

The Stock Exchange of Thailand
Report and financial statements
31 December 2023

Independent Auditor's Report

To the members of The Stock Exchange of Thailand and The Stock Exchange of Thailand

Opinion

I have audited the accompanying consolidated financial statements of The Stock Exchange of Thailand and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2023, and the related consolidated statements of comprehensive revenues and expenses, changes in fund balances and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, and have also audited the separate financial statements of The Stock Exchange of Thailand (SET) for the same period.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The Stock Exchange of Thailand and its subsidiaries and of The Stock Exchange of Thailand as at 31 December 2023, their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Basis for Opinion

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

Emphasis of Matter

I draw attention to Note 33 to the consolidated financial statements, which describes the recording of income tax with respect to the remittance of contribution to CMDF. My opinion is not modified in respect of this matter.

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 of 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.

Revenue Recognition - Trading Fees

As disclosed in Note 26 to the consolidated financial statements, the principal source of revenue of SET is trading fees, presenting it as "Operating revenues", under statement of comprehensive revenues and expenses. The revenue is subject to terms and conditions used in setting variable fees based on trading volume, and SET uses information technology to gather trading volume data and to calculate trading fees. I therefore focused on the audit of the accuracy and completeness of the trading volume data used in the revenue calculation and processing of information technology systems to ensure the measurement and occurrence of trading fees.

The key audit procedures were as follows:

- Gained an understanding of operations and internal control procedures related to the recognition of revenue from trading fees.
- Assessed effectiveness and tested, on a sampling basis, the internal controls relevant to recognition of trading fees revenue, including IT general controls, application controls and other related internal controls.

- Applied a sampling method to select agreements and test the revenue calculation to ensure that the trading fee revenue recognised was correct, consistent with the conditions of the relevant agreement and in accordance with Thai Financial Reporting Standards.
- Performed analytical procedures on the relationship of the accounting transactions to the trading fees and performing analytical procedures on disaggregated data to detect possible irregularities in transactions throughout the reporting period.
- Perform substantive analytical procedures on the trading fees.
- Reviewed credit notes that SET issued during and after the reporting period.

Other Information

Management is responsible for the other information. The other information comprise the information included in annual report of the Group, but does not include the financial statements and my auditor's report thereon. The annual report of the Group is expected to be made available to me after the date of this auditor's report.

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated.

When I read the annual report of the Group, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance of correction of the misstatement.

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

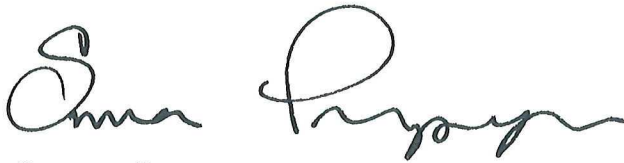
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

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

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

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

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



Sumana Punpongsanon

Certified Public Accountant (Thailand) No. 5872

EY Office Limited

Bangkok: 21 February 2024

The Stock Exchange of Thailand and its subsidiaries

Statements of financial position

As at 31 December 2023

(Unit: Thousand Baht)

	<u>Note</u>	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
		<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Assets					
Current assets					
Cash and cash equivalents	7	2,828,303	5,620,910	2,215,003	4,437,428
Cash at banks for financial benefits payable		94,439	84,202	-	-
Assets for margin deposits and benefits	17	18,316,567	18,457,840	-	-
Other current financial assets	8	10,967,524	7,680,044	8,306,912	5,890,573
Trade and other receivables	9	634,658	649,459	581,019	483,674
Derivative assets		104,679	111,774	104,679	111,774
Other current assets	10	118,876	85,325	109,131	79,546
Total current assets		33,065,046	32,689,554	11,316,744	11,002,995
Non-current assets					
Other non-current financial assets	11	7,544,906	7,630,170	5,631,474	5,155,902
Investments in subsidiaries	12	-	-	2,332,700	2,282,700
Investments in associates and joint venture	13	1,035,179	1,029,327	789,964	789,984
Assets for clearing system protection and benefits	18	2,280,081	2,279,066	152,137	150,740
Securities Investor Protection Fund	25	866,993	850,440	866,993	850,440
Derivatives Investor Protection Fund	25	116,765	114,722	-	-
Long-term loans to subsidiaries	6	-	-	6,140,679	6,140,679
Reserve Fund for clearing and settlement	19	5,771,226	5,709,780	-	-
Property, plant and equipment	14	3,902,373	4,066,652	3,902,126	4,066,364
Right-of-use assets	15	22,421	24,658	22,421	24,658
Intangible assets	16	1,189,607	1,115,682	1,186,123	1,110,882
Deferred tax assets	33	188,670	183,497	173,378	176,081
Other non-current assets	20	760,443	612,919	722,385	581,318
Total non-current assets		23,678,664	23,616,913	21,920,380	21,329,748
Total assets		56,743,710	56,306,467	33,237,124	32,332,743

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

The Stock Exchange of Thailand and its subsidiaries

Statements of financial position (continued)

As at 31 December 2023

(Unit: Thousand Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2023	2022	2023	2022
Liabilities and fund balances					
Current liabilities					
Margin deposits and benefits payable	17	18,317,031	18,458,480	-	-
Trade and other payables	21	2,202,745	2,211,697	1,945,533	1,924,144
Current portion of lease liabilities	15	11,445	10,963	11,445	10,963
Fees received in advance		86,484	171,625	62,690	142,813
Income tax payable		108,602	137,443	-	-
Short-term loans from subsidiaries	6	-	-	2,172,000	1,931,485
Other current liabilities	22	195,027	202,499	111,221	116,720
Total current liabilities		20,921,334	21,192,707	4,302,889	4,126,125
Non-current liabilities					
Lease liabilities, net of current portion	15	11,938	14,340	11,938	14,340
Assets for clearing system protection and benefits payable	18	2,128,175	2,128,313	-	-
Contributions and benefits to Securities Investor Protection Fund	25	348,520	341,358	348,520	341,358
Contributions and benefits to Derivatives Investor Protection Fund	25	57,214	56,095	-	-
Deferred tax liabilities	33	-	1,582	-	-
Provision for long-term employee benefits	23	794,633	740,155	794,633	740,155
Provision for tax liabilities	33	952,000	952,000	952,000	952,000
Other non-current liabilities		12,268	15,438	12,268	15,438
Total non-current liabilities		4,304,748	4,249,281	2,119,359	2,063,291
Total liabilities		25,226,082	25,441,988	6,422,248	6,189,416
Fund balances					
Funds	24	31,517,627	30,864,478	26,814,876	26,143,327
Non-controlling interests		1	1	-	-
Total fund balances		31,517,628	30,864,479	26,814,876	26,143,327
Total liabilities and fund balances		56,743,710	56,306,467	33,237,124	32,332,743

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

Directors

The Stock Exchange of Thailand and its subsidiaries
Statement of comprehensive revenues and expenses
For the year ended 31 December 2023

(Unit: Thousand Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2023	2022	2023	2022
Revenues and expenses:					
Revenues					
Operating revenues	26	6,850,248	7,554,326	2,866,247	3,456,128
Other income	28	234,663	196,566	2,003,641	1,977,441
Total revenues		7,084,911	7,750,892	4,869,888	5,433,569
Expenses					
Employee expenses	29	2,270,575	2,161,851	2,270,575	2,161,851
Directors' remuneration		32,631	32,763	29,096	28,997
Direct service expenses		624,198	607,749	-	-
Building and office expenses		198,790	211,869	198,401	210,504
Technology expenses		378,521	337,029	377,626	336,208
Marketing expenses		198,832	167,237	171,204	156,613
Educational activity expenses		52,631	48,429	51,631	48,429
SEC Fees	30	524,494	746,053	518,381	740,094
Depreciation and amortisation	14, 15, 16	600,554	536,141	599,198	534,986
Other expenses	31	345,204	284,687	333,207	277,310
Total expenses		5,226,430	5,133,808	4,549,319	4,494,992
Operating revenues over expenses		1,858,481	2,617,084	320,569	938,577
Non-operating revenues (expenses)					
Investment revenue (loss), net	27	205,526	(364,846)	844,132	218,352
Income (expenses) derived from Securities Investor Protection Fund, net	24, 25.2	9,391	(4,316)	9,391	(4,316)
Income (expenses) derived from Derivatives Investor Protection Fund, net	24, 25.2	924	569	-	-
Share of profit of investments in associates and joint venture, net of tax	13	24,786	33,137	-	-
Revenues over expenses before contribution to the Capital Market Development Fund					
Contribution to the Capital Market Development Fund	32	(499,517)	(538,903)	(499,517)	(538,903)
Revenues over expenses before income tax		1,599,591	1,742,725	674,575	613,710
Income tax revenues (expenses)	33	(319,700)	(336,462)	(2,703)	11,200
Revenues over expenses for the year		1,279,891	1,406,263	671,872	624,910

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

The Stock Exchange of Thailand and its subsidiaries

Statement of comprehensive revenues and expenses (continued)

For the year ended 31 December 2023

(Unit: Thousand Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2023	2022	2023	2022
Other comprehensive revenues (expenses)					
Other comprehensive revenues (expenses) to be reclassified to revenues or expenses in subsequent periods					
Gain (loss) on change in value of debt instruments at fair value through other comprehensive revenues (expenses), net of tax		(31,808)	12,283	(323)	-
Other comprehensive revenues (expenses) to be reclassified to revenues or expenses in subsequent period, net of tax		(31,808)	12,283	(323)	-
Other comprehensive revenues (expenses) not to be reclassified to revenues or expenses in subsequent periods					
Loss on changes in value of equity investments designated at fair value through other comprehensive revenues (expenses), net of tax		(594,934)	-	-	-
Actuarial gain, net of tax	24, 25.2	-	77,028	-	77,028
Other comprehensive revenues (expenses) not to be reclassified to revenues or expenses in subsequent periods, net of tax		(594,934)	77,028	-	77,028
Other comprehensive revenues (expenses) for the year		(626,742)	89,311	(323)	77,028
Total comprehensive revenues over expenses for the year					
		653,149	1,495,574	671,549	701,938
Revenues over expenses attributable to:					
Owners of the parent		1,279,891	1,406,263	671,872	624,910
Non-controlling interests of the subsidiaries		-	-		
		1,279,891	1,406,263		
Total comprehensive revenues over expenses for the year attributable to:					
Owners of the parent		653,149	1,495,574	671,549	701,938
Non-controlling interests of the subsidiaries		-	-		
		653,149	1,495,574		

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

The Stock Exchange of Thailand and its subsidiaries

Statement of changes in fund balances

For the year ended 31 December 2023

(Unit: Thousand Baht)

	Consolidated financial statements				
	Fund balances	Other components of fund balances	Total of fund balances	Non- controlling interests	Total fund balances
Balance as at 1 January 2022	29,368,904	-	29,368,904	1	29,368,905
Other comprehensive revenues (expenses)					
for the year (Note 24)	77,028	12,283	89,311	-	89,311
Revenues over expenses (Note 24)	1,406,263	-	1,406,263	-	1,406,263
Balance as at 31 December 2022	<u>30,852,195</u>	<u>12,283</u>	<u>30,864,478</u>	<u>1</u>	<u>30,864,479</u>
Balance as at 1 January 2023	30,852,195	12,283	30,864,478	1	30,864,479
Other comprehensive revenues (expenses)					
for the year (Note 24)	-	(626,742)	(626,742)	-	(626,742)
Revenues over expenses (Note 24)	1,279,891	-	1,279,891	-	1,279,891
Balance as at 31 December 2023	<u>32,132,086</u>	<u>(614,459)</u>	<u>31,517,627</u>	<u>1</u>	<u>31,517,628</u>

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

The Stock Exchange of Thailand and its subsidiaries

Statement of changes in fund balances (continued)

For the year ended 31 December 2023

(Unit: Thousand Baht)

	Separate financial statements		
	Fund balances	Other components of fund balances	Total fund balances
Balance as at 1 January 2022	25,441,389	-	25,441,389
Other comprehensive revenues (expenses)			
for the year (Note 24)	77,028	-	77,028
Revenues over expenses (Note 24)	624,910	-	624,910
Balance as at 31 December 2022	26,143,327	-	26,143,327
Balance as at 1 January 2023	26,143,327	-	26,143,327
Other comprehensive revenues (expenses)			
for the year (Note 24)	(323)	-	(323)
Revenues over expenses (Note 24)	671,872	-	671,872
Balance as at 31 December 2023	26,814,876	-	26,814,876

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

The Stock Exchange of Thailand and its subsidiaries

Cash flow statement

For the year ended 31 December 2023

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022
Cash flows from operating activities					
Revenues over expenses before income tax		1,599,591	1,742,725	674,575	613,710
Adjustments to reconcile revenues over expenses before tax to net cash provided by (paid from) operating activities:					
Depreciation and amortisation	14, 15, 16	600,554	536,141	599,198	534,986
Investment loss (revenue), net		(371,689)	189,621	(950,399)	(283,581)
Expense (income) from Securities Investor Protection Fund, net	24, 25.2	(9,391)	4,316	(9,391)	4,316
Income derived from Derivatives Investor Protection Fund, net	24, 25.2	(924)	(569)	-	-
Employee benefits obligation expenses	23	66,530	69,655	66,530	69,655
Loss from disposal and write-off of assets		476	378	476	378
Expected credit loss (reversal)		(1,712)	(2,985)	(4,166)	3,412
Impairment loss of investment in joint venture		20	63	20	63
Share of profit from investments in associates and joint venture, net of tax	13	(24,786)	(33,137)	-	-
Finance cost	15	1,250	1,376	1,250	1,376
Revenue over expense from operating activities before changes in operating assets and liabilities		1,859,919	2,507,584	378,093	944,315
Operating assets (increase) decrease					
Assets for margin deposits and benefits		141,449	1,325,796	-	-
Trade and other receivables		36,993	34,991	298	27,588
Other current assets		(33,551)	(40,447)	(29,585)	(38,782)
Assets for clearing system protection and benefits		(1,015)	(229,942)	(1,397)	(127)
Securities Investor Protection Fund		(32,167)	6,777	(32,167)	6,777
Derivatives Investor Protection Fund		(2,128)	(2,062)	-	-
Other non-current assets		2,495	2,313	2,495	2,512
Operating liabilities increase (decrease)					
Margin deposits and benefits payables		(141,449)	(1,325,796)	-	-
Trade and other payables		(59,642)	(767,760)	(29,585)	(53,961)
Fees received in advance		(85,141)	(128,742)	(80,123)	(127,504)
Other current liabilities		(7,472)	(46,152)	(5,499)	(31,318)
Assets for clearing system protection and benefits payable		(138)	229,802	-	-
Contributions and benefits to Securities Investor Protection Fund		7,162	(3,130)	7,162	(3,130)
Contributions and benefits to Derivative Investor Protection Fund		1,119	657	-	-
Other non-current liabilities		(3,170)	(1,823)	(3,170)	(1,823)
Employee benefits paid		(12,052)	(28,976)	(12,052)	(28,976)
Cash flows from operating activities		1,671,212	1,533,090	194,470	695,571
Corporate income tax paid		(495,583)	(496,498)	(143,562)	(157,874)
Net cash flows from operating activities		1,175,629	1,036,592	50,908	537,697

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

The Stock Exchange of Thailand and its subsidiaries

Cash flow statement (continued)

For the year ended 31 December 2023

(Unit: Thousand Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2023	2022	2023	2022
Cash flows from investing activities					
Payment for long-term loan to a subsidiary	6	-	-	-	(449,845)
Cash received from investment		308,071	325,605	211,388	167,456
Purchase of other current financial assets		(14,188,345)	(7,404,350)	(11,993,005)	(5,807,180)
Proceeds from disposals of other current financial assets		10,841,753	5,361,910	9,517,666	3,505,338
Cash paid investments in subsidiaries		-	-	(50,000)	(450,000)
Purchase of other non-current financial assets		(5,869,017)	(7,116,182)	(5,824,605)	(4,646,913)
Proceeds from disposals of other non-current financial assets		5,510,331	5,347,399	5,510,331	5,347,399
Cash receipt from foreign currency forward contracts		150,429	38,413	150,429	38,413
Cash paid from foreign currency forward contracts		(284,280)	(332,225)	(284,280)	(332,225)
Cash paid for reserve fund for clearing and settlement, net		(61,446)	(7,751)	-	-
Purchase of property, plant and equipment		(179,207)	(208,187)	(179,207)	(208,187)
Proceeds from disposals of property, plant and equipment		82	3,049	82	3,049
Purchase of intangible assets		(272,024)	(469,113)	(272,024)	(467,984)
Benefits received (paid) from Securities Investor Protection Fund		25,005	(4,697)	25,005	(4,697)
Benefits received from Derivatives Investor Protection Fund		1,009	780	-	-
Dividend received		69,893	55,619	713,832	618,840
Net cash flows used in investing activities		(3,947,746)	(4,409,730)	(2,474,388)	(2,686,536)
Cash flows from financing activities					
Cash receipt from short-term loan from subsidiaries	6	-	-	260,000	250,000
Repayment of short-term loan from subsidiaries	6	-	-	(19,485)	(129,500)
Cash paid for lease liabilities		(11,717)	(16,236)	(11,717)	(16,236)
Interest paid		-	-	(29,207)	(11,115)
Net cash flows from (used in) financing activities		(11,717)	(16,236)	199,591	93,149
Allowance for expected credit loss of cash and cash equivalents		438	1,068	438	1,070
Net foreign exchange difference		1,026	(7,087)	1,026	(7,087)
Net decrease in cash and cash equivalents		(2,782,370)	(3,395,393)	(2,222,425)	(2,061,707)
Cash and cash equivalents at beginning of year		5,705,112	9,100,505	4,437,428	6,499,135
Cash and cash equivalents at end of year		2,922,742	5,705,112	2,215,003	4,437,428
Supplementary for cash flows information					
Cash and cash equivalents are as follows:					
Cash and cash equivalents	7	2,828,303	5,620,910	2,215,003	4,437,428
Cash at banks for financial benefits payable		94,439	84,202	-	-
		2,922,742	5,705,112	2,215,003	4,437,428
Non-cash transactions:					
Gain (loss) on investment designed at fair value					
through other comprehensive revenue or expenses		(626,742)	12,283	(323)	-
Other payables from purchase of assets		85,502	34,815	85,502	34,815
Transfer property, plant and equipment to intangible assets	14, 16	-	2,788	-	2,788
Increase in right-of-use assets and lease liabilities	15	8,547	11,402	8,547	11,402

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

The Stock Exchange of Thailand and its subsidiaries
Notes to consolidated financial statements
For the year ended 31 December 2023

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The Stock Exchange of Thailand and its subsidiaries
Notes to consolidated financial statements
For the year ended 31 December 2023

1. General information

The Stock Exchange of Thailand (SET) is a juristic entity incorporated in Thailand under the Securities Exchange of Thailand Act B.E. 2517. The principal business activities of SET are serving as the market or the centre for trading of securities and providing related services without the objective of distribution of profit to members. SET commenced its trading of securities on 30 April 1975 and operates under the framework of the Securities Exchange of Thailand Act B.E. 2535. Its registered office is located at No. 93, Floor 17th, Ratchadapisek Road, Kwaeng Din Daeng, Khet Din Daeng, Bangkok.

The principal activities of SET and its subsidiaries are summarised as follows:

- 1) Securities markets comprise the operation of securities listing, trading system, clearing and settlement, depository, including market surveillance and supervision of listed companies and member companies.
- 2) Derivatives markets comprise the operation of trading and clearing of futures contracts and financial securities, providing other services related to futures trading transactions.
- 3) Digital assets markets comprise the operation of digital token listing, trading system, clearing and settlement, custody, including market surveillance and supervision of trading of registered digital token.
- 4) Technology services comprise the operation of internet trading platform for securities and derivatives, information services and other member services.
- 5) Securities registrar services
- 6) Other services comprise fund services and payment services provider.

2. Basis of preparation

- 2.1 The financial statements have been prepared in accordance with Thai Financial Reporting Standards enunciated under the Accounting Professions Act B.E. 2547 and their presentation has been made in compliance with the stipulations under the Accounting Act B.E. 2543.

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

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

2.2 Basis of consolidation

- a) The consolidated financial statements include the financial statements of The Stock Exchange of Thailand (“SET”) and the following subsidiary companies (“the subsidiaries”) (collectively as “the Group”):

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			2023	2022
			(%)	(%)
<u>Direct subsidiaries</u>				
Thailand Securities Depository Co., Ltd.	Securities depository and registrar services	Thailand	100.00	100.00
TTF Corporation Company Limited (formerly known as “Thai Trust Fund Management Co., Ltd.”)*	Mutual fund management	Thailand	100.00	100.00
Thai NVDR Co., Ltd.	Investment management in Non-Voting Depository Receipts	Thailand	100.00	100.00
Thailand Futures Exchange Public Company Limited	Derivatives exchange	Thailand	100.00	100.00
Thailand Clearing House Co., Ltd.	Clearing house and related back-office services for securities and derivatives contracts	Thailand	100.00	100.00
SET Venture Holding Co., Ltd.**	Holding company	Thailand	100.00	100.00

* On 13 January 2023, TTF Corporation Company Limited, “Subsidiary” received permission to cease the securities business and The office of the Securities and Exchange Commission received license back.

** On 18 May 2023, the Board of Directors meeting of SET Venture Holding Company Limited, “Subsidiary” No. 3/2023, passed a resolution approving the payment of ordinary shares that have not yet been paid in full amounting to 20 million shares, with another value of Baht 2.5 per share.

Subsequently, on 24 May 2023, Board of Directors meeting of the Stock Exchange of Thailand's No. 6/2023 passed a resolution approving approve the payment of such common shares to the subsidiary and the payment was made on 26 May 2023. The subsidiary registered the increase in paid-up capital with the Ministry of Commerce on 26 May 2023.

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			2023	2022
			(%)	(%)
<u>Indirect subsidiaries</u>				
Finnet Innovation Network Co., Ltd.	Rendering payment service for the capital market	Thailand	100.00	100.00
Live Fin Corp Co., Ltd.	Provider of electronic network system for investment	Thailand	100.00	100.00
Digital Access Platform Co., Ltd.	Providing electronic networking service and/or supporting system to support electronic and digital transactions	Thailand	100.00	100.00
Thai Digital Assets Exchange Co., Ltd.*	Trading center for digital assets, digital token, and providing infrastructure or related systems to support digital token trading	Thailand	100.00	100.00
SETTRADE.COM Co., Ltd.	Computer system services	Thailand	100.00	100.00
<u>Associates</u>				
Clearing Fund	Fund	Thailand	5.88	6.08
TSFC Securities Public Company Limited	Securities financing services and securities borrowing and lending	Thailand	40.70	40.70
<u>Joint venture</u>				
Family Know-how Co., Ltd.**	Media business specialising in financial and investment information	Thailand	50.00	50.00

* On 15 May 2023, the Board of Directors meeting of Thai Digital Assets Exchange Company Limited's "Subsidiary" No. 5/2023, passed a resolution approving the payment of common shares that have not yet been paid in full amounting to 10 million shares, with another value of Baht 5 per share.

Subsequently, on 18 May 2023, the Board of Directors meeting of SET Venture Holding Company Limited No. 3/2023, passed a resolution approving the payment of such common shares to the subsidiary and the payment was made on 30 May 2023. The subsidiary registered the increase in paid-up capital with the Ministry of Commerce on 30 May 2023.

- ** The Extraordinary General Meeting of Shareholders No. 1/2018 resolved to approve the dissolution of Family Know-how Company Limited on 14 December 2018 and proceeded Register the dissolution of the company with the Department of Business Development, Ministry of Commerce on 26 December 2018. Currently in the process of liquidation.

Details of SET's associates and joint venture as at 31 December 2023 and 2022 are as follows:

1) Associates

1.1) Clearing Fund

The Clearing Fund operates under the Regulations of the Clearing Fund (No.1) B.E. 2541, which require that a one-time payment of Baht 100 million be made as an initial contribution by SET. The ownership interest percentage will be reduced based on further contributions made by other members of the Clearing Fund in the future. SET has no control over the Clearing Fund's operations, but has influences in policy and operation. Therefore, the investment in the Clearing Fund is classified as investment in an associate.

1.2) TSFC Securities Public Company Limited (TSFC)

TSFC Securities Public Company Limited has been established to provide liquidity for securities companies and to support to the further development of securities market. SET has appointed 5 representatives to be member of the 11 members Board of Directors of TSFC. The Board of Directors will participate in the decision-making on monetary policies and operations of the company. Therefore, the investment in TSFC is classified as investment in an associate.

TSFC Securities Public Company Limited is a public company and its stock is not traded in the market price.

2) Joint venture

2.1) Family Know-how Co., Ltd.

Family Know-how Co., Ltd. is a media company that broadcasts information about economics and investment for the benefits of investor. SET has performed joint arrangement with a company which have rights to the net assets of the arrangement. Therefore, the investment in Family Know-how Co., Ltd. is classified as investment in joint venture.

Family Know-how Co., Ltd. is a private limited company and its stock is not traded in the market price.

- b) SET is deemed to have control over an investee or subsidiaries if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns.
 - c) Subsidiaries are fully consolidated, being the date on which SET obtains control, and continue to be consolidated until the date when such control ceases.
 - d) The financial statements of the subsidiaries are prepared using the same significant accounting policies as SET.
 - e) Material balances and transactions between the Group have been eliminated from the consolidated financial statements.
 - f) Non-controlling interests represent the portion of revenues and expenses and net assets of the subsidiaries that are not held by SET and are presented separately in the consolidated comprehensive revenues and expenses and within fund balance in the consolidated statement of financial position.
- 2.3 The separate financial statements present investments in subsidiaries, joint venture and associates under the cost method.

3. New financial reporting standards

3.1 Financial reporting standards that became effective in the current year

During the year, the Group has adopted the revised financial reporting standards which are effective for fiscal years beginning on or after 1 January 2023. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

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

3.2 Financial reporting standards that will become effective for fiscal years beginning on or after 1 January 2024

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 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 management of the Group believes that adoption of these amendments will not have any significant impact on the Group's financial statements.

4. Significant accounting policies

4.1 Revenue and expense recognition

Fees income

Trading fees, initial securities registrar fees, initial listing fees, clearing and settlement fees, member services fees, digital token trading fee, initial of information service fees, depository fees, initial customisation and IT support fees, initial membership fees, initial fund service fees and Digital Gateway service fees are recognised as revenue when the entity has fulfilled the obligations.

Annual securities registrar fees, annual listing fees, member service fees and Digital Gateway service fees by overtime, annual membership fee, fund service fees, payment service fees and Digital Gateway service fees by overtime are recognised revenue based on the obligations that must be completed throughout the period.

The recognised revenue which is not yet due per the contracts has been presented as accrued income under the caption of other receivables in the statement of financial position. The amounts recognised as other receivables are reclassified to trade receivables when the entity's right to consideration is unconditional.

An amount of consideration that the entity has received or to receive but the obligation to transfer goods or services to a customer is not completed is presented under the caption of fee received in advance in the statement of financial position. Fee received in advance from customers are recognised as revenue when the entity has fulfilled the obligations.

Interest income

Interest income is calculated using the effective interest method and recognised on an accrual basis. The effective interest rate is applied to the gross carrying amount of a financial asset, unless the financial assets subsequently become credit-impaired when it is applied to the net carrying amount of the financial asset (net of the expected credit loss allowance).

Dividends

Dividends are recognised when the right to receive the dividends is established.

Other income

Other income is recognised when the right to receive cash is established.

Expense

Expense is recognised in the statement of comprehensive revenues and expenses on an accrual basis.

Finance cost

Interest expense from financial liabilities at amortised cost is calculated using the effective interest method and recognised on an accrual basis.

4.2 Cash and cash equivalents

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

4.3 Customers' cash deposit and digital token

Deposits and digital token, which customers have placed with the subsidiary for digital token trading are recorded for internal control purposes. As at the end of the reporting period, the Subsidiary presents only assets which belong to the subsidiary in the statement of financial position (if any).

4.4 Investments in subsidiaries, associates and joint venture

Investments in subsidiaries, associates and joint venture are accounted for in the separate financial statements using the cost method.

Investments in associates and joint venture are accounted for in the consolidated financial statements using the equity method.

4.5 Property, plant and equipment/Depreciation

Land is stated at cost. Buildings and equipment are stated at cost less accumulated depreciation and allowance for loss on impairment of assets (if any).

Depreciation of plant and equipment is calculated by reference to their costs, on the straight-line basis over the following estimated useful lives:

Buildings	10 - 50 years
Building improvements	5 - 30 years
Fixtures and office equipment	5 - 20 years
Motor vehicles	5 years

Depreciation is included in determining income.

No depreciation is provided on land and assets under installation.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on disposal of an asset is included in revenues over (under) expenses when the asset is derecognised.

4.6 Intangible assets

Intangible assets are initially recognised at cost. Following the initial recognition, the intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses (if any).

Intangible assets with finite lives are amortised on the straight-line basis over the economic useful life and tested for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method of such intangible assets are reviewed at least at each financial year end. The amortisation expense is charged to revenues over (under) expenses.

A summary of the intangible assets with finite useful lives is as follows:

	<u>Useful lives</u>
Computer software	3 - 10 years
Licences and other intangible assets	10 years

Costs associated with developing or maintaining computer software are recognised as expenses as incurred in the statement of comprehensive revenues and expenses. Costs that are directly associated with identifiable and unique software products controlled by the Group and have probable economic benefits exceeding the cost beyond one year are recognised as intangible assets. Direct costs include the purchase price and an appropriate portion of relevant overheads to allow such asset to be ready for its intended use. Expenditure which is incurred to enhance or extend the performance of computer software beyond its original specifications is recognised as an intangible asset.

The management determines the estimated useful lives of intangible assets of the Group. The management will review the amortisation charge when useful lives differ from the previous estimations or it will write-off obsolete assets or assets which have been sold or unused.

4.7 Leases

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

The Group as a lessee

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

Right-of-use assets

Right-of-use assets are measured at cost, less accumulated depreciation, any accumulated impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities initially recognised, initial direct costs incurred, and lease payments made at or before the commencement date of the lease less any lease incentives received.

Depreciation of right-of-use assets are calculated by reference to their costs, on the straight-line basis over the shorter of their estimated useful lives and the lease term.

Motor vehicles	4 - 5 years
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If ownership of the leased asset is transferred to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

Lease liabilities

Lease liabilities are measured at the present value of the lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be payable under residual value guarantees. Moreover, the lease payments include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising an option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

The Group discounts the present value of the lease payments by the interest rate implicit in the lease or the Group's incremental borrowing rate. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets

A lease that has a lease term less than or equal to 12 months from commencement date or a lease of low-value assets is recognised as expenses on a straight-line basis over the lease term.

4.8 Related party transactions

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

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

4.9 Foreign currencies

The consolidated and separate financial statements are presented in Baht, which is also the SET's functional currency.

Transactions in foreign currencies are translated into Baht at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into Baht at the exchange rate ruling at the end of reporting period.

Gains and losses on exchange are included in determining income.

4.10 Impairment of non-financial assets

At the end of each reporting period, the Group performs impairment reviews in respect of the property, plant and equipment, right-of-use assets and other 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 revenues over (under) expenses. However, in the cases where property, plant and equipment were previously revalued and the revaluation was taken to fund balances, a part of such impairment is recognised in fund balances up to the amount of the previous revaluation.

In the assessment of asset impairment, if there is any indication that previously recognised impairment losses may no longer exist or may have decreased, the Group estimates the asset's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The increased carrying amount of the asset attributable to a reversal of an impairment loss shall not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in revenues over (under) expenses unless the asset is carried at a revalued amount, in which case the reversal, which exceeds the carrying amount that would have been determined, is treated as a revaluation increase.

4.11 Employee benefits

Short-term employee benefits

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

Post-employment benefits and other long-term employee benefits

Defined contribution plans

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

Defined benefit plans and other long-term employee benefits

The Group has obligations in respect of the severance payments it must make to employees upon retirement under labor law and other employee benefit plans. The Group treats these severance payment obligations as a defined benefit plan. In addition, the Group provides other long-term employee benefit plan, namely long service awards.

The obligation under the defined benefit plan and other long-term employee benefit plans is determined by a professionally qualified independent actuary based on actuarial techniques, using the projected unit credit method.

Actuarial gains and losses arising from defined benefit plans are recognised immediately in other comprehensive revenues (expenses).

Actuarial gains and losses arising from other long-term benefits are recognised immediately in revenues over (under) expenses.

Termination benefits

Termination benefits are payable when employment is terminated by the Group before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits when it is demonstrably committed to either: terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal.

Providing termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling due more than 12 months after the end of the reporting period are discounted to their present value.

4.12 Provisions

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

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

4.13 Income tax

Income tax expense represents the sum of corporate income tax currently payable and deferred tax. Tax is recognised in revenues over (under) expenses, except to the extent that it relates to items recognised in other comprehensive revenues (expenses) or directly in fund balance. In this case the tax is also recognised in other comprehensive revenues (expenses) or directly in fund balance, respectively.

Current tax

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

Deferred tax

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

The Group 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 Group reviews and reduces the carrying amount of deferred tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

The Group records deferred tax directly to fund balances if the tax relates to items that are recorded directly to fund balances.

4.14 Financial instruments

The Group initially measures financial assets at its fair value plus, in the case of financial assets that are not measured at fair value through profit or loss, transaction costs. However, trade receivables, that do not contain a significant financing component. The Group are measured at the transaction price as disclosed in the accounting policy relating to revenue recognition.

Classification and measurement of financial assets

Financial assets are classified, at initial recognition, as to be subsequently measured at amortised cost, fair value through other comprehensive income ("FVOCI"), or fair value through profit or loss ("FVTPL"). The classification of financial assets at initial recognition is driven by the Group's business model for managing the financial assets and the contractual cash flows characteristics of the financial assets.

Financial assets at amortised cost

The Group measures financial assets at amortised cost if the financial asset is held in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest rate ("EIR") method and are subject to impairment. Gains and losses are recognised in revenues over (under) expenses when the asset is derecognised, modified or impaired.

Financial assets at FVOCI (debt instruments)

The Group measures financial assets at FVOCI if the financial asset is held to collect contractual cash flows and to sell the financial asset and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Interest income, foreign exchange revaluation and impairment losses or reversals are recognised in revenues over (under) expenses and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in other comprehensive revenues (expenses). Upon derecognition, the cumulative fair value change recognised in other comprehensive revenues (expenses) is recycled to revenues over (under) expenses.

Financial assets designated at FVOCI (equity instruments)

Upon initial recognition, the Group can elect to irrevocably classify its equity investments which are not held for trading as equity instruments designated at FVOCI. The classification is determined on an instrument-by-instrument basis.

Gains and losses recognised in other comprehensive revenues (expenses) on these financial assets are never recycled to revenues over (under) expenses.

Dividends are recognised as other income in revenues over (under) expenses, except when the dividends clearly represent a recovery of part of the cost of the financial asset, in which case, the gains are recognised in other comprehensive revenues (expenses).

Equity instruments designated at FVOCI are not subject to impairment assessment.

Financial assets at FVTPL

Financial assets measured at FVTPL are carried in the statement of financial position at fair value with net changes in fair value recognised in revenues over (under) expenses.

These financial assets include derivatives, security investments held for trading, equity investments which the Group has not irrevocably elected to classify at FVOCI and financial assets with cash flows that are not solely payments of principal and interest.

Dividends on listed equity investments are recognised as investment revenue in revenues over (under) expenses.

Classification and measurement of financial liabilities

Except for derivative liabilities, at initial recognition the Group's financial liabilities are recognised at fair value net of transaction costs and classified as liabilities to be subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in revenues over (under) expenses when the liabilities are derecognised as well as through the EIR amortisation revenues over (under) expenses. In determining amortised cost, the Group takes into account any fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in revenues over (under) expenses.

Derecognition of financial instruments

A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired or have been transferred and either the Group has transferred substantially all the risks and rewards of the asset, or the Group has transferred control of the asset.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in revenues over (under) expenses.

Impairment of financial assets

The Group recognises an allowance for expected credit losses ("ECLs") for all debt instruments not held at FVTPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate.

For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure (a lifetime ECL).

The Group considers a significant increase in credit risk to have occurred when contractual payments are more than 30 days past due and considers a financial asset as credit impaired or default when contractual payment are more than 90 days past due. However, in certain cases, the Group may consider a financial asset to have significant increase in credit risk and to be in default taking into account other internal or external data information, such as credit rating of issuer.

For trade receivables, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. It is based on its historical credit loss experience and adjusted for forward-looking factors specific to the debtors and the economic environment.

ECLs are calculated based on its historical credit loss experience and adjusted for forward-looking factor specific to the debtors and the economic environment.

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Offsetting of financial instruments

Financial assets and financial liabilities are offset, and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

4.15 Derivatives

The Group uses derivatives, such as forward currency contracts to hedge its foreign currency risks.

Derivatives are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. The subsequent changes are recognised in revenues over (under) expenses. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Derivatives are presented as non-current assets or non-current liabilities if the remaining maturity of the instrument is more than 12 months and it is not due to be realised or settled within 12 months. Other derivatives are presented as current assets or current liabilities.

4.16 Fair value measurement

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

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

- Level 1 - Use of quoted market prices in an active market for such assets or liabilities
- Level 2 - Use of other observable inputs for such assets or liabilities, whether directly or indirectly
- Level 3 - Use of unobservable inputs such as estimates of future cash flows

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

5. Significant accounting judgements and estimates

The preparation of financial statements in conformity with financial reporting standards 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:

Allowance for expected credit losses of trade receivables

In determining an allowance for expected credit losses of trade receivables, the management needs to make judgement and estimates based upon, among other things, past collection history, aging profile of outstanding debts and the forecast economic condition for groupings of various customer segments with similar credit risks. The Group's historical credit loss experience and forecast economic conditions may also not be representative of whether a customer will actually default in the future.

Deferred tax assets

Deferred tax assets are recognised for deductible temporary differences and unused tax losses to the extent that it is probable that taxable profit will be available against which the temporary differences and losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of estimate future taxable profits.

Post-employment benefits under defined benefit plans and other long-term employee benefits

The obligation under the defined benefit plan and other long-term employee benefit plans is determined based on actuarial techniques. Such determination is made based on various assumptions, including discount rate, future salary increase rate, mortality rate and staff turnover rate.

Litigation and uncertainty of liabilities that may arise from taxation

The Group has contingent and/or contingent liabilities from litigation and uncertainty of liability that may arise from taxation in which tax authorities will accept the Group's taxation methods. The management uses judgment to evaluate any such transaction, including estimating the expected damage. Changing in factors underlying management's assessment and unanticipated circumstances could cause actual results to differ materially from these estimates.

Fair value of financial instruments

In determining the fair value of financial instruments recognised in the statement of financial position that are not actively traded and for which quoted market prices are not readily available, the management exercises judgement, using a variety of valuation techniques and models. The input to these models is taken from observable markets, and includes consideration of credit risk, liquidity, correlation, and longer-term volatility of financial instruments. Change in assumptions about these factors could affect the fair value recognised in the statement of financial position and disclosures of fair value hierarchy.

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.

6. Related party transactions

The relationships between SET and its subsidiaries, associates and joint venture are summarised as described in Notes 12 and 13 to the consolidated financial statements.

During the years, the Group had significant business transactions with persons or related parties. Such transactions, arose in the ordinary course of business and were concluded on commercial terms and bases agreed upon between the Group and those persons or related parties which can be summarised as follows:

(Unit: Thousand Baht)

	Consolidated		Separate		Transfer pricing policy
	financial statements		financial statements		
	2023	2022	2023	2022	
<u>Transactions with subsidiary companies</u>					
(Eliminated from the consolidated financial statements)					
Service income	-	-	1,930,431	1,930,332	Cost plus margin
Interest income	-	-	167,654	80,611	The interest rate is based on the Thai Overnight Repurchase Rate plus 0.43% per annum and the average MLR of 4 banks
Dividend income (Note 27)	-	-	643,939	563,222	As declared

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements		Transfer pricing policy
	2023	2022	2023	2022	
Service fees expenses	-	-	42,650	35,812	Cost plus margin
Interest expenses (Note 27)	-	-	29,492	11,115	The interest rate on the higher of interest rate for one-year government bond or one-year fixed deposit on average of 4 banks for corporate credit line of Baht 10 million
<u>Transactions with associates</u>					
Service income	1,680	1,680	-	-	Cost plus margin
Dividend income (Note 27)	-	-	18,914	20,805	As declared
<u>Transactions with related companies</u>					
Service income	71,507	34,281	42,112	17,069	Cost plus margin
Contribution to the Capital Market Development Fund (Note 32)	499,517	538,903	499,517	538,903	Not less than 90% of the revenue after deduction of expense, tax and reserve. The consolidated financial statements of SET shall be used to calculate the contribution amount.

As at 31 December 2023 and 2022, the balances of the accounts between the Group and those related companies are as follows:

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
<u>Transactions with subsidiary companies</u>				
(Eliminated from the consolidated financial statements)				
Trade and other receivables (Note 9)	-	-	329,602	249,285
Assets for clearing system protection and benefits (Note 18)	-	-	152,137	150,740
Trade and other payables (Note 21)	-	-	5,139	3,372
Fees received in advance	-	-	-	2,555
<u>Transactions with associates</u>				
Trade and other receivables (Note 9)	140	140	-	-

	Consolidated financial statements		(Unit: Thousand Baht) Separate financial statements	
	2023	2022	2023	2022
<u>Transactions with related companies</u>				
Trade and other receivables (Note 9)	23,176	5,874	12,245	3,291
Trade and other payables (Note 21)	499,517	538,903	499,517	538,903

Loans to related parties and loan from related parties

As at 31 December 2023 and 2022, the balances of loans between the Group and those related companies and the movement in loans are as follows:

		(Unit: Thousand Baht) Separate financial statements			
		Balance as at 31 December 2022	Increase during the year	Decrease during the year	Balance as at 31 December 2023
Loans to / Loan from	Related by				
Loans to	Subsidiary	6,140,679	-	-	6,140,679
Total		6,140,679	-	-	6,140,679
Loans from	Subsidiary	1,931,485	260,000	(19,485)	2,172,000
Total		1,931,485	260,000	(19,485)	2,172,000

As at 31 December 2023, SET granted subsidiary a loan of Baht 5,690.8 million (2022: Baht 5,690.80 million) to use as a reserve fund to enhance the competitiveness and support the future business expansion. The rate of return on loan is referred to Thai Overnight Repurchase Rate (THOR) plus 0.43% per annum, using Compounded THOR method referring 2 years tenor (Tenor 1.24% and THB Onshore OIS Swap 0.81%). The interest is be repaid within 1 February of every year and the principal is due within January 2026.

In addition, as at 31 December 2023 and 2022 has balance of a loan of Baht 449.8 million to a subsidiary for capital support to align with the digital asset business strategy. The interest rate is based on the average MLR of 4 banks announced daily, and the loan is be repaid within 5 years.

The Group has a policy of centralising the investments and managed by SET in order to maximise its efficiency and overall returns. The parent will borrow from its subsidiaries in the form of one-year promissory notes. The interest rate on the loan is based on the floating market interest rate which is referred to the higher interest rate for one-year government bond or one-year fixed deposit on average of 4 banks for corporate credit line of up to Baht 10 million (interest rate may be revised as appropriate).

Directors and management's benefits

During the years ended 31 December 2023 and 2022, the Group had employee benefit expenses payable to their directors and management as below.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Directors	32,631	32,763	29,096	28,997
Management (Note 29)	323,101	287,081	323,101	287,081
Total benefits	355,732	319,844	352,197	316,078

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Short-term employee benefits	325,713	295,403	322,178	291,637
Post-employment benefits	29,703	23,993	29,703	23,993
Other long-term benefits	316	448	316	448
Total benefits	355,732	319,844	352,197	316,078

7. Cash and cash equivalents

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Cash	417	304	414	301
Bank deposits	2,835,417	5,621,232	2,214,775	4,437,751
Less: Deposits of customers' account	(7,343)	-	-	-
Allowance for expected credit loss	(188)	(626)	(186)	(624)
Total	2,828,303	5,620,910	2,215,003	4,437,428

As at 31 December 2023, bank deposits in saving accounts carried interests between 0.04% - 2.00% per annum (2022: between 0.05% - 0.80% per annum).

8. Other current financial assets

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Investment managed by SET and subsidiaries				
<u>Debt instruments measured at amortised cost</u>				
Fixed deposit maturities within 1 year	390,000	901,420	390,000	901,420
Government bond maturities within 1 year	-	181,295	-	181,295
Debenture maturities within 1 year	200,000	-	200,000	-
Total	590,000	1,082,715	590,000	1,082,715
Less: Allowance for expected credit loss	(32)	(50)	(32)	(50)
Total debt instruments measured at amortised cost, net	589,968	1,082,665	589,968	1,082,665
<u>Financial assets measured at FVTPL</u>				
Government bond	2,560,070	2,727,644	2,221,265	2,327,927
Total financial assets measured at FVTPL	2,560,070	2,727,644	2,221,265	2,327,927
Total investment managed by SET and subsidiaries	3,150,038	3,810,309	2,811,233	3,410,592
Investment managed by private funds				
<u>Debt instruments measured at amortised cost</u>				
Saving deposit	942	1,775	809	1,652
Fixed deposit	1,500	407	1,500	407
Total debt instruments measured at amortised cost	2,442	2,182	2,309	2,059
<u>Financial assets measured at FVTPL</u>				
Government bond	5,939,277	2,813,721	4,219,692	1,776,226
Debentures	1,875,767	1,053,832	1,273,678	701,696
Total financial assets measured at FVTPL	7,815,044	3,867,553	5,493,370	2,477,922
Total investment managed by private funds	7,817,486	3,869,735	5,495,679	2,479,981
Total other current financial assets, net	10,967,524	7,680,044	8,306,912	5,890,573

9. Trade and other receivables

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
<u>Trade receivables - related parties</u> (Note 6)				
Aged on the basis of due dates				
Not yet due	17,902	3,787	12,210	1,204
Total trade receivables - related parties, net	17,902	3,787	12,210	1,204
<u>Trade receivables - unrelated parties</u>				
Aged on the basis of due dates				
Not yet due	29,307	50,248	11,299	7,709
Past due				
Up to 3 months	17,710	16,746	14,145	15,469
3 - 6 months	2,012	4,632	1,761	3,941
Over 6 months	23,996	22,487	9,791	11,285
Total	73,025	94,113	36,996	38,404
Less: Allowance for expected credit losses	(26,075)	(27,119)	(11,551)	(15,226)
Total trade receivables - unrelated parties, net	46,950	66,994	25,445	23,178
Total trade receivable, net	64,852	70,781	37,655	24,382
<u>Other receivables</u>				
Cash at bank for clearing collateral	1,476	8,312	-	-
Accrued income - related parties (Note 6)	5,414	2,227	174,352	168,032
Accrued income - unrelated parties	254,466	364,626	22,154	110,456
Cash at banks for dividend accounts				
of investors	103,991	100,735	-	-
Prepaid expenses - related parties (Note 6)	-	-	-	8,530
Prepaid expenses - unrelated parties	134,709	82,813	134,661	82,673
Accrued interest receivable - related parties				
(Note 6)	-	-	155,285	74,810
Accrued interest receivable - unrelated parties	35,447	14,299	22,827	9,334
Collateral receivable from securities lending	29,510	-	29,510	-
Others	4,793	5,666	4,575	5,457
Total other receivables	569,806	578,678	543,364	459,292
Trade and other receivables, net	634,658	649,459	581,019	483,674

Set out below is the movement in the allowance for expected credit losses of trade receivables.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Beginning balance	27,119	21,053	15,226	10,679
Allowance for expected credit losses	(1,044)	6,066	(3,675)	4,547
Ending balance	26,075	27,119	11,551	15,226

In 2023, SET has expenses mitigation program for listed company by providing annual fee discounts for listed companies that participate in activities to support increasing the visibility of listed companies and creating data through the Data platform with the Group.

In 2022, the Group extended the period of the measures to assist listed companies affected by COVID-19 situation from 2020 and 2021 by providing discounts on annual registrar fees to all listed company and providing additional special discounts for listed companies participating in activities to support working in electronic form with the Group.

10. Other current assets

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Loans to employees	98,583	39,366	98,583	39,366
Value added tax receivable	9,701	5,641	-	-
Pending input tax	4,079	17,510	4,037	17,376
Inventory - publication	3,430	2,358	3,430	2,358
Future margin deposit	26	17,347	26	17,347
Others	3,057	3,103	3,055	3,099
Total	118,876	85,325	109,131	79,546

11. Other non-current financial assets

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Investments managed by SET and subsidiaries				
<u>Debt instruments measured at amortised cost</u>				
Cash at banks under a Memorandum of Understanding	533,153	512,153	533,153	512,153
Debenture maturities after 1 year	80,000	200,000	80,000	200,000
Total	613,153	712,153	613,153	712,153
Less: Allowance for expected credit loss	(4)	(39)	(4)	(39)
Total debt instruments measured at amortised cost, net	613,149	712,114	613,149	712,114
<u>Financial assets designated at FVOCI</u>				
Non-listed ordinary shares	315,942	910,876	49,336	49,336
Total financial assets designated at FVOCI	315,942	910,876	49,336	49,336
<u>Financial assets measured at FVTPL</u>				
Mutual fund	4,968,989	4,394,452	4,968,989	4,394,452
Total financial assets measured at FVTPL	4,968,989	4,394,452	4,968,989	4,394,452
Total investments managed by SET and subsidiaries	5,898,080	6,017,442	5,631,474	5,155,902
Investments managed by private funds				
<u>Debt instruments measured at amortised cost</u>				
Bank deposits	201	2	-	-
Total debt instruments measured at amortised cost	201	2	-	-
<u>Financial assets measured at FVOCI</u>				
Government bond	1,646,625	1,612,726	-	-
Total financial assets measured at FVOCI	1,646,625	1,612,726	-	-
Total investments managed by private funds	1,646,826	1,612,728	-	-
Total other non-current financial asset, net	7,544,906	7,630,170	5,631,474	5,155,902

In 2022, a subsidiary invested in non-listed overseas startup company which engaged in digital asset trading for strategic purposes. The subsidiary classified this investment as a financial asset that is designated at fair value through other comprehensive income. As at 31 December 2023, the subsidiary has measured the fair value of such investment using the price-to-book ratio method, which is a generally accepted valuation model.

12. Investments in subsidiaries

Details of investments in subsidiaries as presented in the separate financial statements

Company's name	Paid-up capital		Shareholding percentage		Cost		(Unit: Thousand Baht) Dividend received during the years	
	2023	2022	2023 (%)	2022 (%)	2023	2022	2023	2022
Thailand Securities Depository Co., Ltd.	200,000	200,000	100.00	100.00	200,000	200,000	366,364	309,956
TTF Corporation Company Limited (formerly known as "Thai Trust Fund Management Co., Ltd.")	100,000	100,000	100.00	100.00	100,000	100,000	-	71
Thai NVDR Co., Ltd.	10,000	10,000	100.00	100.00	10,000	10,000	-	895
Thailand Futures Exchange Public Company Limited	500,000	500,000	100.00	100.00	500,000	500,000	177,855	146,850
Thailand Clearing House Co., Ltd.	600,000	600,000	100.00	100.00	602,700	602,700	99,720	105,450
SET Venture Holding Co., Ltd.	920,000	870,000	100.00	100.00	920,000	870,000	-	-
Total					<u>2,332,700</u>	<u>2,282,700</u>	<u>643,939</u>	<u>563,222</u>

13. Investments in associates and joint venture

The balance of investments in associates and joint venture presented in the statements of financial position as at 31 December 2023 and 2022 are as follows:

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	Equity Method		Cost Method	
	2023	2022	2023	2022
Associates	1,015,511	1,009,619	779,717	779,717
Joint venture	19,668	19,708	10,247	10,267
Total	<u>1,035,179</u>	<u>1,029,327</u>	<u>789,964</u>	<u>789,984</u>

The amounts recognised in the statement of comprehensive revenues and expenses are share of profit or loss of investments in associates and joint venture, net of tax for the years ended 31 December 2023 and 2022 are as follows:

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	Equity Method		Cost Method	
	2023	2022	2023	2022
Associates	24,806	33,200	-	-
Joint venture	(20)	(63)	-	-
Total	24,786	33,137	-	-

During the year 2023 and 2022, the Group did not recognise share of other comprehensive income from investments in associates and joint venture.

13.1 Investments in associates

13.1.1 Details of associates

Details of investments in associates are as follows:

Associates	(Unit: Thousand Baht)					
	Consolidated financial statements				Carrying amounts based on	
	Shareholding percentage		Cost		equity method	
	2023	2022	2023	2022	2023	2022
	(%)	(%)				
Clearing Fund	5.88	6.08	100,000	100,000	211,393	209,713
TSFC Securities Public						
Company Limited	40.70	40.70	679,717	679,717	804,118	799,906
Total			779,717	779,717	1,015,511	1,009,619

Associates	(Unit: Thousand Baht)					
	Separate financial statements				Carrying amounts based	
	Shareholding percentage		Cost		on cost method - net	
	2023	2022	2023	2022	2023	2022
	(%)	(%)				
Clearing Fund	5.88	6.08	100,000	100,000	100,000	100,000
TSFC Securities Public						
Company Limited	40.70	40.70	679,717	679,717	679,717	679,717
Total			779,717	779,717	779,717	779,717

13.1.2 Share of profit of investments and dividend received

During the years, SET recognised its share of profit of investments in associate companies in the consolidated financial statements and dividend income in the separate financial statements as follows:

Associates	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	Share of profit of investments in associates during the years		Dividend received during the years	
	2023	2022	2023	2022
Clearing Fund	1,680	410	-	-
TSFC Securities Public Company Limited	23,126	32,790	18,914	20,805
Total	24,806	33,200	18,914	20,805

13.2 Investments in joint venture

13.2.1 Details of investments in joint venture

Investments in joint venture represent investments in entities which are jointly controlled by SET and other companies. Details of these investments are as follows:

Joint venture	(Unit: Thousand Baht)					
	Consolidated financial statements					
	Shareholding percentage		Cost		Carrying amounts based on equity method	
	2023	2022	2023	2022	2023	2022
	(%)	(%)				
Family Know-how Co., Ltd.	50.00	50.00	40,500	40,500	19,668	19,708
Total			40,500	40,500	19,668	19,708

Joint venture	(Unit: Thousand Baht)							
	Separate financial statements							
	Shareholding percentage		Cost		Allowance for impairment of investments		Carrying amounts based on cost method - net	
	2023	2022	2023	2022	2023	2022	2023	2022
	(%)	(%)						
Family Know-how Co., Ltd.	50.00	50.00	40,500	40,500	(30,253)	(30,233)	10,247	10,267
Total			40,500	40,500	(30,253)	(30,233)	10,247	10,267

13.2.2 Share of loss of investments and dividend received

During the years, SET recognised its share of loss of investments in joint venture in the consolidated financial statements as follows:

Joint venture	(Unit: Thousand Baht)	
	Consolidated financial statements	
	Share of loss of investments in joint venture during the years	
	2023	2022
Family Know-how Co., Ltd.	(20)	(63)
Total	(20)	(63)

During the years 2023 and 2022, SET has no dividend received from joint venture.

14. Property, plant and equipment

Movements of property, plant and equipment for the years ended 31 December 2023 and 2022 are summarised below.

	(Unit: Thousand Baht)					
	Consolidated financial statements					
	Land and land improvement	Buildings and building improvement	Furniture, fixtures and office equipment	Motor vehicles	Assets under installation	Total
Cost						
1 January 2022	1,014,097	4,082,544	1,529,127	388	23,852	6,650,008
Additions	-	2,274	174,740	-	29,490	206,504
Disposals/writes-off	-	(66)	(8,385)	-	-	(8,451)
Transfers	-	15,728	26,211	-	(44,727)	(2,788)
31 December 2022	1,014,097	4,100,480	1,721,693	388	8,615	6,845,273
Additions	-	2,359	153,440	-	53,839	209,638
Disposals/writes-off	-	(978)	(2,298)	(78)	-	(3,354)
Transfers	-	14,574	23,959	-	(38,533)	-
31 December 2023	1,014,097	4,116,435	1,896,794	310	23,921	7,051,557

(Unit: Thousand Baht)

Consolidated financial statements

	Land and land improvement	Buildings and building improvement	Furniture, fixtures and office equipment	Motor vehicles	Assets under installation	Total
Accumulated depreciation						
1 January 2022	-	1,484,937	936,605	388	-	2,421,930
Depreciation for the year	-	204,527	160,171	-	-	364,698
Depreciation on disposals/ writes-off	-	(28)	(7,979)	-	-	(8,007)
31 December 2022	-	1,689,436	1,088,797	388	-	2,778,621
Depreciation for the year	-	205,928	167,431	-	-	373,359
Depreciation on disposals/ writes-off	-	(679)	(2,039)	(78)	-	(2,796)
31 December 2023	-	1,894,685	1,254,189	310	-	3,149,184
Net book value						
31 December 2022	1,014,097	2,411,044	632,896	-	8,615	4,066,652
31 December 2023	1,014,097	2,221,750	642,605	-	23,921	3,902,373
Depreciation for the years						
2022						364,698
2023						373,359

(Unit: Thousand Baht)

Separated financial statements

	Land and land improvement	Buildings and building improvement	Furniture, fixtures and office equipment	Motor vehicles	Assets under installation	Total
Cost						
1 January 2022	1,014,097	4,082,546	1,525,393	388	23,852	6,646,276
Additions	-	2,274	174,740	-	29,490	206,504
Disposals/writes-off	-	(66)	(8,385)	-	-	(8,451)
Transfers	-	15,728	26,211	-	(44,727)	(2,788)
31 December 2022	1,014,097	4,100,482	1,717,959	388	8,615	6,841,541
Additions	-	2,359	153,440	-	53,839	209,638
Disposals/writes-off	-	(978)	(2,261)	(78)	-	(3,317)
Transfers	-	14,574	23,959	-	(38,533)	-
31 December 2023	1,014,097	4,116,437	1,893,097	310	23,921	7,047,862

(Unit: Thousand Baht)

	Separated financial statements					
	Land and land improvement	Buildings and building improvement	Furniture, fixtures and office equipment	Motor vehicles	Assets under installation	Total
Accumulated depreciation						
1 January 2022	-	1,484,939	933,203	388	-	2,418,530
Depreciation for the year	-	204,527	160,125	-	-	364,652
Depreciation on disposals/ writes-off	-	(28)	(7,977)	-	-	(8,005)
31 December 2022	-	1,689,438	1,085,351	388	-	2,775,177
Depreciation for the year	-	205,928	167,391	-	-	373,319
Depreciation on disposals/ writes-off	-	(680)	(2,002)	(78)	-	(2,760)
31 December 2023	-	1,894,686	1,250,740	310	-	3,145,736
Net book value						
31 December 2022	1,014,097	2,411,044	632,608	-	8,615	4,066,364
31 December 2023	1,014,097	2,221,751	642,357	-	23,921	3,902,126
Depreciation for the years						
2022						364,652
2023						373,319

As at 31 December 2023, certain items of plant and equipment were fully depreciated but are still in use. The gross carrying amount before deducting accumulated depreciation of those assets amounted to approximately Baht 590.01 million (2022: Baht 564.47 million) (SET: Baht 586.39 million 2022: Baht 563.75 million).

15. Leases

15.1 The Group as a lessee

The Group has lease contracts for various items to use in its operations. Leases generally have lease terms between 4 - 5 years.

a) Right-of-use assets

Movement of right-of-use assets for the year ended 31 December 2023 and 2022 are summarised below:

	(Unit: Thousand Baht)
	Consolidated and Separate financial statements
	Motor vehicles
1 January 2022	27,261
Additions	11,402
Depreciation for the year	(13,830)
Adjustments	(175)
31 December 2022	24,658
Additions	8,547
Depreciation for the year	(10,784)
31 December 2023	22,421

b) Lease liabilities

	(Unit: Thousand Baht)	
	Consolidated and Separate financial statements	
	2023	2022
Lease payments	25,142	27,291
Less: Deferred interest expenses	(1,759)	(1,988)
Total	23,383	25,303
Less: Portion due within one year	(11,445)	(10,963)
Lease liabilities, net of current portion	11,938	14,340

A maturity analysis of lease payments is disclosed in Note 38.2 to the consolidated financial statements under the liquidity risk.

c) Expenses relating to leases that are recognised in revenues over expenses

(Unit: Thousand Baht)

Consolidated and Separate
financial statements

	2023	2022
Depreciation expense of right-of-use assets	10,784	13,830
Interest expenses on lease liabilities	1,250	1,376
Expenses relating to leases of low-value assets	5,643	9,102

d) Others

The Group had total cash outflows for leases for the year ended 31 December 2023 of Baht 17.36 million (2022: Baht 25.34 million) (SET: Baht 17.36 million 2022: Baht 25.34 million), including the cash outflow related to short-term lease and leases of low-value assets.

16. Intangible assets

The net book value of intangible assets as at 31 December 2023 and 2022 is presented below.

(Unit: Thousand Baht)

	Consolidated financial statements				Separate financial statements			
	Licences and other				Licences and other			
	Computer software	intangible assets	Working in process	Total	Computer software	intangible assets	Working in process	Total
As at 31 December 2023								
Cost	3,052,829	8,023	232,493	3,293,345	2,967,979	3,705	232,493	3,204,177
Less: Accumulated amortisation	(2,099,708)	(4,030)	-	(2,103,738)	(2,015,989)	(2,065)	-	(2,018,054)
Net book value	953,121	3,993	232,493	1,189,607	951,990	1,640	232,493	1,186,123
As at 31 December 2022								
Cost	2,496,541	7,973	498,495	3,003,009	2,411,691	3,655	498,495	2,913,841
Less: Accumulated amortisation	(1,883,729)	(3,598)	-	(1,887,327)	(1,800,981)	(1,978)	-	(1,802,959)
Net book value	612,812	4,375	498,495	1,115,682	610,710	1,677	498,495	1,110,882

A reconciliation of the net book value of intangible assets for the years 2023 and 2022 are presented below.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Net book value at beginning of years	1,115,682	799,339	1,110,882	794,550
Additions	290,336	471,168	290,336	472,048
Transfer	-	2,788	-	2,788
Amortisations	(216,411)	(157,613)	(215,095)	(156,504)
Net book value at end of years	1,189,607	1,115,682	1,186,123	1,110,882

17. Assets for margin deposits and benefits

Thailand Clearing House Co., Ltd. ("TCH") is the clearing house for derivatives market. Members of TCH who have outstanding positions are obliged to place the required margin deposits as a guarantee according to the rate or amount called by TCH. TCH may invest the margin proceeds according to specified terms and conditions. The benefits, after deducting management fees, shall be distributed to members at the announced rates and procedures.

As at 31 December 2023 and 2022, the details of investments for which margin deposits were placed by members consist of:

	(Unit: Thousand Baht)	
	Consolidated	
	financial statements	
	2023	2022
Saving and fixed deposit accounts	8,696,830	9,404,849
Saving accounts in foreign currency	80,390	1,929,217
Debt instruments measured at amortised cost	9,349,210	6,976,749
Securities collateral	166,375	130,927
Accrued benefits	24,226	16,738
Total investments for which margin deposits	18,317,031	18,458,480
Less: Allowance for expected credit loss	(464)	(640)
Total investments for which margin deposits, net	18,316,567	18,457,840

As at 31 December 2023, saving accounts in foreign currency of USD 2.36 million (2022: USD 56.10 million) was translated into Thai Baht using the average transfer buying rate announced by the Bank of Thailand at the end of the accounting period.

The Group presented margin deposits placed by members separately in the account "Assets for margin deposits and benefits" in current assets in the statements of financial position and presented liabilities in the account "Margin deposits and benefits payable" in current liabilities in the statements of financial position.

18. Assets for clearing system protection and benefits

The assets for clearing system protection are established to secure the clearing system of Thailand Clearing House Co., Ltd. (TCH) against any damage caused by defaults by members or other incidents.

Assets for clearing system protection comprise of 2 categories as follow:

18.1 Securities Deposit

Members of TCH are required to place a Securities Deposit according to the announcement made by TCH (the current Securities Deposit for members, who are allowed to clear all types of derivatives, is not less than Baht 5 million and for only one type of derivatives is not less than Baht 4 million).

18.2 Clearing fund contributions comprising contributions from:

- 1) SET amounting to Baht 100 million
- 2) Members of TCH
 - Initial contributions according to the announced rates (currently the initial contribution members, who are allowed to clear all types of derivatives, are not less than Baht 6 million and for only one type of derivatives is not less than Baht 1 million).
 - When any members has insufficient on the assets for clearing system protection to support their risk. TCH will call that member to place the asset contribution which variable to the value and condition specified by TCH. The minimum value of asset contribution not less than Baht 1,000.

TCH manages the assets for clearing system protection and there are benefits incurred thereon, if such benefits are derived from the assets for clearing system protection of members, TCH shall return them to members after deduction of a management fees in accordance with the procedures and within the period prescribed by TCH.

In the event that members defaults in clearing on damage is caused by act of members in connection with clearing. TCH shall have the power to use assets for the clearing system protection in the following order:

- 1) Security deposit of the member who is in default or causes damage to the clearing system of TCH, as the case maybe;
- 2) Contribution to the Clearing Fund by the member who is in default or causes damage to the clearing of TCH;
- 3) Contributions to the Clearing Fund by SET in accordance with the amount prescribed by TCH as the first part;
- 4) Assets contributed to the Clearing Fund in the part of other Clearing Fund members who are not in default or who do not cause the damage to the clearing system of TCH, as the case maybe;
- 5) The remaining amount of the contributions to the Clearing Fund by SET after deducting the first part of the contributions to the Clearing Fund by SET;
- 6) Additional contribution according to the proportion made to the Clearing Fund by respective members
- 7) SET Reserve Fund

The use of the assets under 4) and 6) shall be in proportion with the assets contributed by the Clearing Fund members to the Clearing Fund.

The use of contributions to the Clearing Fund under 3) in accordance with the proportion prescribed by TCH, TCH may notify the change of the proportion in the use of such contributions as appropriate.

A member who is in default or causes damage to the clearing of TCH has the duty to return the assets for the clearing system protection or other assets which TCH has used according to the regulation.

In the case that the Clearing Fund has been used, TCH may charge interest for the use of such fund at the maximum rate permitted by the law on interests on loans of financial institutions, as from the date of the use of such fund until the date of the return thereof unless other interest rate is prescribed by TCH.

When the defaulting member or the member who causes damage to the clearing of TCH, has reimbursed the assets for the Clearing System Protection which are equal to the used amount of the assets together with the interest incurred thereon to TCH, the assets shall be allocated as per the order below:

- 1) SET Reserve Fund
- 2) Additional contribution according to the proportion made to the Clearing Fund by respective members
- 3) The remaining amount of the contributions to the Clearing Fund by SET after deducting the first part of the contributions to the Clearing Fund by SET;
- 4) Assets contributed to the Clearing Fund in the part of other Clearing Fund Members who are not in default or who do not cause the damage to the Clearing System of TCH;
- 5) Contributions to the Clearing Fund by SET in accordance with the amount prescribed by TCH as the first part;
- 6) Contribution to the Clearing Fund by the member who is in default or causes damage to the Clearing of TCH;
- 7) Security Deposit of the member who is in default or causes damage to the Clearing System of TCH

The allocation for the return of the assets under 2) and 4) shall be in proportion with that such assets are used pursuant.

When TCH has a resolution to terminate the membership of any members, TCH shall return the assets which such members has provided for the Clearing of TCH, including the remaining benefits therefore after deduction of debts as well as damages and penalty that the member owes to TCH, within the period prescribed by TCH.

The Group has shown the assets to which members have joined as security assets in accordance with the rules specified as a separate item in the account. "Assets for margin deposits and benefits" under non-current assets and have shown the same amount of liabilities in the account "Margin deposits and benefits payable" under non-current liabilities in the statements of financial position.

As at 31 December 2023 and 2022, assets for clearing system protection and benefits consist of:

(Unit: Thousand Baht)						
Consolidated financial statements						
	Securities Deposit		Clearing fund and benefits		Total	
	and benefits					
	2023	2022	2023	2022	2023	2022
Investments managed by private fund						
Saving accounts	19,172	22,826	468	16,253	19,640	39,079
Investments measured fair value through others comprehensive revenues	326,848	327,475	1,927,916	1,892,305	2,254,764	2,219,780
Total	346,020	350,301	1,928,384	1,908,558	2,274,404	2,258,859
Accrued interest receivable	775	216	4,572	1,251	5,347	1,467
Other assets	48	38	283	18,703	331	18,741
Total investments managed by private fund	346,843	350,555	1,933,239	1,928,512	2,280,082	2,279,067
Less: Allowance for expected credit loss	(1)	(1)	-	-	(1)	(1)
Total assets for clearing system protection and benefits, net	346,842	350,554	1,933,239	1,928,512	2,280,081	2,279,066

			(Unit: Thousand Baht)	
			Separate	
			financial statements	
			Clearing fund and benefits	
			2023	2022
Contributions			100,000	100,000
Accumulated benefits			52,137	50,740
Total assets for clearing system protection and benefits, net			152,137	150,740

Investments managed by private fund

As at 31 December 2023 and 2022, investments in private fund are managed by 1 asset management company.

The investments policy of private fund is reference to the TCH's regulations in relation to deposits with financial institution and TCH's investment policies. For the year ended 31 December 2023, the investment in private fund have return rates of 0.97% per annum (2022: 0.98% per annum).

As at 31 December 2023 and 2022, assets for clearing system protection and benefits payable consist of:

(Unit: Thousand Baht)

	Consolidated financial statements					
	Securities Deposit		Clearing fund and benefits		Total	
	and benefits*					
	2023	2022	2023	2022	2023	2022
Contributions	343,787	346,844	1,601,500	1,609,291	1,945,287	1,956,135
Accumulated benefits	2,964	3,799	179,924	168,379	182,888	172,178
Total assets for clearing system						
protection and benefits payable	346,751	350,643	1,781,424	1,777,670	2,128,175	2,128,313

*Due repayment the accumulated benefits to members every 6 months.

19. Reserve fund for clearing and settlement

Reserve Fund for clearing and settlement from SET established as a source of funds for clearing house to compensate for any damage that may result from default or damages that may be caused by the actions of members in the business relating to the settlement and delivery of securities of the clearing house.

On 14 January 2015 and 27 April 2016, SET's Board of Governors approved an appropriation of reserve fund for clearing and settlement for compliance with the standard of clearing house set by the Overseas Securities Regulator and for enhance competitiveness and support future business expansion. SET will reserve fund for clearing and settlement in the approximately Baht 5,690.00 million by 2020. As at 31 December 2023, the reserve fund for clearing and settlement was Baht 5,771.23 million (2022: Baht 5,709.78 million).

As at 31 December 2023 and 2022, reserve fund for clearing and settlement consist of:

(Unit: Thousand Baht)

	Consolidated financial statements	
	2023	2022
Investments managed by private fund		
Saving accounts	701	9
Debt instruments measured at fair value through other comprehensive revenues	5,749,853	5,699,401
Total	5,750,554	5,699,410
Accrued interest income	14,576	5,142
Other assets	6,096	5,228
Total Investments managed by private fund	5,771,226	5,709,780

As at 31 December 2023 and 2022 investments in private fund are managed by 1 asset management company.

The investment policy of private fund is reference to the TCH's regulations in relation to deposits with financial institution and its investment policies. For the year ended 31 December 2023, the investments in private fund have return rates of 1.06% per annum (2022: 1.04% per annum).

20. Other non-current assets

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Withholding tax receivable	755,414	605,395	717,366	573,804
Deposit	2,495	2,495	2,485	2,485
Others	2,534	5,029	2,534	5,029
Total	760,443	612,919	722,385	581,318

21. Trade and other payables

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Trade payables - related parties (Note 6)	-	-	-	90
Trade payables - unrelated parties	19,803	57,741	19,707	56,465
Accrued expenses - related parties (Note 6)	499,517	538,903	504,371	542,185
Accrued expenses - unrelated parties	1,268,903	1,296,602	1,216,676	1,242,952
Accrued interest expenses - related parties (Note 6)	-	-	285	-
Collateral payable from securities lending	52,763	-	52,763	-
Clearing collateral payable	1,405	8,284	-	-
Dividend payable from registrar services to investors	103,991	100,735	-	-
Financial benefits payable	101,157	91,172	-	-
Other payable from purchase of investments	137,359	67,731	137,359	67,731
Others	17,847	50,529	14,372	14,721
Total trade and other payables	2,202,745	2,211,697	1,945,533	1,924,144

22. Other current liabilities

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Withholding tax payable	82,116	80,461	14,346	15,397
Other retention payables	38,071	41,641	29,247	32,649
Provision for employee benefits from				
accumulated annual leave	40,246	36,356	40,246	36,356
Value added tax payable	15,325	28,413	10,548	19,589
Ngoen-Thong-khong-Mee-Kha Fund	11,576	11,576	11,576	11,576
Others	7,693	4,052	5,258	1,153
Total other current liabilities	195,027	202,499	111,221	116,720

23. Provision for long-term employee benefits

Provision for long-term employee benefits, which represents compensation payable to employees after they retire, was as follows:

	(Unit: Thousand Baht)	
	Consolidated and Separate	
	financial statements	
	2023	2022
Provision for long-term employee benefits		
at beginning of years	740,155	731,444
Included in revenues over expenses:		
Current service cost	46,456	49,067
Interest cost	20,074	14,706
Past service cost	-	5,882
Included in other comprehensive revenues (expenses):		
Actuarial gain arising from		
Financial assumptions changes	-	(55,157)
Benefits paid during the years	(12,052)	(5,787)
Provision for long-term employee benefits		
at end of years	794,633	740,155

Expenses recognised in the statements of comprehensive revenues and expenses for the years ended 31 December 2023 and 2022 as below:

	(Unit: Thousand Baht)	
	Consolidated and Separate financial statements	
	2023	2022
Current service cost	46,456	49,067
Interest cost	20,074	14,706
Past service cost	-	5,882
Expenses recognised in the statements of comprehensive revenues and expenses	66,530	69,655

The Group expects to pay Baht 42.08 million of long-term employee benefits during the next year (2022: Baht 19.16 million) (SET: Baht 42.08 million 2022: Baht 19.16 million).

As at 31 December 2023, the weighted average duration of the liabilities for long-term employee benefit is 15 years (2022: 15 years) (SET: 15 years 2022: 15 years).

Significant actuarial assumptions are summarised below:

	Consolidated and Separate financial statements	
	2023	2022
Discount rate	1.39% - 5.19%	1.39% - 5.19%
Salary increase rate	5.00% - 11.00%	5.00% - 11.00%
Turnover rate	0.00% - 12.00%	0.00% - 12.00%
Pre-retirement mortality rate	Adjust 3% of TMO2017	Adjust 3% of TMO2017
Retirement age	60 years old	60 years old

The result of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligation as at 31 December 2023 and 2022 are summarised below:

	(Unit: Thousand Baht)					
	Consolidated and Separate financial statements					
	Change in assumption		Increase in assumption		Decrease in assumption	
	2023	2022	2023	2022	2023	2022
Discount rate	0.5%	0.5%	(34,036)	(33,842)	36,617	36,474
Salary increase rate	1%	1%	88,741	80,310	(77,446)	(70,258)
Turnover rate	20%	20%	(22,919)	(20,543)	24,297	21,759

24. Fund balances

The statements of change in fund balances for the years ended 31 December 2023 and 2022 presented as part of the consolidated and separate financial statements as follows:

(Unit: Thousand Baht)

Consolidated financial statements								
Fund balances								
		Securities Clearing Reserve Fund	Derivatives Clearing Reserve Fund	Indemnity Fund	Staff Welfare Fund	Securities Investor Protection Fund	Derivatives Investor Protection Fund	General Fund
	Note							Total
Balance as at 1 January 2022		3,440,000	2,250,000	100,000	116,036	512,348	57,433	22,893,087
Other comprehensive revenues (expenses), net of tax	25.2	-	-	-	-	-	-	89,311
Contributions from additional fees	25.1	-	-	-	-	1,050	625	(1,675)
Revenues over (under) expenses	25.2	-	-	-	(259)	(4,316)	569	1,410,269
Balance as at 31 December 2022		3,440,000	2,250,000	100,000	115,777	509,082	58,627	24,390,992
Balance as at 1 January 2023		3,440,000	2,250,000	100,000	115,777	509,082	58,627	24,390,992
Other comprehensive revenues (expenses), net of tax	25.2	-	-	-	-	-	-	(626,742)
Revenues over expenses	25.2	-	-	-	597	9,391	924	1,268,979
Balance as at 31 December 2023		3,440,000	2,250,000	100,000	116,374	518,473	59,551	25,033,229

(Unit: Thousand Baht)

Separate financial statements							
Fund balances							
	Securities Clearing Reserve Fund	Derivatives Clearing Reserve Fund	Indemnity Fund	Staff Welfare Fund	Securities Investor Protection Fund	General Fund	Total
Note							
Balance as at 1 January 2022	3,440,000	2,250,000	100,000	116,036	512,348	19,023,005	25,441,389
Other comprehensive revenues (expenses), net of tax	25.2	-	-	-	-	77,028	77,028
Contributions from additional fee	25.1	-	-	-	1,050	(1,050)	-
Revenues over (under) expenses	25.2	-	-	(259)	(4,316)	629,485	624,910
Balance as at 31 December 2022	<u>3,440,000</u>	<u>2,250,000</u>	<u>100,000</u>	<u>115,777</u>	<u>509,082</u>	<u>19,728,468</u>	<u>26,143,327</u>
Balance as at 1 January 2023	3,440,000	2,250,000	100,000	115,777	509,082	19,728,468	26,143,327
Other comprehensive revenues (expenses), net of tax	25.2	-	-	-	-	(323)	(323)
Revenues over expenses	25.2	-	-	597	9,391	661,884	671,872
Balance as at 31 December 2023	<u>3,440,000</u>	<u>2,250,000</u>	<u>100,000</u>	<u>116,374</u>	<u>518,473</u>	<u>20,390,029</u>	<u>26,814,876</u>

Details of fund balances are as follows:

24.1 Securities Clearing Reserve Fund

In 1997 and 2013, the Board of Governors of SET approved an appropriation of general funds of Baht 2,000 million and Baht 500 million, respectively, totalling Baht 2,500 million to the Securities Clearing Reserve Fund, which is operated by a subsidiary of SET, in order to resolve liquidity risk in the event of default on clearing and settlement from securities trading on SET.

In 2015, the Board of Governors of SET approved an appropriation of general funds to the Securities Clearing Reserve Fund from 2015 - 2019, totalling Baht 2,640 million, starting from 2015 of Baht 1,840 million and in the following years of Baht 200 million per year.

In 2018, the Board of Governors of SET approved an appropriation of the Securities Clearing Reserve Fund to Derivatives Clearing Reserve Fund of Baht 700 million, in order for the clearing house to have sufficient funds in both markets.

In 2020, the Board of Governors of SET approved an appropriation of the Securities Clearing Reserve Fund to Derivatives Clearing Reserve Fund of Baht 1,000 million, in order for the clearing house to have sufficient funds in both markets.

24.2 Derivatives Clearing Reserve Fund

In 2004, the Board of Governors of SET approved an appropriation of general funds of Baht 300 million to the Derivatives Clearing Reserve Fund in order to assure contingent losses from the clearing system of futures contracts at Thailand Clearing House Co., Ltd.

In 2018, Derivatives Clearing Reserve Fund has been allocated from Securities Clearing Reserve Fund of Baht 700 million according to the resolution of the Board of Governors of SET, in order for the clearing house to have sufficient funds in both markets.

In 2020, Derivatives Clearing Reserve Fund has been allocated from Securities Clearing Reserve Fund of Baht 1,000 million and from general fund of Baht 250 million according to the resolution of the Board of Governors of SET, in order for the clearing house to have sufficient funds in both markets.

24.3 Indemnity Fund

In 1993 and 2002, the Board of Governors of SET approved appropriations of general funds totaling Baht 100 million to the Indemnity Fund in order to assist and assure the Board of Governors of SET and those appointed assignees on matters requiring consideration and decisions which may affect or cause damages to other parties.

24.4 Staff Welfare Fund

In 1997 and 2004, the Board of Governors of SET approved appropriations of general funds was Baht 75 million to the Staff Welfare Fund. All benefits earned from this fund are retained in the fund.

24.5 Securities Investor Protection Fund

In 2004, the Board of Governors of SET approved an appropriation of Baht 300 million from broker seat admission fees as an initial fund for the establishment of the Securities Investor Protection Fund (SIPF).

The SIPF was formally established under SIPF regulations on 1 October 2004. The objective of the fund is to protect and build investor confidence in trading listed securities on SET through the members of the SIPF. As at 31 December 2023, there were 32 SIPF members from securities companies (2022: 33 SIPF members).

The assets of SIPF consist of:

- 1) the initial fund from SET of Baht 300 million;
- 2) the cumulative membership entrance fees and monthly fees collected from the members;
- 3) the future benefits generated from investments in the SIPF; and
- 4) the additional fees collected from members in case members' operation shown implicit of their unintentional operated in securities business.

SIPF will protect the investors' assets which are in the custody of the securities brokers who are members of the SIPF. In the event that the members of the SIPF fail to return the assets to investors, each investor shall be compensated by the SIPF for the related damages at the actual cost, but not exceeding Baht 1 million per SIPF member, in the following cases:

- 1) if any SIPF member is in receivership under the Bankruptcy Act or
- 2) if there are disputes concerning the purchase or sale of securities listed on SET between investors and any SIPF member, and the arbitrator's award is that the SIPF member shall return the assets to investors, but the SIPF member violates the award.

The protection will not include any losses from securities trading regardless of who makes the investment decision.

If the number of assets of the SIPF is not sufficient for compensation to investors as mentioned above, the investors will receive from the SIPF for assets in accordance with the proportion of damage sustained by each investor (Pro rata based).

When the Board of Governors of SET resolves to approve granting protection to any investor. SET will use the SIPF to provide protection to such investor, which shall be in the following sequence:

- 1) the SIPF with respect to the part paid by that SIPF's member who caused damage to the investors;
- 2) the SIPF with respect to the yields or benefits;
- 3) the SIPF with respect to the part paid by other member; and
- 4) the SIPF with respect to the part paid by SET

Upon SET's use of SIPF to provide protection to investors in accordance with the rules prescribed, SET shall exercise the right to demand the return of the assets which have been paid to the investors and damages from the SIPF's member in accordance with the right transferred by the investors.

SET shall allocate the assets or money to SIPF which are returned from members who caused damage to the investors in the following sequence:

- 1) the SIPF with respect to the part belonging to SET;
- 2) the SIPF with respect to the part belonging to other members;
- 3) the SIPF with respect to the yield or benefits; and
- 4) the SIPF with respect to the part belonging to SIPF's members who caused damage to the investors

24.6 Derivatives Investor Protection Fund

In 2012 the board of directors of Thailand Futures Exchange Public Company Limited ("TFEX"), a subsidiary, has a resolution to establish the Derivatives Investor Protection Fund ("DIPF") and approved an appropriation of Baht 50 million as an initial fund.

The DIPF was established on 15 November 2012. The objective of the DIPF is to provide protection for derivatives contracts investors in accordance with the rules prescribed by TFEX. Investors need to be protected must become customers of DIPF members and is a Thai natural person, a juristic person incorporated in Thailand who is not an institutional investor under the Derivatives Act B.E. 2546. As at 31 December 2023, there were 35 DIPF members from security companies (2022: 37 DIPF members).

Assets of the DIPF consist of TFEX initial capital, admission fees and contributions collected from members of the DIPF, and yields or benefits obtained from the proceeds and assets of the DIPF after the deduction of expenses for the operation of the DIPF. At the time of its establishment, the DIPF will have assets worth no less than Baht 100 million, which consists of initial capital of Baht 50 million from TFEX and admission fees and contributions from DIPF members in the rest to make the total of Baht 100 million. TFEX may collect additional sums of money as it deems necessary and appropriate.

DIPF will protect the investors' assets which are in the custody of the securities brokers who are members of the DIPF. In the event that the members of the DIPF fail to return the assets to investors, each investor shall be compensated by the DIPF for the related damages at the actual cost, but not exceeding Baht 1 million per DIPF member, in the following cases:

- 1) if any DIPF member is in receivership under the Bankruptcy Act or
- 2) if there are disputes concerning the purchase or sale of securities listed on SET between investors and any DIPF member, and the arbitrator's award is that the DIPF member shall return the assets to investors, but the DIPF member violates the award.

The protection will not include any losses from derivatives trading regardless of who makes the investment decision.

If the number of assets of the DIPF is not sufficient for compensation to investors as mentioned above, the investors will receive from the DIPF for assets in accordance with the proportion of damage sustained by each investor (Pro rata based).

When the Board resolves to approve granting protection to any investor. TFEX will use the DIPF to provide protection to such investor, which shall be in the following sequence:

- 1) the DIPF with respect to the part paid by that DIPF's member who caused damage to the investors;
- 2) the DIPF with respect to the yields or benefits;
- 3) the DIPF with respect to the part paid by other member; and
- 4) the DIPF with respect to the part paid by TFEX

Upon TFEX's use of DIPF to provide protection to investors in accordance with the rules prescribed, DIPF's member who caused damage to investors has the duty to return assets to TFEX. TFEX shall exercise the right to demand the return of the assets which have been paid to the investors and damages from the DIPF's member in accordance with the right transferred by the investors.

TFEX shall allocate the funds which are returned in whole or in part to the DIPF in the following sequence:

- 1) the DIPF with respect to the part belonging to TFEX;
- 2) the DIPF with respect to the part belonging to other members;
- 3) the DIPF with respect to the yield or benefits; and
- 4) the DIPF with respect to the part belonging to DIPF's members who caused damage to the investors

25. Financial position and results of fund operations

25.1 Financial position of fund

The SIPF's financial statements included as part of the consolidated and separate's financial statements are as follows:

		(Unit: Thousand Baht)	
		Consolidated and Separate	
		financial statements	
		As at 31 December	
		2023	2022
Assets			
Current assets			
Cash deposits		3,136	105,343
Other current financial assets		846,731	289,202
Accrued interest receivable		2,668	3,036
Other current assets		14,458	1,363
Total current assets		866,993	398,944
Non-current assets			
Other non-current financial assets		-	451,496
Total non-current assets		-	451,496
Total assets		866,993	850,440
Liabilities and fund balances			
Current liabilities			
Other current liabilities		822	13
Total current liabilities		822	13
Non-current liabilities			
Contributions from members		229,798	229,742
Benefits on contributions from members		117,900	111,603
Total non-current liabilities		347,698	341,345
Total liabilities of members portion		348,520	341,358
Fund balances			
Initial fund		300,000	300,000
Contributions from additional fees		1,050	1,050
Benefits on contribution from SET		217,423	208,032
Total fund balances		518,473	509,082
Total liabilities and fund balances		866,993	850,440

The DIPF's financial statement included as part of the consolidated financial statements are as follows:

		(Unit: Thousand Baht)	
		Consolidated	
		financial statements	
		As at 31 December	
		2023	2022
Assets			
Current assets			
Cash deposits		6,634	13,198
Other current financial assets		45,019	46,642
Contributions from members		20	9
Accrued interest receivable		453	236
Total current assets		52,126	60,085
Non-current assets			
Other non-current financial assets		64,639	54,637
Total non-current assets		64,639	54,637
Total assets		116,765	114,722
Liabilities and fund balances			
Current liabilities			
Income tax payable		274	268
Other current liabilities		2	2
Total current liabilities		276	270
Non-current liabilities			
Contributions from members		51,657	51,426
Benefits on contributions from members		5,281	4,399
Total non-current liabilities		56,938	55,825
Total liabilities		57,214	56,095

(Unit: Thousand Baht)

	Consolidated financial statements	
	As at 31 December	
	2023	2022
Fund balances		
Initial fund	50,000	50,000
Contributions from additional fee	625	625
Benefits on contributions from TFEX	8,926	8,002
Total fund balances	59,551	58,627
Total liabilities and fund balances	116,765	114,722

25.2 Results of fund operations

Details of the results of fund operations which are included as part of the consolidated and separate statement of comprehensive revenues and expenses are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements				
	Staff Welfare Fund	Securities Investor Protection Fund (SET's portion)	Derivatives Investor Protection Fund (TFEX's portion)	General Fund	Total
For the year ended 31 December 2023					
Revenues					
Operating revenues	-	-	-	6,850,248	6,850,248
Investment income, net	597	9,391	924	204,929	215,841
Other income	-	-	-	234,003	234,003
Share of profit of investment in associates and joint venture, net of tax	-	-	-	24,786	24,786
Total revenues	597	9,391	924	7,314,626	7,325,538
Expenses					
Operating expenses	-	-	-	5,226,430	5,226,430
Contribution to the Capital Market Development Fund	-	-	-	499,517	499,517
Income tax expenses	-	-	-	319,700	319,700
Total expenses	-	-	-	6,045,647	6,045,647
Revenues over expenses	597	9,391	924	1,268,979	1,279,891

(Unit: Thousand Baht)

Consolidated financial statements					
	Staff	Securities	Derivatives		
	Welfare	Investor	Investor		
	Fund	Protection Fund	Protection Fund	General Fund	Total
		(SET's portion)	(TFEX's portion)		
Other comprehensive revenues (expenses):					
Other comprehensive revenues (expenses)					
to be reclassified to revenues or					
expenses in subsequent periods					
Loss on change in value of debt					
instruments at fair value through other					
comprehensive revenues (expenses),					
net of tax	-	-	-	(31,808)	(31,808)
Other comprehensive revenues (expenses)					
not to be reclassified					
to revenues or expenses in					
subsequent periods					
Loss on changes in value of equity					
investments designated at fair value					
through other comprehensive revenue					
(expenses), net of tax	-	-	-	(594,934)	(594,934)
Other comprehensive revenues					
(expenses) for the year	-	-	-	(626,742)	(626,742)
Total comprehensive revenues over					
expenses for the year	597	9,391	924	642,237	653,149
Total comprehensive revenues over					
expenses for the year					
attributable to:					
Owners of the parents	597	9,391	924	642,237	653,149
Non - controlling interests	-	-	-	-	-
	597	9,391	924	642,237	653,149

(Unit: Thousand Baht)

	Consolidated financial statements				
	Staff Welfare Fund	Securities Investor Protection Fund (SET's portion)	Derivatives Investor Protection Fund (TFEX's portion)	General Fund	Total
For the year ended 31 December 2022					
Revenues					
Operating revenues	-	-	-	7,554,326	7,554,326
Investment income (loss), net	(259)	(4,316)	569	(364,587)	(368,593)
Other income	-	-	-	196,566	196,566
Share of profit of investment in associates and joint venture, net of tax	-	-	-	33,137	33,137
Total revenues	(259)	(4,316)	569	7,419,442	7,415,436
Expenses					
Operating expenses	-	-	-	5,133,808	5,133,808
Contribution to the Capital Market Development Fund	-	-	-	538,903	538,903
Income tax expenses	-	-	-	336,462	336,462
Total expenses	-	-	-	6,009,173	6,009,173
Revenues over (under) expenses	(259)	(4,316)	569	1,410,269	1,406,263
Other comprehensive revenues (expenses):					
Other comprehensive revenues (expenses) to be reclassified to revenues or expenses in subsequent periods					
Gain on change in value of debt instruments at fair value through other comprehensive revenue (expenses), net of tax	-	-	-	12,283	12,283
Other comprehensive revenues (expenses) not to be reclassified to revenues or expenses in subsequent periods					
Actuarial gain, net of tax	-	-	-	77,028	77,028
Other comprehensive revenues (expenses) for the year	-	-	-	89,311	89,311
Total comprehensive revenues over (under) expenses for the year	(259)	(4,316)	569	1,499,580	1,495,574
Total comprehensive revenues over (under) expenses for the year attributable to:					
Owners of the parents	(259)	(4,316)	569	1,499,580	1,495,574
Non - controlling interests	-	-	-	-	-
	(259)	(4,316)	569	1,499,580	1,495,574

(Unit: Thousand Baht)

	Separate financial statements			
	Securities		General Fund	Total
	Staff	Investor		
	Welfare Fund	Protection Fund (SET's portion)		
For the year ended 31 December 2023				
Revenues				
Operating revenues	-	-	2,866,247	2,866,247
Investment income, net	597	9,391	843,535	853,523
Other income	-	-	2,003,641	2,003,641
Total revenues	597	9,391	5,713,423	5,723,411
Expenses				
Operating expenses	-	-	4,549,319	4,549,319
Contribution to the Capital Market Development Fund	-	-	499,517	499,517
Income tax expenses	-	-	2,703	2,703
Total expenses	-	-	5,051,539	5,051,539
Revenues over expenses	597	9,391	661,884	671,872
Other comprehensive revenues (expenses):				
Other comprehensive revenues (expenses) to be reclassified to revenues or expenses in subsequent periods				
Loss on change in value of debt instruments at fair value through other comprehensive revenues (expenses), net of tax	-	-	(323)	(323)
Other comprehensive revenues (expenses) for the year	-	-	(323)	(323)
Total comprehensive revenues over expenses for the year	597	9,391	661,561	671,549
Total comprehensive revenues over expenses for the year attributable to:				
Owners of the parents	597	9,391	661,561	671,549
Non - controlling interests	-	-	-	-
	597	9,391	661,561	671,549

(Unit: Thousand Baht)

	Separate financial statements			
	Securities			
	Staff	Investor		
	Welfare	Protection Fund		
	Fund	(SET's portion)	General Fund	Total
For the year ended 31 December 2022				
Revenues				
Operating revenues	-	-	3,456,128	3,456,128
Investment income (loss), net	(259)	(4,316)	218,611	214,036
Other income	-	-	1,977,441	1,977,441
Total revenues	(259)	(4,316)	5,652,180	5,647,605
Expenses				
Operating expenses	-	-	4,494,992	4,494,992
Contribution to the Capital Market Development Fund	-	-	538,903	538,903
Income tax expenses	-	-	(11,200)	(11,200)
Total expenses	-	-	5,022,695	5,022,695
Revenues over (under) expenses	(259)	(4,316)	629,485	624,910
Other comprehensive revenues (expenses):				
Other comprehensive revenues (expenses) not to be reclassified to revenues or expenses in subsequent periods				
Actuarial gain, net of tax	-	-	77,028	77,028
Other comprehensive revenues (expenses)				
for the year	-	-	77,028	77,028
Total comprehensive revenues over (under) expenses for the year	(259)	(4,316)	706,513	701,938
Total comprehensive revenues over (under) expenses for the year attributable to:				
Owners of the parents	(259)	(4,316)	706,513	701,938
Non - controlling interests	-	-	-	-
	(259)	(4,316)	706,513	701,938

26. Operating revenues

Operating revenues for the years ended 31 December 2023 and 2022 consist of:

			(Unit: Thousand Baht)	
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Service type:				
Trading fees	2,044,030	2,567,057	1,295,492	1,849,629
Securities registrar fees	1,588,999	1,595,198	-	-
Clearing & settlement fees	693,493	800,087	-	-
Listing fees	625,112	667,709	625,112	667,709
Member services fees	449,044	477,091	-	-
Customisation and IT support fees	453,604	489,094	480,229	516,285
Information service fees	473,800	430,904	442,364	399,105
Depository fees	392,012	402,096	-	-
Membership fees	63,310	63,990	23,050	23,400
Fund services fees	41,432	37,683	-	-
Digital gateway service fees	16,204	13,045	-	-
Payment service fees	9,208	10,372	-	-
Total operating revenues	6,850,248	7,554,326	2,866,247	3,456,128

Timing of revenue recognition

At a point in time

Trading fees	2,044,030	2,567,057	1,295,492	1,849,629
Securities registrar fees	926,017	1,001,285	-	-
Clearing & settlement fees	693,493	800,087	-	-
Listing fees	15,148	31,499	15,148	31,499
Member services fees	431,389	459,586	-	-
Customisation and IT support fees	53,576	57,837	67,871	71,828
Information service fees	473,800	430,904	442,364	399,105
Depository fees	392,012	402,096	-	-
Fund services fees	11,740	10,303	-	-
Digital gateway service fees	11,735	9,417	-	-
Payment service fees	7,508	9,188	-	-
Total	5,060,448	5,779,259	1,820,875	2,352,061

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Overtime				
Securities registrar fees	662,982	593,913	-	-
Listing fees	609,964	636,210	609,964	636,210
Member services fee	17,655	17,505	-	-
Customisation and IT support fees	400,028	431,257	412,358	444,457
Membership fees	63,310	63,990	23,050	23,400
Fund services fees	29,692	27,380	-	-
Digital Gateway service fees	4,469	3,628	-	-
Payment service fees	1,700	1,184	-	-
Total	1,789,800	1,775,067	1,045,372	1,104,067
Total operating revenues	6,850,248	7,554,326	2,866,247	3,456,128

27. Investment revenue (loss), net

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Interest income	580,847	325,717	305,356	168,449
Less: Interest expenses				
Short-term loan from subsidiaries (Note 6)	-	-	(29,492)	(11,115)
Assets for clearing system protection				
- members' portion	(251,629)	(119,280)	-	-
Interest income, net	329,218	206,437	275,864	157,334
Dividend income from				
Mutual funds	44,709	29,744	44,709	29,744
Subsidiaries (Note 12)	-	-	643,939	563,222
Associates (Note 13)	-	-	18,914	20,805
Other entities	6,270	5,070	6,270	5,070
Realised loss from investments	(69,162)	(393,025)	(62,046)	(310,429)

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Realised loss on forward contracts	(18,066)	(16,166)	(18,066)	(16,166)
Realised loss on foreign exchange rate	(23,278)	(22,514)	(23,278)	(29,209)
Realised loss on foreign exchange rate from forward contracts	(115,784)	(277,646)	(115,784)	(277,646)
Realised gain on exchange rate from foreign investments	5,853	450,841	5,853	450,841
Unrealised gain (loss) from investments	39,109	(164,027)	61,276	(183,737)
Unrealised gain (loss) on exchange rate from foreign investments	11,591	(319,274)	11,591	(319,274)
Unrealised gain (loss) on foreign exchange rate from forward contracts	(6,606)	133,814	(6,606)	133,814
Unrealised gain (loss) on foreign exchange rate	1,026	(7,087)	1,026	(7,087)
Allowance for expected credit loss	647	8,987	470	1,070
Total investment revenue (loss), net	205,526	(364,846)	844,132	218,352

28. Other income

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Revenues from fees and management funds	48,814	47,724	-	693
Service income from related parties	73,187	36,061	1,940,993	1,916,381
Educational activities income	35,862	28,548	35,862	28,548
Fines	5,379	13,810	4,415	7,555
Rental & utilities revenues	12,997	9,846	12,997	9,846
Revenues from membership transfer	-	10,000	-	10,000
Revenues from securities borrowing and lending	1,100	1,387	-	-
Other income	57,324	49,190	9,374	4,418
Total other income	234,663	196,566	2,003,641	1,977,441

29. Employee expenses

(Unit: Thousand Baht)

	Consolidated and Separate financial statements	
	2023	2022
Management		
Salaries and other benefits	303,242	272,397
Contributions to provident fund	19,859	14,684
Total	323,101	287,081
Other employees		
Salaries and other benefits	1,834,410	1,785,720
Contributions to provident fund	113,064	89,050
Total	1,947,474	1,874,770
Total employee expenses	2,270,575	2,161,851

The defined contribution plans comprise provident funds established by the Group for its employees. Contributions are made monthly by the employees at rates between 3.00% and 15.00% of their basic salaries and by the Group at the rate of 10.00% - 12.00% (2022: 10%) of the employees' basic salaries. The provident funds are registered with the Ministry of Finance as juristic entities and are managed by a licensed Fund Manager.

30. SEC fees

The Securities and Exchange Act B.E. 2535 requires SET to pay to the SEC at a rate as determined by the Board of the SEC.

The Board of the SEC has approved to charge SET for the year 2023 - 2026 (for the period of 4 years) at the rate of 0.002% of trading value of each year which aligns with the rate for the year 2020 - 2022.

The Board of the SEC also required Thailand Future Exchange Public Company Limited (subsidiary) to pay the fee of derivatives trading exchange with the rates is between 0.010% and 0.035% of number of trading contracts in the market, with a minimum fee of Baht 2 million but not exceeding Baht 15 million per annum.

31. Other expenses

	Consolidated		(Unit: Thousand Baht)	
			Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Fees and compensation expenses	222,788	148,023	219,078	144,448
Donation and CSR expenses	23,474	61,349	23,474	61,349
Capital market development expenses	29,637	33,231	29,637	33,231
Insurance premiums	7,223	6,821	7,223	6,821
Institution membership fees	7,768	6,375	4,795	4,394
Entertainment expenses	3,351	2,189	3,341	2,176
Travelling and vehicle expenses	38,707	9,595	36,424	9,383
Meeting expenses	3,740	2,369	3,690	2,300
Other expenses	8,516	14,735	5,545	13,208
Total other expenses	345,204	284,687	333,207	277,310

32. Contribution to the Capital Market Development Fund

The Securities and Exchange Act (No. 6) B.E. 2562, announced on 16 April 2019, requires that SET proceed as follows:

- 1) Transfer the money or any other assets in the amount of Baht 5,700 million to the Capital Market Development Fund ("CMDf"). SET's Board of the Governors and CMDf's Committee shall jointly determine the amount or value, type and nature of the money or assets to be transferred.
- 2) Provide the money to CMDf within 150 days from the end of the calendar year at the rate not less than 90% of the revenue after deduction of expenses, taxes and reserves. In this regard, the consolidated financial statements of SET shall be used to calculate the contribution amount. The provision of reserves shall be in accordance with the type and amount prescribed by the Board of Governors of SET.

SET transferred money in the amount of Baht 5,700 million to the CMDf on 4 July 2019 and recognised as expenses in consolidated and separate financial statements for the year 2019.

SET recorded an annual contribution amount of Baht 499.52 million as an expense in the consolidated and separate financial statements for the year ended 31 December 2023 (2022: Baht 538.90 million). Details of an annual contribution amount are as follows:

Reserves

At the meeting of the Board of Governors of the Stock Exchange of Thailand held on 31 October 2020 and 18 November 2020, the Board approved the type and principle of reserves as prescribed by The Securities and Exchange Act (No. 6) B.E. 2562. On 22 January 2024 the Board of Governors approved reserve for 2023 of Baht 1,224 million (2022: Approved reserves of Baht 1,346 million). Details are as follows:

Type of reserve	Reserve allocation principles to ensure adequacy of funding sources	Reserve amount (Thousand Baht)	
		2023	2022
1. Reserves set aside according to law or criteria in business operation specified, including reserve amount to accommodate special situations	1.1 Legal reserve	4,141	10,549
	1.2 Reserves according to business operation such as EMIR (European Market Infrastructure Regulation), PFMI (Principles for Financial Market Infrastructures) to meet an increase (decrease) of business operation during the year	(23,080)	(113,390)
	1.3 Reserves allocated for specific funds such as approval of additional capital in specific funds during the year, benefit sharing of Securities Investor Protection Fund, Derivatives Investor Protection Fund, Clearing Fund or other similar funds	(28,791)	4,800
	1.4 Reserves allocated for accommodating operations risks and emergency measures	565,000	514,000
2. Reserves set aside to accommodate the fluctuation of investments	According to unrealised gain/(loss) during the year	45,119	(356,574)
3. Reserves set aside for investment in business or fixed assets	According to the investment amount in businesses and fixed assets approved by the Board of Governors	662,000	1,287,000
Total reserves		1,224,389	1,346,385

Annual contribution calculated as follows:

(Unit: Thousand Baht)

	Consolidated and Separate financial statements	
	2023	2022
Revenues over expenses before contribution to CMDF (presented in the statements of comprehensive revenues and expenses)	2,099,108	2,281,628
Less: Income tax expenses	(319,700)	(336,462)
Revenue after deduction of expenses, before reserves	1,779,408	1,945,166
Less: Reserves	(1,224,389)	(1,346,385)
Revenue after deduction of expenses, taxes and reserves	555,019	598,781
Annual contribution amount at rate 90%	499,517	538,903

Accumulated contribution to CMDF according to the financial statements as of 31 December 2023 and 2022 can be presented as follows:

(Unit: Thousand Baht)

	Consolidated and Separate financial statements	
	2023	2022
Accumulated contribution at beginning of years	7,183,522	6,644,619
Annual contribution amount	499,517	538,903
Total accumulated contribution expenses	7,683,039	7,183,522

33. Income tax

Income tax expenses (revenues) for the years ended 31 December 2023 and 2022 are made up as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Current income tax:				
Current income tax charge	316,723	355,057	-	-
Deferred tax:				
Relating to origination and reversal of temporary differences	2,977	(18,595)	2,703	(11,200)
Income tax expenses (revenues) reported in revenues over expenses	319,700	336,462	2,703	(11,200)

The amounts of income tax relating to each component of other comprehensive revenues (expenses) for the years ended 31 December 2023 and 2022 are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Deferred tax on gain from the change in value of financial assets measured at FVOCI	(9,732)	(4,336)	-	-
Deferred tax on actuarial gains	-	21,549	-	21,549
	(9,732)	17,213	-	21,549

The reconciliation between revenues over expenses and income tax expenses (revenues) as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Revenues over expenses before income tax	1,599,591	1,742,725	674,575	613,710
Applicable tax rate	20%	20%	20%	20%
Accounting revenues over expenses before income tax multiplied by income tax rate	319,918	348,545	134,915	122,742
Previously unrecognised tax losses that is used to reduce current tax expense	(311)	(131,683)	(311)	(126,123)
Assessed income under Revenue Code	2,031	4,827	1,447	2,885
Income not subject to tax	(158,206)	(121,942)	(134,016)	(118,314)
Additional expense deductions allows	(11,024)	(2,987)	(11,024)	(2,987)
Non-deductible expenses	21,609	116,991	11,692	110,597
Eliminated transaction between related party, net of tax	133,795	118,576	-	-
Unused tax losses for current year	12,073	4,249	-	-
Revenues over expenses - Securities/Derivatives Investor Protection Fund, net of tax	(185)	(114)	-	-
Income tax expenses (revenues) reported in revenues over expenses	319,700	336,462	2,703	(11,200)

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

(Unit: Thousand Baht)

	Statements of financial position			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Deferred tax assets, net	188,670	183,497	173,378	176,081
Deferred tax liabilities, net	-	(1,582)	-	-
Deferred tax, net	188,670	181,915	173,378	176,081
Deferred tax assets				
Allowance for expected credit losses	11,211	11,570	8,406	9,235
Unrealised loss on financial asset	17,462	7,415	4,975	-
Accumulated amortisation - computer software	29,613	29,996	29,613	29,996
Provision for long-term employee benefits	130,384	137,990	130,384	137,990
Total	188,670	186,971	173,378	177,221
Deferred tax liabilities				
Unrealised gain on financial asset	-	(5,056)	-	(1,140)
Total	-	(5,056)	-	(1,140)
Net	188,670	181,915	173,378	176,081

As at 31 December 2023, the Group has deductible temporary differences and unused tax losses totaling Baht 2,275 million (2022: Baht 1,514 million) (SET: Baht 1,589 million 2022: Baht 1,493 million), on which deferred tax assets have not been recognised as the Group believes future taxable profits may not be sufficient to allow utilisation of the temporary differences and unused tax losses.

Details of expiry date of unused tax losses which deferred tax assets have not been recognised are summarised as below:

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
31 December 2024	1,414	1,419	1,414	1,419
31 December 2027	31	31	-	-
31 December 2028	60	-	-	-
	1,505	1,450	1,414	1,419

Corporate income tax related to remittance contributed to Capital Market Development Fund (“CMDF”)

In accordance with Section 40 of the Securities and Exchange Act (No. 6) B.E. 2562 dated 16 April 2019 (Securities Act), SET is required to contribute Baht 5,700 million to the CMDF in the year the Act came into force. The remittance contributed was recognised as part of revenues under expenses in 2019 and as tax expenditures for corporate income tax calculation of 2019.

In addition, under Section 182/1 of the Securities Act, SET is required to contribute the remittances to CMDF, after the contribution of the remittance to the fund under Section 40 as mentioned above at the rate of not less than 90% of income after deduction of expenses, taxes, and reserves for the year 2020 - 2023 and recognised as tax expense in the calculation of income tax for the year 2020 - 2023.

In the year 2019, SET submitted a tax inquiry to the Revenue Department with respect to the tax practice of remittances to CMDF. Subsequently, on 15 December 2021, SET received a letter responding to the aforementioned inquiry from the Large Business Tax Administration Office, Revenue Department, stating that the amount of Baht 5,700 million contributed by SET to CMDF and the remittances to CMDF as mentioned above cannot be considered as tax expenditures. On 5 January 2022, SET submitted request to the Revenue Department to reconsider the response of the Large Business Tax Administration Division. SET provided further clarification and justification to support the assertion that the tax practice of remittances to CMDF was in accordance with the relevant tax laws and required by the Securities Act. Therefore, such remittance contribution to CMDF and annual remittances made in accordance the Securities Act can be treated as deductible expenses for the calculation of SET's corporate income tax.

In addition, based on the opinion of an external tax advisor, SET has sufficient grounds to require a reconsideration of the response from the Large Business Tax Administration Division. Furthermore, both the external tax advisor and SET's management believe that the amount of Baht 5,700 million contributed by SET to CMDF and the remittances to CMDF as mentioned above should not be considered as non-deductible expense for calculation of SET's corporate income tax, as was indicated in the response from the Large Business Tax Administration Office.

Previously, SET has provided additional clarification and taken all necessary actions to provide information, facts and relevant laws to the Revenue Department and other relevant authorities in order to obtain a new conclusion that is consistent with the current context that SET is an organisation established under a specific law and in accordance with the relevant legal practices for contributing such remittances to CMDF.

Given the complexity of these issues and the involvement of interpretation and application of specific laws, SET's management has been monitoring progress and engaging in negotiations with relevant organisations to address such issues. SET did not receive any additional letters or clarifications from the Revenue Department. As a result, in preparing the financial statements for 2023, SET's management exercises judgement in compliance with the TFRIC 23 Uncertainty over Income Tax Treatments, and determines that estimates for the contribution of remittances to CMDF as at 31 December 2023, amounting to Baht 952 million (consistent with the amount presented in the financial statements for the year 2022), are sufficient.

34. Segment information

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the chief operating decision maker in order to make decisions about the allocation of resources to the segment and assess its performance.

For management purposes, the Group is organised into business units based on its products and services and have five reportable segments as follows:

- Securities Markets which include securities trading, clearing and settlement, listing, depository and membership fees
- Derivatives Markets which include trading and clearing of future contracts and membership fees
- Technology Services which include member services, information services and technology support
- Registrar Services which include securities registrar
- Capital Market Development and others which include capital market education improving financial and investment capabilities, promoting sustainable development of capital market industry and conducting of capital market research, payment service provider, services supporting electronic and digital transactions, rental income and other miscellaneous income.

No operating segments have been aggregated to form the above reportable operating segments.

The chief operating decision maker monitors the operating results of the business units separately for the purpose of making decisions about resource allocation and assessing performance. Segment performance is measured based on operating revenues and expenses and total assets and on a basis consistent with that used to measure operating revenues and expenses and total assets in the financial statements.

The basis of accounting for any transactions between reportable segments is consistent with that for third party transactions.

Financial information presented in respect of the Group's business segments in the consolidated financial statements as at 31 December 2023 and 2022 and for the years ended 31 December 2023 and 2022 are as follows:

(Unit: Thousand Baht)

	Consolidated financial statement						
	Securities Markets	Derivatives Markets	Technology Services	Registrar Services	Capital Market Development and other services	Elimination	Total
For the year ended 31 December 2023							
Revenues from operation	2,634,745	1,191,214	1,376,448	1,588,802	293,702	-	7,084,911
Revenues from inter-segment	1,286,113	203,896	37,247	526,962	92,515	(2,146,733)	-
Total revenues	3,920,858	1,395,110	1,413,695	2,115,764	386,217	(2,146,733)	7,084,911
Segment revenues over (under) expenses	559,850	564,775	663,127	513,872	(443,143)	-	1,858,481
Investment revenue, net							205,526
Share of loss of investments in joint venture, net of tax							(20)
Share of profit of investments in associates, net of tax							24,806
Revenues over expenses in operations							2,088,793
Non-operating revenues (expenses)							
Income (expenses) derived from Securities Investor							9,391
Income (expenses) derived from Derivatives Investor							924
Contributions to the Capital Market Development Fund							(499,517)
Revenues over expenses before income tax expenses							1,599,591
Income tax expenses							(319,700)
Revenues over expenses							1,279,891
As at 31 December 2023							
Segment assets	4,097,222	33,245,805	1,526,894	825,494	1,033,717	(6,917,048)	34,532,084
Other assets	-	-	-	-	27,680,171	(5,468,545)	22,211,626
Total assets	4,097,222	33,245,805	1,526,894	825,494	28,713,888	(11,665,593)	56,743,710
Segment liabilities	2,359,905	26,537,475	426,123	774,733	3,940,196	(8,812,350)	25,226,082
Other liabilities	-	-	-	-	2,621,845	(2,621,845)	-
Total liabilities	2,359,905	26,537,475	426,123	774,733	6,562,041	(11,434,195)	25,226,082

(Unit: Thousand Baht)

Consolidated financial statement

	Capital Market Development and other services						
	Securities Markets	Derivatives Markets	Technology Services	Registrar Services	Elimination	Total	
For the year ended 31 December 2022							
Revenues from operation	3,474,435	1,153,473	1,397,089	1,595,198	130,697	-	7,750,892
Revenues from inter-segment	1,033,388	479,294	42,252	535,512	72,349	(2,162,795)	-
Total revenues	4,507,823	1,632,767	1,439,341	2,130,710	203,046	(2,162,795)	7,750,892
Segment revenues over (under)							
expenses	1,642,977	555,786	585,229	533,125	(700,033)	-	2,617,084
Investment loss, net							(364,846)
Share of loss of investments in joint venture, net of tax							(63)
Share of profit of investments in associates, net of tax							33,200
Revenues over expenses in operations							2,285,375
Non-operating revenues (expenses)							
Income (expenses) derived from Securities Investor Protection Fund, net							(4,316)
Income (expenses) derived from Derivatives Investor Protection Fund, net							569
Contributions to the Capital Market Development Fund							(538,903)
Revenues over expenses before income tax expenses							1,742,725
Income tax expenses							(336,462)
Revenues over expenses							1,406,263
As at 31 December 2022							
Segment assets	3,913,025	35,023,481	1,792,777	1,208,035	1,372,537	(6,118,913)	37,190,942
Other assets	-	-	-	-	24,243,555	(5,128,030)	19,115,525
Total assets	3,913,025	35,023,481	1,792,777	1,208,035	25,616,092	(11,246,943)	56,306,467
Segment liabilities	2,313,132	26,622,104	530,509	803,279	3,666,579	(8,493,615)	25,411,988
Other liabilities	-	-	-	-	2,381,330	(2,381,330)	-
Total liabilities	2,313,132	26,622,104	530,509	803,279	6,047,909	(10,874,945)	25,411,988

Reconciliation of reportable segment assets/liabilities as at 31 December 2023 and 2022 were as follows:

	(Unit: Thousand Baht)	
	Consolidated financial statements	
	2023	2022
Assets		
Assets for reportable segments	34,532,084	37,190,942
Unallocated amounts:		
- Cash and investments	20,102,982	17,049,187
- Investments in related parties	1,035,179	1,029,327
- Accrued interest receivables	35,447	14,299
- Land and assets under installation	1,038,018	1,022,712
Total assets	56,743,710	56,306,467
Liabilities		
Liabilities for reportable segments	25,226,082	25,441,988
Total liabilities	25,226,082	25,441,988

Geographic information

The Group operates in Thailand only. As a result, all the revenues and assets as reflected in these financial statements pertain exclusively to this geographical reportable segment.

Major customers

For the year 2023 and 2022, the Group has no major customer with revenue of 10% or more of an entity's revenues.

35. Customers' digital token held by subsidiary

The fair value of customers' digital token as at 31 December 2023 and 2022 which is under maintaining and storage of subsidiary as follows;

	(Unit: Thousand Baht)			
	Consolidated financial statement		Separated financial statement	
	2023	2022	2023	2022
Customers' digital token	27,084*	-	-	-

* Fair value of digital token as disclosed above is level 1 of fair value hierarchy, using quoted market prices in an active market of such assets.

Thai Digital Assets Exchange Company Limited, a subsidiary providing services as a digital token trading exchange. This service includes being responsible for maintaining and storage digital token under the subsidiary's digital wallet or arrange for storage by a third party in accordance with regulations issued by the Securities and Exchange Commission. The subsidiary has arranged for a third-party custodian to responsibly store at least 90% of the digital token in cold wallet, while the remaining not more than 10% of the digital token are retained by the subsidiary itself in its own hot wallet.

In addition, as at 31 December 2023, the subsidiary has digital tokens amounting to Baht 1,460 (2022: Nil) as its assets used for paying gas fees. These digital tokens are presented as part of other current assets in the consolidated statement of financial position.

36. Commitments and contingent liabilities

36.1 Capital commitments

As at 31 December 2023, the Group had capital commitments of approximately Baht 292 million (2022: Baht 302 million), relating to the acquisition of technology equipment, computer software and system development (SET: Baht 292 million 2022: Baht 302 million).

36.2 Lease commitments

As at 31 December 2023 and 2022, the Group has future short-term lease payments and leases of low-value assets required under these non-cancellable operating lease agreements that have not yet commenced as follows:

	(Unit: Thousand Baht)	
	Consolidated and Separate	
	financial statements	
	2023	2022
Within 1 year	283	5,722
Over 1 and up to 5 years	-	2,163
Total	283	7,885

36.3 Service commitments

As at 31 December 2023 and 2022, the Group has service commitments as follows:

	(Unit: Thousand Baht)	
	Consolidated and Separate financial statements	
	2023	2022
Within 1 year	301,897	373,559
Over 1 and up to 5 years	306,576	390,815
Total	608,473	764,374

36.4 Guarantees

As at 31 December 2023 and 2022, SET has letters of guarantee issued by banks totaling Baht 5.13 million in respect of electricity usage in the ordinary course of business from which management anticipates that no material liabilities will arise.

36.5 Other commitments

The Stock Exchange of Thailand (SET) has issued a certificate of support to the bank about overdraft limit given to Thailand Clearing House Co., Ltd. (TCH) which is a subsidiary in the amount of Baht 2,900 million (2022: Baht 2,900 million) for support to clearing equity instruments and futures contracts. Under the terms of the certificate of support, SET is required to maintain its shareholding at 99.99% of the registered share capital in TCH, and required to support TCH's operation.

36.6 Contingent liabilities

SET

On 21 November 2023, the Stock Exchange of Thailand received a claim statement for the damages incurred from a case regarding neglecting to perform duties under the contract and terminating the contract dishonestly and unlawfully in the amount of Baht 31.90 million. As at 31 December 2023, the case was still under consideration by the Civil Court. The outcome of the case has not been finalised. Therefore, SET did not record a provision for damages arising from the above mentioned case in the financial statements.

Subsidiary

- 1) On 22 January 2019, a subsidiary received a claim statement regarding recourse for the damages incurred from a case regarding the wrongful acts of the asset recall and compensation for the forgery of the share certificates. The subsidiary was claimed for damages totaling Baht 76.23 million.

On 4 December 2019, the Civil Court ordered the subsidiary to pay the amount of Baht 62.55 million with an interest rate of 7.5% per annum, and to pay a legal fee of Baht 0.4 million. On 23 February 2021, the Appeal Court upheld the judgment of the Civil Court.

On 14 February 2024, the Supreme Court ordered the subsidiary to pay Baht 62.55 million with interest at a rate of 7.5% per annum from 21 January 2016 to 10 April 2021 and 5% per annum from 11 April 2021 until the date of debt repayment. The damages resulting from the judgment are covered by the insurance policy; thus, the subsidiary is not responsible for damages arising from this case. In this regard, the subsidiary did not record a provision for loss from litigation in the financial statements.

- 2) On 11 December 2019, a subsidiary received a claim statement demanding the registration to change the name of shareholders or to pay the price of shares in the amount of Baht 495 million. On 26 January 2021, the case was dismissed by the Civil Court and on 19 April 2022, the Appeal Court adjudicated the subsidiary to proceed the registration of shares transfer to the plaintiffs. However, the joint-defendants filed the appeal to the Supreme Court and on 14 December 2023, the petition was accepted under consideration by the Supreme Court. As of 31 December 2023, the case was still under consideration by the Supreme Court. As the uncertainty of the case, the subsidiary did not record a provision for damages arising from the above mentioned case in the financial statements.

- 3) On 7 February 2023, a subsidiary received a complaint in a case to recover assets in the amount of Baht 2.08 million.

On 29 January 2024, the Civil Court issued to revoke and not to accept the claim against the plaintiff and disposed of this case from the docket.

- 4) On 21 August 2023, a subsidiary received a claim for damages from breach of contract and violation in the amount of Baht 5.31 million. As of 31 December 2023, the case is under consideration by the Civil Court. As the uncertainty of the case, the subsidiary did not record a provision for damages arising from the above mentioned case in the financial statements.

The Group has purchased insurance policy covering professional liability (Financial Institutional Professional Indemnity Insurance) which has fully covered the liability for this case.

37. Fair value hierarchy

As at 31 December 2023 and 2022, the Group had the assets and liabilities that were measured at fair value or for which fair value was disclosed using different levels of inputs as follows:

(Unit: Million Baht)

Consolidated financial statement				
As at 31 December 2023				
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Financial assets measured at FVTPL				
Mutual Fund	2,117	3,307	-	5,424
Government bonds	-	18,454	-	18,454
Debentures	-	1,955	-	1,955
Financial assets measured at FVOCI				
Ordinary shares	-	-	316	316
Derivatives				
Foreign currency forward contracts	-	105	-	105

Assets for which fair value are disclosed

Financial assets measured at amortised cost

Fixed deposits	-	1,837	-	1,837
Government bonds	-	9,410	-	9,410
Debentures	-	282	-	282

(Unit: Million Baht)

Consolidated financial statement				
As at 31 December 2022				
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Financial assets measured at FVTPL				
Mutual Fund	301	4,258	-	4,559
Government bonds	-	13,460	-	13,460
Debentures	-	1,054	-	1,054
Financial assets measured at FVOCI				
Ordinary shares	-	-	911	911
Derivatives				
Foreign currency forward contracts	-	112	-	112

(Unit: Million Baht)

Consolidated financial statement

As at 31 December 2022

Level 1	Level 2	Level 3	Total
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Assets for which fair value are disclosed

Financial assets measured at amortised cost

Fixed deposits	-	4,220	-	4,220
Government bonds	-	7,612	-	7,612
Debentures	-	219	-	219

(Unit: Million Baht)

Separate financial statement

As at 31 December 2023

Level 1	Level 2	Level 3	Total
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Assets measured at fair value

Financial assets measured at FVTPL

Mutual Fund	2,117	3,307	-	5,424
Government bonds	-	6,744	-	6,744
Debentures	-	1,353	-	1,353

Financial assets measured at FVOCI

Ordinary shares	-	-	49	49
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Derivatives

Foreign currency forward contracts	-	105	-	105
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Assets for which fair value are disclosed

Financial assets measured at amortised cost

Fixed deposits	-	796	-	796
Debentures	-	280	-	280

(Unit: Million Baht)

Separate financial statement				
As at 31 December 2022				
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Financial assets measured at FVTPL				
Mutual Fund	301	4,258	-	4,559
Government bonds	-	4,104	-	4,104
Debentures	-	702	-	702
Financial assets measured at FVOCI				
Ordinary shares	-	-	49	49
Derivatives				
Foreign currency forward contracts	-	112	-	112
Assets for which fair value are disclosed				
Financial assets measured at amortised cost				
Fixed deposits	-	1,498	-	1,498
Government bonds	-	578	-	578
Debentures	-	217	-	217

38. Financial instruments

38.1 Derivatives

(Unit: Million Baht)				
	Consolidated		Separate	
	financial statements		financial statements	
	2023	2022	2023	2022
Derivative assets				
Derivative assets not designated as hedging instrument				
Foreign exchange forward contracts	105	112	105	112
Total derivative assets	105	112	105	112

Derivatives not designated as hedging instruments

The Group uses foreign exchange forward contracts to manage some of its transaction exposures. The contracts are entered into for periods consistent with foreign currency exposure of the underlying transactions, generally from 4 to 6 months.

38.2 Financial risk management objectives and policies

The Group's financial instruments principally comprise cash and cash equivalents, cash at banks for financial benefits payable, assets for margin deposits and benefits, other current financial assets, trade and other receivables, derivative assets/liabilities, other non-current financial assets, assets for clearing system protection and benefits, securities investor protection fund, derivatives investor protection fund, reserve fund for clearing and settlement, margin deposits and benefits payable, trade and other payables, assets for clearing system protection and benefits payable, contributions and benefits to securities investor protection fund, contributions and benefits to derivatives investor protection fund and lease liabilities. The financial risks associated with these financial instruments and how they are managed is described below.

Credit risk

The Group has no significant concentrations of credit risk. The Group has appropriate policies in place to ensure that the Group provides services to customers who have appropriate credit history.

Trade receivables

The Group manages the risk by adopting appropriate credit control policies and procedures and therefore does not expect to incur material financial losses. Outstanding trade receivables are regularly monitored.

An impairment analysis is performed at each reporting date to measure expected credit losses. The provision rates are based on days past due. The calculation reflects the probability reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions.

The Group manages the credit risk relating to investments by determining the minimum credit rating and the proportion of investment to the issuer. The investment framework has been approved by the Investment Committee, which imposed a limit to reduce the concentration risk and default risk of counterparties.

Market risk

There are two types of market risk comprising foreign currency risk and interest rate risk. The Group enters into a variety of forward contracts to mitigate the risk of rising interest rates and foreign currency rates.

Foreign currency risk

The Group has no significant exposure to foreign currency risk relates due to its accounts receivable and accounts payable are mainly made in Thai Baht, except for foreign investments in some foreign currencies. However, the Group has appropriately applied forward exchange contracts to hedge foreign exchange risk of such investments.

As at 31 December 2023 and 2022, the Group has financial assets and liabilities in foreign currency as follows:

Currency	Consolidated financial statements					
	Financial assets		Financial liabilities		Average foreign currency	
	2023	2022	2023	2022	2023	2022
	(Million)	(Million)	(Million)	(Million)	(Baht per Foreign Currency)	
US Dollar	105	165	3	56	34.22	34.56

Currency	Separate financial statements					
	Financial assets		Financial liabilities		Average foreign currency	
	2023	2022	2023	2022	2023	2022
	(Million)	(Million)	(Million)	(Million)	(Baht per Foreign Currency)	
US Dollar	95	84	1	-	34.22	34.56

Interest rate risk

The Group's exposure to interest rate risk relates primarily to long-term loan and short-term loan. Most of the Group's financial assets and liabilities floating interest rates or fixed interest rates which are close to the market rate.

Interest rate risk arises from the volatility of interest rates in the market which may affect the Group's investments in debt securities and operating results and cash flow. The Group has establishment investment policy by stipulating the remaining of the instruments in order to limit interest rate risk. The Group does not have interest rate derivative in order to manage fluctuation of the interest rate.

As at 31 December 2023 and 2022, significant financial assets and liabilities classified by type of interest rate are summarised in the table below, with those financial assets and liabilities that carry fixed interest rates further classified based on the maturity date, or the repricing date (if this occurs before the maturity date).

(Unit: Million Baht)

	Consolidated financial statement						
	2023						
	Fixed interest rates						
	Within	1-5	Over	Floating	Non-interest		Effective
	1 year	years	5 years	interest rate	bearing	Total	interest rate
							(% per annum)
<u>Financial assets</u>							
Cash and cash equivalents	-	-	-	2,781	47	2,828	0.04 - 2.00
Cash at banks for financial benefits							
payables	50	-	-	44	-	94	1.65 - 1.85
Assets for margin deposits and							
benefits	8,496	1,871	-	7,759	191	18,317	0.05 - 2.75
Other current financial assets	4,215	4,711	2,041	1	-	10,968	0.04 - 3.88
Trade and other receivables	61	-	-	25	440	526	0.04 - 1.75
Derivative assets	-	-	-	-	105	105	-
Other non-current financial assets	805	885	36	1	5,818	7,545	1.15 - 6.57
Assets for clearing system protection							
and benefits	857	1,397	-	20	6	2,280	0.30 - 2.52
Securities investor protection fund	213	80	99	3	472	867	0.50 - 3.93
Derivatives investor protection fund	45	24	41	7	-	117	0.05 - 3.38
Reserve fund for clearing and							
settlement	2,813	2,812	125	-	21	5,771	1.15 - 2.88
	17,555	11,780	2,342	10,641	7,100	49,418	
<u>Financial liabilities</u>							
Margin deposits and benefit payables	-	-	-	-	18,317	18,317	-
Trade and other payables	-	-	-	-	2,203	2,203	-
Assets for clearing system protection							
and benefits payable	-	-	-	-	2,128	2,128	-
Contributions and benefits to							
securities investor protection fund	-	-	-	-	349	349	-
Contributions and benefits to							
derivatives investor protection fund	-	-	-	-	57	57	-
Lease liabilities	11	12	-	-	-	23	5.28 - 5.67
Other current liabilities	-	-	-	-	195	195	-
	11	12	-	-	23,249	23,272	

(Unit: Million Baht)

	Consolidated financial statement						
	2022						
	Fixed interest rates						
	Within	1-5	Over	Floating	Non-interest		Effective
	1 year	years	5 years	interest rate	bearing	Total	interest rate
							(% per annum)
<u>Financial assets</u>							
Cash and cash equivalents	-	-	-	5,581	40	5,621	0.05 - 0.80
Cash at banks for financial benefits							
payables	50	-	-	34	-	84	0.10 - 0.65
Assets for margin deposits and							
benefits	6,754	2,901	-	8,655	148	18,458	0.05 - 2.35
Other current financial assets	4,128	2,885	665	2	-	7,680	0.05 - 3.25
Trade and other receivables	61	-	-	28	504	593	0.05 - 1.10
Derivative assets	-	-	-	-	112	112	-
Other non-current financial assets	702	1,079	32	-	5,817	7,630	0.55 - 2.06
Assets for clearing system protection							
and benefits	471	1,749	-	39	20	2,279	0.05 - 2.16
Securities investor protection fund	289	116	171	105	169	850	0.05 - 3.38
Derivatives investor protection fund	47	55	-	13	-	115	0.05 - 3.38
Reserve fund for clearing and							
settlement	2,480	3,108	112	-	10	5,710	0.55 - 2.06
	14,982	11,893	980	14,457	6,820	49,132	
<u>Financial liabilities</u>							
Margin deposits and benefit payables	-	-	-	-	18,458	18,458	-
Trade and other payables	-	-	-	-	2,212	2,212	-
Assets for clearing system protection							
and benefits payable	-	-	-	-	2,128	2,128	-
Contributions and benefits to							
securities investor protection fund	-	-	-	-	341	341	-
Contributions and benefits to							
derivatives investor protection fund	-	-	-	-	56	56	-
Lease liabilities	11	14	-	-	-	25	5.28 - 5.56
Other current liabilities	-	-	-	-	57	57	-
	11	14	-	-	23,252	23,277	

(Unit: Million Baht)

Separate financial statement							
2023							
Fixed interest rates							Effective interest rate (% per annum)
Within 1 year	1-5 years	Over 5 years	Floating interest rate	Non-interest bearing	Total		
<u>Financial assets</u>							
Cash and cash equivalent	-	-	-	2,192	23	2,215	0.04 - 2.00
Other current financial assets	3,713	3,082	1,511	1	-	8,307	0.04 - 3.38
Trade and other receivables	-	-	-	-	458	458	-
Derivative assets	-	-	-	-	105	105	-
Other non-current financial assets	-	80	-	-	5,551	5,631	6.09 - 6.57
Assets for clearing system protection and benefit	-	-	-	-	152	152	-
Securities investor protection fund	213	80	99	3	472	867	0.50 - 3.93
Long-term loans to subsidiaries	-	-	-	6,141	-	6,141	Note 6
	<u>3,926</u>	<u>3,242</u>	<u>1,610</u>	<u>8,337</u>	<u>6,761</u>	<u>23,876</u>	
<u>Financial liabilities</u>							
Trade and other payables	-	-	-	-	1,946	1,946	-
Short-term loans from subsidiaries	2,172	-	-	-	-	2,172	0.51 - 2.46
Contributions and benefits to securities investor protection fund	-	-	-	-	349	349	-
Lease liabilities	11	12	-	-	-	23	5.28 - 5.67
Other current liabilities	-	-	-	-	46	46	-
	<u>2,183</u>	<u>12</u>	<u>-</u>	<u>-</u>	<u>2,341</u>	<u>4,536</u>	

(Unit: Million Baht)

	Separate financial statement						
	2022						
	Fixed interest rates						
	Within 1 year	1-5 years	Over 5 years	Floating interest rate	Non-interest bearing	Total	Effective interest rate (% per annum)
<u>Financial assets</u>							
Cash and cash equivalent	-	-	-	4,424	13	4,437	0.05 - 0.80
Other current financial assets	3,287	1,779	822	2	-	5,890	0.05 - 3.21
Trade and other receivables	-	-	-	-	407	407	-
Derivative assets	-	-	-	-	112	112	-
Other non-current financial assets	-	200	-	-	4,956	5,156	3.38
Assets for clearing system protection and benefit	-	-	-	-	151	151	-
Securities investor protection fund	289	116	171	105	169	850	0.05 - 3.38
Long-term loans to subsidiaries	-	-	-	6,141	-	6,141	Note 6
	<u>3,576</u>	<u>2,095</u>	<u>993</u>	<u>10,672</u>	<u>5,808</u>	<u>23,144</u>	
<u>Financial liabilities</u>							
Trade and other payables	-	-	-	-	1,924	1,924	-
Short-term loans from subsidiaries	1,931	-	-	-	-	1,931	0.44 - 1.45
Contributions and benefits to securities investor protection fund	-	-	-	-	341	341	-
Lease liabilities	11	14	-	-	-	25	5.28 - 5.56
Other current liabilities	-	-	-	-	45	45	-
	<u>1,942</u>	<u>14</u>	<u>-</u>	<u>-</u>	<u>2,310</u>	<u>4,266</u>	

Liquidity risk

The Group has no significant exposure to liquidity risk as the Group has sufficient cash to support its operations. The Group aims on maintaining flexibility of funding by using internal capital of the Group.

The table below summarises the maturity profile of the Group's non-derivative financial liabilities and derivative financial instruments as at 31 December 2023 and 2022 based on contractual undiscounted cash flows:

(Unit: Million Baht)

	Consolidated financial statement					
	2023					
	On demand	Less than 1 year	1 to 5 years	> 5 years	No maturity	Total
Non-derivatives						
Margin deposits and benefits payables	18,317	-	-	-	-	18,317
Trade and other payables	-	2,203	-	-	-	2,203
Assets for clearing system protection and benefits payable	-	-	-	-	2,128	2,128
Contributions and benefits to securities investor protection fund	-	-	-	-	349	349
Contributions and benefits to derivatives Investor protection fund	-	-	-	-	57	57
Lease liabilities	-	54	-	-	-	54
Other current liabilities	-	11	14	-	-	25
Total non-derivatives	18,317	2,268	14	-	2,534	23,133

(Unit: Million Baht)

Consolidated financial statement						
2022						
	On demand	Less than 1 year	1 to 5 years	> 5 years	No maturity	Total
Non-derivatives						
Margin deposits and benefits payables	18,458	-	-	-	-	18,458
Trade and other payables	-	2,212	-	-	-	2,212
Assets for clearing system protection and benefits payable	-	-	-	-	2,128	2,128
Contributions and benefits to securities investor protection fund	-	-	-	-	341	341
Contributions and benefits to derivatives Investor protection fund	-	-	-	-	56	56
Lease liabilities	-	11	16	-	-	27
Other current liabilities	-	57	-	-	-	57
Total non-derivatives	18,458	2,280	16	-	2,525	23,279

(Unit: Million Baht)

Separate financial statement						
2023						
	On demand	Less than 1 year	1 to 5 years	> 5 years	No maturity	Total
Non-derivatives						
Trade and other payables	-	1,946	-	-	-	1,946
Short-term loans from subsidiaries	-	2,197	-	-	-	2,197
Contributions and benefits to securities investor protection fund	-	-	-	-	349	349
Lease liabilities	-	11	14	-	-	25
Other current liabilities	-	46	-	-	-	46
Total non-derivatives	-	4,200	14	-	349	4,563

(Unit: Million Baht)

	Separate financial statement				
	2022				
	On demand	Less than 1 year	1 to 5 years	> 5 years	No maturity
Non-derivatives					
Trade and other payables	-	1,924	-	-	-
Short-term loans from subsidiaries	-	1,945	-	-	-
Contributions and benefits to securities investor protection fund	-	-	-	-	341
Lease liabilities	-	11	16	-	-
Other current liabilities	-	45	-	-	-
Total non-derivatives	-	3,925	16	-	341

38.3 Fair values of financial instruments

Since the majority of the Group's financial instruments are short-term in nature or carrying interest at rates close to the market interest rates, their fair value is not expected to be materially different from the amounts presented in the statement of financial position.

The carrying amount and fair value of financial assets that are not measured as at 31 December 2023 and 2022 as follows:

	(Unit: Million baht)			
	Consolidated financial statements			
	2023		2022	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial assets				
Investments measured at amortised cost				
Government bonds and debentures	9,719	9,692	7,824	7,831
Fixed deposits	1,973	1,837	4,305	4,220

(Unit: Million baht)

	Separate financial statements			
	2023		2022	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
<u>Financial assets</u>				
Investments measured at amortised cost				
Government bonds and debentures	280	280	786	795
Fixed deposit	935	796	1,585	1,498

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

- a) Financial assets and liabilities which have short-term maturities including cash and cash equivalents, cash at banks for financial benefits payable, cash at banks as shown in assets for margin deposits and benefits, assets for clearing system protection and benefits and reserve fund for clearing and settlement, cash at banks and other current financial assets as shown in securities investor protection fund, derivatives investor protection fund, trade and other receivables, other current financial assets, trade and other payables and margin deposits and benefits payable are presented at their approximate fair value based on the carrying amounts in the statement of financial position.
- b) Debt instruments as shown in other current financial assets, other non-current financial assets, assets for margin deposits and benefits, assets for clearing system protection and benefits, securities investor protection fund, derivatives investor protection fund and reserve fund for clearing and settlement are presented at fair value or calculated by using the rate of return announced by Thai Bond Market Association or other markets.
- c) Equity investments presented under other current financial assets, other non-current financial assets, assets for margin deposits and benefits, assets for clearing system protection and benefits, securities investor protection fund, derivatives investor protection fund and reserve fund for clearing and settlement are presented at fair value or referred generally accepted valuation model in case no market value is available.
- d) Derivatives are presented at fair value calculated by discounted cash flow and of valuation models. Value estimations use data that is observable in related markets such as spot rate, foreign currency forward rate, yield curve of interest rate. The Group considers the effect of credit risk of the counterparty on the estimation of fair value of derivatives.

- e) Contributions and benefits to securities investor protection fund are presented at fair value based on the estimated value close to the carrying amounts in the statements of financial position.
- f) Contributions and benefits to derivatives investor protection fund are presented at fair value based on the estimated value close to the carrying amounts in the statements of financial position.

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

39. Capital management

The primary objective of the Group's capital management is to ensure that it has appropriate capital structure in order to support its business and maximise fund value. As at 31 December 2023, the Group's debt-to-fund ratio was 0.80:1 (2022: 0.82:1) and SET's was 0.24:1 (2022: 0.24:1).

In addition, a subsidiary has objective to maintain net capital in accordance with the rules laid down by the Office of the Securities and Exchange Commission.

40. Approval of financial statements

These financial statements were authorised for issue by the Stock Exchange's Board of Governors on 21 February 2024.