868

Supplemental cash flows information

(Unit: Thousand Baht)		
	2024	2023
Non-cash items		
Gain (loss) on investments in debt instruments designated at fair value through other comprehensive income	304	(6)
Loss on investments in equity instruments designated at fair value through other comprehensive income	(2)	(1)
Actuarial gains on defined benefit plan	3,713	2,317

8. Securities business receivables

(Unit: Thousand Baht)		
	2024	2023
Customers' accounts - credit balance	2,895,835	2,945,941
Other receivables	20,169	36,232
Total	2,916,004	2,982,173
Add: Accrued interest income	24	146
Less: Allowance for expected credit losses	(20,138)	(14,817)
Securities business receivables	2,895,890	2,967,502

As at 31 December 2024 and 2023, the Company has classified securities business receivables in accordance with TFRS 9 / the relevant notification issued by the Office of the Securities and Exchange Commission. The classification is as follows:

	2024			2023		
	Securities business receivables and accrued interest	allowance for expected credit losses	Allowance for expected credit losses	Securities business receivables and accrued interest	allowance for expected credit losses	Allowance for expected credit losses
Performing debts	2,803	2,803	-	2,884	2,884	1
Under-performing debts	93	93	-	84	84	-
Credit impaired debts	20	20	20	14	14	14
Total	2,916	2,916	20	2,982	2,982	15

9. Investments

9.1 Cost and fair value

	2024			2023		
	Non-collateralised investments	Collateralised investments	Total	Non-collateralised investments	Collateralised investments	Total
Investments measured at fair value through profit or loss						
Investments measured at fair value						
Open end fund - equity	9	-	9	9	-	9
Total	9	-	9	9	-	9
Investments measured at fair value through other comprehensive income						
Investments in debt instruments measured at fair value through other comprehensive income						
Government bonds	96,643	126,731	223,374	128,909	98,845	227,754
Less: Government bonds for customers' account	(82,228)	-	(82,228)	(50,279)	-	(50,279)
Total	14,415	126,731	141,146	78,630	98,845	177,475
Investments in equity instruments measured at fair value through other comprehensive income						
Non-marketable equity instruments in domestic market						
instruments in domestic market	648	-	648	650	-	650
Total	648	-	648	650	-	650
Total investments measured at fair value through other comprehensive income						
comprehensive income	15,063	126,731	141,794	79,280	98,845	178,125
Total investments	15,072	126,731	141,803	79,289	98,845	178,134

9.2 Investments in debt instruments classified by the remaining contracts

	2024				2023			
	Not over 1 year	1 - 5 years	Over 5 years	Total	Not over 1 year	1 - 5 years	Over 5 years	Total
	Investments in debt instruments designated at fair value through other comprehensive income	223,374	-	-	223,374	227,754	-	-
Total	223,374	-	-	223,374	227,754	-	-	227,754

9.3 Gain (loss) on remeasuring investments designated at fair value through other comprehensive income which recognised in owners' equity

	2024	2023
Balance - beginning of the year	(78)	(73)
Changes during the year		
- from revaluation (before net of income tax)	301	(6)
- income tax	(60)	1
Balance - end of the year	163	(78)

9.4 Investment in equity instruments designated at fair value through other comprehensive income

Investments	Reason for use of alternative in presentation as mentioned	2024		2023	
		Fair value	Dividend received	Fair value	Dividend received
ASCO Business Promotion Company Limited	Intention to held in long-term period	648	-	650	-
				Retained earning or retained losses transferred in owner's equity	Retained earning or retained losses transferred in owner's equity

10. Allowance for expected credit losses

(Unit: Thousand Baht)

	2024				2023			
	Performing financial assets	Under-performing financial assets	Credit impaired financial assets	Total	Performing financial assets	Under-performing financial assets	Credit impaired financial assets	Total
Securities business receivables								
Balance-beginning of the year	340	-	14,477	14,817	230	-	7,466	7,696
Changes from stage assignment	-	-	5,379	5,379	-	-	7,007	7,007
Changes from revaluation of expected credit losses	(58)	-	-	(58)	110	-	4	114
Balance-end of the year	<u>282</u>	<u>-</u>	<u>19,856</u>	<u>20,138</u>	<u>340</u>	<u>-</u>	<u>14,477</u>	<u>14,817</u>

11. Loans

(Unit: Thousand Baht)

	2024	2023
At call	400,000	100,000
Not over 1 year	280,000	460,000
Total loans	<u>680,000</u>	<u>560,000</u>

These loans are provided to financial institutions. Part of such loans are unsecured loans and the remaining are secured loans which have right to claim on margin loan receivables of the borrowers as collateral.

12. Equipment

(Unit: Thousand Baht)

	Leasehold improvement	Office equipment	Furniture and fixtures	Construction In progress	Total
Cost					
1 January 2023	25,127	12,344	3,556	-	41,027
Additions	-	1,102	-	-	1,102
Disposals	-	(623)	-	-	(623)
31 December 2023	25,127	12,823	3,556	-	41,506
Additions	-	306	108	12,470	12,884
Disposals/write-off	(25,517)	(8,896)	(2,809)	-	(37,221)
Transfer in (out)	-	1,329	11,090	(12,420)	-
31 December 2024	<u>-</u>	<u>5,562</u>	<u>11,945</u>	<u>50</u>	<u>17,557</u>
Accumulated depreciation					
1 January 2023	25,127	11,676	3,551	-	40,354
Depreciation for the year	-	486	2	-	488
Depreciation on disposals	-	(623)	-	-	(623)
31 December 2023	25,127	11,539	3,553	-	40,219
Depreciation for the year	-	663	717	-	1,380
Depreciation on disposals/write-off	(25,127)	(8,887)	(2,808)	-	(36,822)
31 December 2024	<u>-</u>	<u>3,315</u>	<u>1,462</u>	<u>-</u>	<u>4,777</u>
Net book value					
31 December 2023	<u>-</u>	<u>1,284</u>	<u>3</u>	<u>-</u>	<u>1,287</u>
31 December 2024	<u>-</u>	<u>2,248</u>	<u>10,484</u>	<u>50</u>	<u>12,780</u>
Depreciation charge included in the statements of comprehensive income for the years ended 31 December					
2023					<u>488</u>
2024					<u>1,380</u>

As at 31 December 2024, certain equipment items have been fully depreciated but are still in use. The original cost, before deducting accumulated depreciation, of those assets amounted to Baht 3.2 million (2023: Baht 38.6 million).

13. Intangible assets

(Unit: Thousand Baht)

	31 December 2023		Transfer in (out)	Amortised	31 December 2024	
	2023	Additions			2024	
Computer software	1,731	1,233	2,985	(1,091)	4,858	
Computer software in progress	1,691	1,295	(2,985)	-	-	
Total	3,422	2,528	-	(1,091)	4,858	

(Unit: Thousand Baht)

	31 December 2022		Transfer in (out)	Amortised	31 December 2023	
	2022	Additions			2023	
Computer software	829	74	1,327	(499)	1,731	
Computer software in progress	902	2,116	(1,327)	-	1,691	
Total	1,731	2,190	-	(499)	3,422	

14. Right-of-use assets

(Unit: Thousand Baht)

	Leasehold Improvements	Motor Vehicles	Equipment	Total
	1 January 2023	16,589	1,924	-
Increase from purchase	-	3,400	-	3,400
Decrease from lease modification	(3,845)	-	-	(3,845)
Depreciation for the year	(8,302)	(1,244)	-	(9,546)
31 December 2023	4,442	4,080	-	8,522
Increase from purchase	11,677	-	151	11,828
Decrease from disposal	(4,442)	-	-	(4,442)
Depreciation for the year	(2,613)	(1,238)	(16)	(3,867)
31 December 2024	9,064	2,842	135	12,041

15. Other assets

(Unit: Thousand Baht)

	2024	2023
	Deposits	1,827
Prepaid expenses	990	3,485
Others	378	95
Total other assets	3,195	6,865

16. Borrowings from financial institutions

(Unit: Thousand Baht)

	2024			2023				
	Interest rate (% per annum)	Due period		Interest rate (% per annum)	Due period			
		Not over 1 year	1 - 5 years		Total	Not over 1 year	1 - 5 years	Total
Promissory notes	2.10 - 4.00	1,480,000	-	1,480,000	1.80 - 3.85	1,315,000	-	1,315,000
Bills of exchange	-	-	-	-	3.40 - 3.60	74,488	-	74,488
Short-term loan	4.35	300,000	-	300,000	3.70	300,000	-	300,000
Total borrowings from financial institutions		1,780,000	-	1,780,000		1,689,488	-	1,689,488

The borrowings from financial institutions are unsecured loans.

The loan agreements contain covenants that, among other things, require the Company to maintain net capital ratios in the agreements.

17. Debt issued and borrowings

(Unit: Thousand Baht)

	2024			2023				
	Interest rate (% per annum)	Due period		Interest rate (% per annum)	Due period			
		Not over 1 year	1 - 5 years		Total	Not over 1 year	1 - 5 years	Total
Debenture	-	-	-	-	3.12	90,000	-	90,000
Total		-	-	-		90,000	-	90,000

Debt issued and borrowings are unsecured loans.

18. Lease liabilities

	(Unit: Thousand Baht)	
	2024	2023
Lease liabilities	11,257	8,147
Less: Deferred interest expenses	(1,055)	(585)
Total	10,202	7,562
Less: Current portion of lease liabilities	(4,153)	(5,549)
Lease liabilities, net of current portion	6,049	2,013

The Company has entered into lease agreements for rental of office area and motor vehicles for use in its operation, whereby it is committed to pay rental on a monthly basis. The terms of the agreements are generally between 3 years and 5 years.

Movement of the lease liabilities account during the years ended 31 December 2024 and 2023 are summarised below:

	(Unit: Thousand Baht)	
	2024	2023
Balance - beginning of the year	7,562	17,719
Additions	9,953	2,210
Accretion of interest	726	713
Repayments	(8,039)	(9,235)
Decrease from lease modification	-	(3,845)
Balance - end of the year	10,202	7,562

A maturity analysis of lease payments is disclosed in Note 33.1 under liquidity risk.

Expenses relating to leases recognised in profit or loss are a follows:

	(Unit: Thousand Baht)	
	2024	2023
Depreciation expense of right-of-use assets	8,309	9,546
Interest expense on lease liabilities	726	713
Expense relating to short-term leases	126	126
Expense relating to leases of low-value assets	70	73
Total	9,231	10,458

The Company had total cash outflows for leases for the year ended 31 December 2024 of Baht 8.0 million (2023: Baht 9.2 million).

19. Provisions

	(Unit: Thousand Baht)	
	2024	2023
Provision for long-term employee benefits	14,616	22,811
Provision for dismantling costs	1,968	2,919
Total	16,584	25,730

Provision for long-term employee benefits

Provision for long-term employee benefits presented as provisions in the statements of financial position, which from compensation payable to employees after they retire, was as follows:

	(Unit: Thousand Baht)	
	2024	2023
Provision for long-term employee benefits at beginning of year	22,811	21,996
Included in profit or loss:		
Current service cost	4,538	2,830
Interest cost	335	302
Included in other comprehensive income:		
Actuarial (gain) loss arising from		
Demographic assumptions changes	(467)	107
Financial assumptions changes	(1,588)	(849)
Experience adjustments	(1,658)	(1,575)
Benefits paid during the year	(9,355)	-
Provision for long-term employee benefits at end of year	14,616	22,811

The Company recognised these expenses in employee benefits expenses in the profit or loss.

As at 31 December 2024, the Company expected to no payment of long-term employee benefits during the next year (2023: Nil).

As at 31 December 2024, the weighted average duration of the liabilities for long-term employee benefit is 7 years (2023: 7 years).

Significant actuarial assumptions are summarised below:

	(Unit: % per annum)	
	2024	2023
Discount rate	2.21	2.79
Salary increase rate	3.00	5.00
Turnover rate	0.00 - 8.00	0.00 - 7.00

The result of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligation as at 31 December 2024 and 2023 are summarised below:

	2024			
	Effect to provision for long-term employee benefits		Effect to provision for long-term employee benefits	
	Increase	Decrease	Increase	Decrease
	(%)	(Thousand Baht)	(%)	(Thousand Baht)
Discount rate	1	(939)	1	1,049
Salary increase rate	1	1,057	1	(963)
Turnover rate	1	(971)	1	529

	2023			
	Effect to provision for long-term employee benefits		Effect to provision for long-term employee benefits	
	Increase	Decrease	Increase	Decrease
	(%)	(Thousand Baht)	(%)	(Thousand Baht)
Discount rate	1	(1,435)	1	1,612
Salary increase rate	1	1,621	1	(1,472)
Turnover rate	1	(1,467)	1	869

20. Other liabilities

	(Unit: Thousand Baht)	
	2024	2023
Interest payable	470	677
Accrued expenses	7,678	11,612
Withholding tax payable	799	466
Specific business tax payable	503	540
Other payables	6,088	1,535
Others	-	5
Total other liabilities	15,538	14,835

21. Share capital

	2024		2023	
	Number of shares (Thousand shares)	Amount (Thousand Baht)	Number of shares (Thousand shares)	Amount (Thousand Baht)
Registered share capital				
(Par value at Baht 10 each)	154,913	1,549,126	154,913	1,549,126
Issued and paid-up share capital				
(Par value at Baht 10 each)	154,913	1,549,126	154,913	1,549,126

22. Statutory reserve

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

23. Dividends

Dividend	Approved by	Total dividend (Thousand Baht)	Dividend per share (Baht)
Dividend for the year 2022	Annual General Meeting of the shareholders on 20 April 2023	46,474	0.30
Total for 2023		46,474	0.30
Dividend for the year 2023	Annual General Meeting of the shareholders on 23 April 2024	32,532	0.21
Total for 2024		32,532	0.21

24. Fees and service income

	(Unit: Thousand Baht)	
	2024	2023
Front end fee income	-	6
Other income	132	73
Total	132	79

25. Interest incomes

	(Unit: Thousand Baht)	
	2024	2023
Interest income on margin loans	182,912	223,457
Interest income on loans	27,577	25,530
Others	5,002	4,440
Total	<u>215,491</u>	<u>253,427</u>

26. Losses and return on financial instruments

	(Unit: Thousand Baht)	
	2024	2023
Loss on investment designated at fair value	-	(15)
Dividend income	-	1
Total	<u>-</u>	<u>(14)</u>

27. Expected credit losses

	(Unit: Thousand Baht)	
	2024	2023
Securities business receivables	5,320	7,121
Total	<u>5,320</u>	<u>7,121</u>

28. Provident fund

The Company and its employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. The fund is monthly contributed to by employees, at the rate which is not less than 2% of their basic salaries but not more than the amount contributed by the Company, and by the Company at the rates of 3% to 10% of basic salaries. It will be paid to employees upon termination in accordance with the rules of the fund. The fund is managed by BBL Asset Management Company Limited and Principle Asset Management Limited. The contributions for the year ended 31 December 2024 amounting to approximately Baht 3.1 million (2023: Baht 3.4 million) were recognised as expenses.

29. Income tax

Income tax expenses for the years ended 31 December 2024 and 2023 are made up as follows:

	(Unit: Thousand Baht)	
	2024	2023
Current income tax:		
Current income tax charge	6,370	14,843
Deferred tax:		
Relating to origination and reversal of temporary differences	1,292	(407)
Income tax expenses reported in profit or loss	<u>7,662</u>	<u>14,436</u>

The amounts of income tax relating to each component of other comprehensive income for the years ended 31 December 2024 and 2023 are as follows:

	(Unit: Thousand Baht)	
	2024	2023
Deferred tax relating to		
Gain (loss) on investments in debt instruments designated at fair value through other comprehensive income	(60)	1
Actuarial gains	(743)	(463)
Total	<u>(803)</u>	<u>(462)</u>

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

	(Unit: Thousand Baht)	
	2024	2023
Accounting profit before tax	<u>37,516</u>	<u>71,302</u>
Applicable tax rate	20%	20%
Accounting profit before tax multiplied by income tax rate	7,503	14,260
Effects of:		
Non-deductible expenses	166	206
Additional expense deductions allowed	(7)	(30)
Income tax expenses reported in profit or loss	<u>7,662</u>	<u>14,436</u>

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

	(Unit: Thousand Baht)	
	2024	2023
Deferred tax assets		
Unrealised loss from revaluation of investments	-	20
Accumulated amortisation - computer software	459	489
Provision for long-term employee benefits	2,923	4,562
Lease liabilities	2,040	1,512
Provision for dismantling costs	394	584
Total	<u>5,816</u>	<u>7,167</u>
Deferred tax liabilities		
Unrealised gain from revaluation of investments	40	-
Right-of-use assets	2,408	1,704
Total	<u>2,448</u>	<u>1,704</u>
Deferred tax assets - net	<u>3,368</u>	<u>5,463</u>

30. Earnings per share

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

31. Commitments

31.1 Capital commitments

As at 31 December 2024, the Company had capital commitments of approximately Baht 0.1 million (2023: Baht 1.59 million), relating to the acquisition of computer software.

31.2 Commitments related to service agreements and leases of low-value assets/Operating leases

As at 31 December 2024 and 2023, the Company had commitments from several service agreements and lease agreements of low-value assets in respect of the lease of equipment. The terms of the agreements are generally between 1 year and 5 years. Future minimum payments required were as follows:

	(Unit: Million Baht)	
	2024	2023
Payable:		
In up to 1 year	5.4	3.4
In over 1 year and up to 5 years	4.2	0.4

32. Segment information

The Company is principally engaged in the granting credits to securities business. Its operations are carried on only in Thailand. Segment performance is measured based on operating profit or loss, on a basis consistent with that used to measure operating profit or loss in the financial statements. As a result, all of the revenues, operating profits and assets as reflected in these financial statements pertain to the aforementioned reportable operating segment and geographical area.

33. Financial instruments

33.1 Financial risk management

The Company's financial instruments principally comprise cash and cash equivalents, receivables from Clearing House and broker - dealers, securities business receivables, investments, loans, borrowings from financial institutions, debt issued and borrowings, lease liabilities, payables from Clearing House, and securities business payables. The Company has financial risks associated with these financial instruments and how they are managed is described below.

Credit risk

The Company is exposed to credit risk primarily with respect to receivables from Clearing House and broker - dealers, securities business receivables, investments in debt securities and loans. The Company manages the risk by adopting appropriate credit control policies and procedures and therefore does not expect to incur material financial losses. In addition, the Company does not have high concentration of credit risk since it has a large customer.

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

The maximum exposure to credit risk is limited to the carrying amounts of receivables from Clearing House and broker - dealers, securities business receivables, investments in debt securities and loans less allowance for losses as stated in the statements of financial position.

Interest rate risk

The Company's exposure to interest rate risk relates primarily to its cash at banks, securities business receivables, investments in debt securities, loans, borrowings from financial institutions, debt issued and borrowings, and lease liabilities. However, since most of the Company's financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate, the interest rate risk is expected to be minimal.

Significant financial assets and liabilities as at 31 December 2024 and 2023 classified by type of interest rates are summarised in the table below, with those financial assets and liabilities that carry fixed interest rates further classified based on the maturity date, or the repricing date if this occurs before the maturity date.

(Unit: Million Baht)

2024									
Outstanding balances of financial instruments									
Floating interest rate	Repricing or maturity dates				No interest	Total	Interest rate (% per annum)		
	At call	1 year	1 - 5 years	Over 5 years					
Financial assets									
Cash and cash equivalents	-	-	-	-	4	4	-		
Receivables from Clearing House	-	-	-	-	10	10	-		
Securities business receivables	2,892	-	2	2	-	2,896	5.33 - 20.00		
Non-collateralised investments	-	-	14	-	-	15	1.92 - 2.04		
Collateralised investments	-	-	127	-	-	127	1.91 - 2.04		
Loans	-	400	280	-	-	680	4.35 - 5.35		
Financial liabilities									
Borrowings from financial institutions	-	530	1,250	-	-	1,780	2.10 - 4.35		
Securities business payables	-	-	-	-	29	29	-		
Debt issued and borrowings	-	-	-	-	13	13	-		
Lease liabilities	-	-	4	6	-	10	2.87 - 7.3		

(Unit: Million Baht)

2023									
Outstanding balances of financial instruments									
Floating interest rate	Repricing or maturity dates				No interest	Total	Interest rate (% per annum)		
	At call	1 year	1 - 5 years	Over 5 years					
Financial assets									
Cash and cash equivalents	-	-	-	-	4	4	-		
Receivables from Clearing House	-	-	-	-	15	15	-		
Securities business receivables	2,940	-	3	25	-	2,968	5.56 - 20.00		
Non-collateralised investments	-	-	78	-	-	79	2.23 - 2.30		
Collateralised investments	-	-	99	-	-	99	2.00 - 2.35		
Loans	-	100	460	-	-	560	4.60 - 5.60		
Financial liabilities									
Borrowings from financial institutions	-	425	1,264	-	-	1,689	1.80 - 3.85		
Securities business payables	-	-	-	-	18	18	-		
Debt issued and borrowings	-	-	90	-	-	90	3.12		
Lease liabilities	-	-	6	2	-	8	2.87 - 10.76		

Liquidity risk

The periods of time from the statements of financial position date to the maturity dates of financial instruments as of 31 December 2024 and 2023 are as follows:

(Unit: Million Baht)

2024						
Outstanding balances of financial instruments						
At call	Within 1 year	1 - 5 years	Over 5 years	No maturity	Total	
	Financial assets					
Cash and cash equivalents	-	-	-	-	4	4
Receivables from Clearing House	-	10	-	-	-	10
Securities business receivables	-	2	2	-	2,892	2,896
Non-collateralised investments	-	14	-	-	1	15
Collateralised investments	-	127	-	-	-	127
Loans	400	280	-	-	-	680
Financial liabilities						
Borrowings from financial institutions	530	1,250	-	-	-	1,780
Securities business payables	-	29	-	-	-	29
Debt issued and borrowings	-	13	-	-	-	13
Lease liabilities	-	4	6	-	-	10

(Unit: Million Baht)

2023						
Outstanding balances of financial instruments						
At call	Within 1 year	1 - 5 years	Over 5 years	No maturity	Total	
	Financial assets					
Cash and cash equivalents	-	-	-	-	4	4
Receivables from Clearing House	-	15	-	-	-	15
Securities business receivables	-	3	25	-	2,940	2,968
Non-collateralised investments	-	78	-	-	1	79
Collateralised investments	-	99	-	-	-	99
Loans	100	460	-	-	-	560
Financial liabilities						
Borrowings from financial institutions	425	1,264	-	-	-	1,689
Securities business payables	-	18	-	-	-	18
Debt issued and borrowings	-	90	-	-	-	90
Lease liabilities	-	6	2	-	-	8

33.2 Fair values of financial instruments

The methods and assumptions used by the Company in estimating the fair value of financial instruments are as follows:

- For financial assets and liabilities which have short-term maturity, including cash and cash equivalents, receivables from Clearing House and broker - dealers, securities business receivables, loans, borrowings from financial institutions, debt issued and borrowings, payables from Clearing House and securities business payables, their carrying amounts in the statements of financial position approximate their fair values.
- For debt securities, their fair values are generally derived from quoted market prices, or determined by using the yield curve as announced by the Thai Bond Market Association or by other relevant bodies.
- For marketable equity securities, their fair values are generally derived from quoted market prices.
- For other derivatives, their fair values have been determined by using a valuation model technique. Most of the inputs used for the valuation are observable in the relevant market. The Company had considered to counterparty credit risk when determining the fair value of derivatives.
- For lease liabilities which their interest rates are close to the market rate, their carrying amounts in the statements of financial position approximate their fair values.

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

34. Fair value hierarchy

As of 31 December 2024 and 2023, the Company had the following assets that were measured at fair value using different levels of inputs as follows:

(Unit: Thousand Baht)

	As at 31 December 2024				
	Book value	Fair value			
		Level 1	Level 2	Level 3	Total
Financial assets measured at fair value					
Non-collateralised investments ⁽¹⁾	97,300	-	96,652	648	97,300
Collateralised investments	126,731	-	126,731	-	126,731

⁽¹⁾ Included government securities for customers' account amounting to Baht 82 million.

(Unit: Thousand Baht)

	As at 31 December 2023				
	Book value	Fair value			
		Level 1	Level 2	Level 3	Total
Financial assets measured at fair value					
Non-collateralised investments ⁽¹⁾	129,568	-	128,918	650	129,568
Collateralised investments	98,845	-	98,845	-	98,845

⁽¹⁾ Included government securities for customers' account amounting to Baht 50 million.

35. Capital management

The primary objectives of the Company's capital management is to ensure that it has an appropriate financial structure, to preserve the ability to continue its business as a going concern and to maintain net capital in accordance with the rules laid down by the Office of the Securities and Exchange Commission.

36. Event after the reporting period

On 25 February 2025, a meeting of the Company's Board of Directors passed a resolution to propose to the Annual General Meeting of the Company's shareholders for the year 2025 for approval a dividend payment, from profit for the year 2024, to the shareholders of the Company's for 154.9 million ordinary shares, at a rate of Baht 0.11 per share, or a total of Baht 17.04 million, to be paid on 20 May 2025.

37. Approval of financial statements

These financial statements were authorised for issue by the Company's Board of Directors on 25 February 2025.