

Independent Auditor's Report

To the Shareholders of Trinity Watthana Public Company Limited

Opinion

I have audited the accompanying consolidated financial statements of Trinity Watthana Public Company Limited and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2017, and the related consolidated statements of comprehensive income, changes in shareholders' equity 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 Trinity Watthana Public Company Limited for the same period.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Trinity Watthana Public Company Limited and its subsidiaries and of Trinity Watthana Public Company Limited as at 31 December 2017, 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 as issued by the Federation of Accounting Professions as relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code. 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 3 to the financial statements, during the current year, the Company made the change in accounting policy as the adoption of TAS 27 (revised 2016) Separate Financial Statements which it elected to change the accounting policy for investments in subsidiaries and associate in the separate financial statements to the equity method. The Company has restated the 2016 financial statements to reflect the changes in the above accounting policy.

My opinion is not qualified 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.

Recognition of brokerage fees and interest on margin loans

The Group's income mainly consisted of brokerage fees and interest on margin loans, amounting to Baht 293.38 million and Baht 144.56 million for the year 2017, respectively, as discussed in Note 26 to the financial statements, representing 46.32 percent and 22.82 percent of the Group's total revenue. The subsidiary charges brokerage fees at percentages of trading volume, which are freely negotiated rate based on a sliding scale fee structure, whereas interest on credit balance loans is charged at fixed rates that are adjusted periodically based on market conditions and the competitive environment. Because of the size and volume of transactions, the large number of customers, the fees charged to customers being dependent on various factors, and the recognition of revenue from brokerage fees and interest on margin loans relies primarily on data processed by information systems, I addressed the measurement and occurrence of brokerage fees and interest on margin loans as a key audit matter.

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

Allowance for doubtful accounts for securities business receivables

As discussed in Note 5.9 to the financial statements, the subsidiary's allowance for doubtful accounts for securities business receivables is determined through consideration of specific reviews, collection risk and the value of the collateral. For securities trading and credit balance transactions, the subsidiary has policies regarding the collateral to be placed, with the value of collateral required dependent on the type of transaction, type of securities and credit limit, among other factors. The estimation of allowance for doubtful accounts for securities business receivables is significant because of the number of the customers and the significance of the amount of the receivables to the Group's consolidated financial statements, with securities business receivables amounting to Baht 2,849.13 million as at 31 December 2017, representing 72.04 percent of the Group's total assets. Therefore, I addressed the adequacy of allowance for doubtful accounts for such receivables as a key audit matter.

I have performed audit procedures on the allowance for doubtful accounts as follows:

- I assessed, and tested on a sampling basis, the subsidiary's internal controls relevant to the calculation of allowance for doubtful debts and the recording of allowance for doubtful accounts. I also assessed the methods applied by the subsidiary to the determination and calculation of the allowance, and compared the subsidiary's policy with regulatory requirements. Moreover, I tested certain controls over the computer-based controls relevant to the status of accounts receivable, calculation of the collateral value and the revaluation adjustments made to the fair values of collateral.
- I examined the allowance for doubtful accounts as at the period-end date by testing the completeness of the data used in the calculation of allowance for doubtful accounts, testing on a sampling basis the status of outstanding debts, the valuation of collateral items, collections of debt after the period-end date, the correctness of debt classification and the calculation of the allowance.

Goodwill

As discussed in Notes 5.12 to the financial statements, goodwill is assessed for impairment annually and when circumstances indicate that the carrying value may be impaired. I have focused my audit on the consideration of impairment of goodwill because the assessment of impairment of goodwill is a significant accounting estimate requiring management to exercise a high degree of judgement in using the financial model to calculate the realisable values and in identifying the cash generating units, estimating the cash inflows that are expected to be generated from that group of assets in the future, and setting an appropriate discount rate and long-term growth rate.

I assessed the identified cash generating units and financial model and gained an understanding of and tested the key assumptions applied by the management in preparing estimates of the cash flows expected to be realised from the group of assets as well as reviewed the discount rate applied by making enquiry of responsible executives and comparing details with sources of information about the Group and the industry.

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 for 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: 27 February 2018

Trinity Wathana Public Company Limited and its subsidiaries

Statement of financial position

For the year ended 31 December 2017

(Unit: Baht)

	Consolidated financial statements			Separate financial statements			
	As at	As at	As at	As at	As at	As at	
	Note	31 December 2017	31 December 2016	1 January 2016	31 December 2017	31 December 2016	1 January 2016
					(restated)		
Assets							
Current assets							
Cash and cash equivalents	8	82,208,080	54,813,904	61,843,423	667,390	1,435,315	1,594,892
Current investments	9	498,662,769	346,448,378	359,867,475	64,674,400	7,216,001	6,170,000
Receivables from Clearing House	10	144,386,780	230,987,007	167,975,753	-	-	-
Securities and derivatives business receivables	11	2,784,177,616	3,186,477,377	2,336,607,522	-	-	-
Other receivables	13	15,547,062	18,337,070	21,394,039	62,436,639	153,808,278	94,756,944
Short-term loans to subsidiary	7	-	-	-	447,000,000	426,000,000	707,000,000
Short-term loans to others	14	131,950,000	437,350,000	452,317,589	131,950,000	437,350,000	452,317,589
Derivatives assets		-	-	1,218,340	-	-	-
Other current assets		15,751,490	9,065,089	7,285,079	1,134,063	1,228,635	1,172,939
Total current assets		3,672,683,797	4,283,478,825	3,408,509,220	707,862,492	1,027,038,229	1,263,012,364
Non-current assets							
Investments in subsidiaries	15	-	-	-	1,474,996,522	1,367,893,236	1,358,269,239
Investment in associate	16	3,261,625	3,445,111	3,551,651	3,261,625	3,445,111	3,551,650
Other long-term investments	9	97,187,072	136,014,025	145,410,439	91,800,000	131,360,000	140,850,286
Premises improvement and equipment	17	23,845,411	25,530,334	27,377,890	4,430,611	4,309,270	1
Goodwill		50,865,066	50,865,066	50,865,066	-	-	-
Intangible assets	18	10,117,055	10,664,961	7,909,912	-	-	-
Deferred tax assets	25	39,580,742	30,196,366	35,675,601	20,921,953	14,653,154	18,880,385
Other non-current assets		57,303,022	52,547,126	48,878,878	-	-	-
Total non-current assets		282,159,993	309,262,989	319,669,437	1,595,410,711	1,521,660,771	1,521,551,561
Total assets		3,954,843,790	4,592,741,814	3,728,178,657	2,303,273,203	2,548,699,000	2,784,563,925

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

Trinity Watthana Public Company Limited and its subsidiaries

Statement of financial position (continued)

For the year ended 31 December 2017

(Unit: Baht)

	Note	Consolidated financial statements			Separate financial statements		
		As at	As at	As at	As at	As at	As at
		31 December 2017	31 December 2016	1 January 2016	31 December 2017	31 December 2016	1 January 2016
							(restated)
Liabilities and shareholders' equity							
Current liabilities							
Short-term borrowings from financial institutions	19	1,102,000,000	1,070,000,000	600,000,000	-	-	-
Payables to Clearing House		56,527,946	279,194,868	53,840	-	-	-
Securities and derivatives business payables	20	376,620,838	532,558,359	180,996,224	-	-	-
Other short-term borrowings	19	39,956,801	840,905,627	1,232,134,644	-	790,998,416	1,181,195,318
Short-term unsecured debentures	19	535,000,000	-	-	535,000,000	-	-
Unsecured debentures - due within one year	22	100,000,000	-	-	100,000,000	-	-
Other payables	21	72,024,356	106,492,464	95,232,533	38,831,762	38,680,731	24,181,890
Short-term loans from subsidiaries	7	-	-	-	8,500,000	7,000,000	7,000,000
Derivatives liabilities		-	-	980,900	-	-	-
Income tax payable		16,039,753	17,583,402	15,614,646	-	-	-
Other current liabilities		5,499,108	8,671,312	8,545,930	381,212	980,966	1,540,295
Total current liabilities		2,303,668,802	2,855,406,032	2,133,558,717	682,712,974	837,660,113	1,213,917,503
Non-current liabilities							
Unsecured debenture - net of current portion	22	-	100,000,000	-	-	100,000,000	-
Provision for long-term employee benefits	23	28,274,743	23,554,681	20,916,571	775,310	568,709	404,817
Other non-current liabilities		18,694,314	13,697,542	7,169,461	15,578,988	10,386,619	3,707,697
Total non-current liabilities		46,969,057	137,252,223	28,086,032	16,354,298	110,955,328	4,112,514
Total liabilities		2,350,637,859	2,992,658,255	2,161,644,749	699,067,272	948,615,441	1,218,030,017
Shareholders' equity							
Share capital							
Registered							
197,496,000 ordinary shares of Baht 5 each		987,480,000	987,480,000	987,480,000	987,480,000	987,480,000	987,480,000
Issued and fully paid-up							
197,495,461 ordinary shares of Baht 5 each		987,477,305	987,477,305	987,477,305	987,477,305	987,477,305	987,477,305
Share premium		288,886,306	288,886,306	288,886,306	288,886,306	288,886,306	288,886,306
Retained earnings							
Appropriated - statutory reserve	24	65,223,424	63,819,918	56,313,833	65,223,424	63,819,918	56,313,833
Unappropriated		265,922,716	318,254,287	284,693,590	265,922,716	318,254,287	284,693,590
Other components of shareholders' equity	9.4	(3,303,820)	(58,354,257)	(50,837,126)	(3,303,820)	(58,354,257)	(50,837,126)
Total shareholders' equity		1,604,205,931	1,600,083,559	1,566,533,908	1,604,205,931	1,600,083,559	1,566,533,908
Total liabilities and shareholders' equity		3,954,843,790	4,592,741,814	3,728,178,657	2,303,273,203	2,548,699,000	2,784,563,925

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

Directors

Trinity Watthana Public Company Limited and its subsidiaries
Statement of comprehensive income
For the year ended 31 December 2017

(Unit: Baht)

Note	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
				(restated)
Profit or loss:				
Revenues				
Advisory fees	14,250,000	22,092,500	-	-
Securities business income	26 513,843,666	553,690,645	33,388	-
Derivatives business income	14,353,750	18,503,733	-	-
Gain on securities trading	9.5 -	139,186,518	-	64,265,637
Gain on derivatives trading	58,105,699	-	2,893,040	5,565,380
Interest and dividend income	28,203,953	44,611,719	29,811,471	49,284,841
Other income	4,676,055	12,903,017	10,412,715	11,563,938
Total revenues	633,433,123	790,988,132	43,150,614	130,679,796
Expenses				
Operating and administrative expenses				
Personnel expenses	316,352,067	357,526,575	55,581,183	61,897,931
Depreciation and amortisation	13,697,064	14,515,328	1,127,658	320,851
Fee and service expenses	59,540,742	74,391,843	3,917,332	4,132,927
Other expenses	79,798,609	84,503,390	1,837,836	2,846,219
Doubtful accounts	9,209,403	250,000	-	-
Loss on securities trading	9.5 66,970,860	-	54,509,060	-
Loss on derivatives trading	-	525,163	-	-
Total expenses	545,568,745	531,712,299	116,973,069	69,197,928
Profit (loss) before share of profit from investment in subsidiaries and associate, finance cost and income tax	87,864,378	259,275,833	(73,822,455)	61,481,868
Share of profit from investment in subsidiaries	15.2 -	-	103,516,848	129,548,900
Share of profit from investment in associate	16.2 566,514	643,460	566,514	643,460
Profit before finance cost and income tax	88,430,892	259,919,293	30,260,907	191,674,228
Finance cost	(54,261,909)	(61,297,710)	(22,075,587)	(25,984,880)
Profit before income tax	34,168,983	198,621,583	8,185,320	165,689,348
Tax income (expenses)	25 (6,098,864)	(39,057,524)	19,884,799	(6,125,289)
Profit for the year	28,070,119	159,564,059	28,070,119	159,564,059

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

Trinity Watthana Public Company Limited and its subsidiaries
Statement of comprehensive income (continued)
For the year ended 31 December 2017

(Unit: Baht)

Note	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
				(restated)
Other comprehensive income:				
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods</i>				
	68,813,047	(9,396,414)	68,080,000	(9,490,286)
Gain (loss) on re-measuring available-for-sale securities				
Income tax effect	25	(13,762,610)	(13,616,000)	1,898,057
Gain (loss) on re-measuring available-for-sale securities - net income tax				
	55,050,437	(7,517,131)	54,464,000	(7,592,229)
Share of other comprehensive income from investments in subsidiaries	15.2	-	586,437	75,098
Other comprehensive income to be reclassified to profit or loss in subsequent periods - net income tax				
	55,050,437	(7,517,131)	55,050,437	(7,517,131)
Other comprehensive income for the year				
	55,050,437	(7,517,131)	55,050,437	(7,517,131)
Total comprehensive income for the year				
	83,120,556	152,046,928	83,120,556	152,046,928
Earnings per share	27			
Basic earnings per share		0.14	0.81	0.14
				0.81

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

Trinity Watthana Public Company Limited and its subsidiaries

Cash flow statement

For the year ended 31 December 2017

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016 (restated)
Cash flows from operating activities				
Profit before tax	34,168,983	198,621,583	8,185,320	165,689,348
Adjustments to reconcile profit before tax to net cash provided by (paid for) operating activities:				
Depreciation and amortisation	13,697,064	14,515,328	1,127,658	320,851
Long-term employee benefits expenses	5,520,062	4,964,710	206,601	163,892
Doubtful accounts	9,209,403	250,000	-	-
Share of profit from investment in subsidiaries	-	-	(103,516,848)	(129,548,900)
Share of profit from investment in associate	(566,514)	(643,460)	(566,514)	(643,460)
Unrealised (gain) loss on revaluation of investments in trading securities	1,328,662	315,718	350,781	(9,357)
Loss on sales of long-term investments	15,517,275	-	15,336,085	-
Loss on impairment of investments	88,230,844	-	87,763,315	-
Gain on disposals and write-off of equipment	(1,356,737)	(1,239,315)	-	-
Loss on write-off of intangible assets	798,397	-	-	-
Interest and dividend income	(61,022,182)	(80,931,798)	(29,811,471)	(49,284,841)
Interest expenses	54,261,909	61,297,710	22,075,587	25,984,880
Profit from operating activities before changes in operating assets and liabilities	159,787,166	197,150,476	1,150,514	12,672,413
Operating assets (increase) decrease				
Current investments	(154,010,581)	13,355,256	(57,809,180)	(1,036,644)
Receivables from Clearing House	86,600,227	(63,011,254)	-	-
Securities and derivatives business receivables	393,090,358	(849,869,855)	-	-
Other receivables	1,831,167	5,460,214	19,904,786	(49,788,855)
Derivatives assets	-	1,218,340	-	-
Other current assets	(6,765,055)	(1,736,065)	15,918	(72,281)
Other non-current assets	(4,755,896)	(3,668,248)	-	-
Operating liabilities increase (decrease)				
Payables to Clearing House	(222,666,922)	279,141,028	-	-
Securities and derivatives business payables	(155,937,521)	351,562,135	-	-
Other payables	(32,786,528)	11,027,192	(3,568,037)	14,498,841
Derivatives liabilities	-	(980,900)	-	-
Other current liabilities	(3,172,204)	125,382	(599,754)	(559,329)
Paid for long-term employee benefits	(800,000)	(2,326,600)	-	-
Other non-current liabilities	4,996,772	6,528,081	5,192,369	6,678,922
Cash flows from operating activities	65,410,983	(56,024,818)	(35,713,384)	(17,606,933)
Cash received from interest and dividend	57,620,023	72,799,223	27,318,324	44,882,362
Cash paid for interest expenses	(53,585,295)	(61,032,856)	(18,356,519)	(25,984,880)
Cash received (paid) for corporate income tax	(30,710,845)	(29,774,195)	78,654	16,585
Net cash flows from (used in) operating activities	38,734,866	(74,032,646)	(26,672,925)	1,307,134

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

Trinity Watthana Public Company Limited and its subsidiaries

Cash flow statement (continued)

For the year ended 31 December 2017

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016 (restated)
Cash flows from investing activities				
Dividend received from subsidiary	-	-	69,600,000	110,400,000
Dividend received from associate	750,000	750,000	750,000	750,000
Dividend received from long-term investments	4,361,000	5,227,453	4,360,000	4,740,000
Cash paid for investment in subsidiary	-	-	(3,000,000)	-
Decrease (increase) in short-term loans to subsidiary	-	-	(21,000,000)	281,000,000
Cash received from sale of other long-term investments	4,359,410	-	4,540,600	-
Decrease in short-term loans to others	305,400,000	14,967,589	305,400,000	14,967,589
Cash paid for purchases of equipment	(10,223,524)	(10,518,186)	(1,249,000)	(4,630,121)
Cash received from disposal of equipment	1,533,248	1,240,490	-	-
Cash paid for purchases of intangible assets	(2,119,748)	(4,905,810)	-	-
Net cash flows from investing activities	304,060,386	6,761,536	359,401,600	407,227,468
Cash flows from financing activities				
Increase in short-term borrowings from financial institutions	32,000,000	470,000,000	-	-
Decrease in other short-term borrowings	(803,402,892)	(391,261,132)	(790,998,416)	(390,196,902)
Increase in short-term loans from subsidiaries	-	-	1,500,000	-
Cash received from debenture issuance	535,000,000	100,000,000	535,000,000	100,000,000
Dividend paid	(78,998,184)	(118,497,277)	(78,998,184)	(118,497,277)
Net cash flows from (used in) financing activities	(315,401,076)	60,241,591	(333,496,600)	(408,694,179)
Net increase (decrease) in cash and cash equivalents	27,394,176	(7,029,519)	(767,925)	(159,577)
Cash and cash equivalents at the beginning of year	54,813,904	61,843,423	1,435,315	1,594,892
Cash and cash equivalents at the end of year (Note 8)	82,208,080	54,813,904	667,390	1,435,315
	-	-	-	-
Supplemental cash flows information:				
Non-cash items				
Dividend receivable - subsidiary	-	-	-	69,600,000
Acquisition of equipment recorded as liabilities	95,872	-	-	-
Gain (loss) on re-measuring available-for-sale securities				
- net of income tax	55,050,438	(7,517,131)	54,464,000	(7,592,229)

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

Trinity Watthana Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity

For the year ended 31 December 2017

(Unit: Baht)

	Consolidated financial statements					
	Issued and fully paid-up share capital	Share premium	Retained earnings		Other components of shareholders' equity	Total
			Appropriated	Unappropriated	Other comprehensive income	
			- statutory reserve		Loss on re-measuring available-for-sale investments	
Balance as at 1 January 2016	987,477,305	288,886,306	56,313,833	284,693,590	(50,837,126)	1,566,533,908
Profit for the year	-	-	-	159,564,059	-	159,564,059
Other comprehensive income for the year	-	-	-	-	(7,517,131)	(7,517,131)
Total comprehensive income for the year	-	-	-	159,564,059	(7,517,131)	152,046,928
Dividend paid (Note 30)	-	-	-	(118,497,277)	-	(118,497,277)
Appropriation of retained earnings (Note 24)	-	-	7,506,085	(7,506,085)	-	-
Balance as at 31 December 2016	<u>987,477,305</u>	<u>288,886,306</u>	<u>63,819,918</u>	<u>318,254,287</u>	<u>(58,354,257)</u>	<u>1,600,083,559</u>
Balance as at 1 January 2017	987,477,305	288,886,306	63,819,918	318,254,287	(58,354,257)	1,600,083,559
Profit for the year	-	-	-	28,070,119	-	28,070,119
Other comprehensive income for the year	-	-	-	-	55,050,437	55,050,437
Total comprehensive income for the year	-	-	-	28,070,119	55,050,437	83,120,556
Dividend paid (Note 30)	-	-	-	(78,998,184)	-	(78,998,184)
Appropriation of retained earnings (Note 24)	-	-	1,403,506	(1,403,506)	-	-
Balance as at 31 December 2017	<u>987,477,305</u>	<u>288,886,306</u>	<u>65,223,424</u>	<u>265,922,716</u>	<u>(3,303,820)</u>	<u>1,604,205,931</u>
	-	-	-	-	-	-
	-	-	-	-	-	-

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

Trinity Watthana Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity (continued)

For the year ended 31 December 2017

(Unit: Baht)

	Separate financial statements				Other components of shareholders' equity	
	Issued and fully paid-up share capital	Share premium	Retained earnings Appropriated - statutory reserve	Unappropriated	Other comprehensive income Loss on re-measuring available-for-sale investments	Total
Balance as at 31 December 2015 - as previously reported	987,477,305	288,886,306	56,313,833	105,815,914	(50,445,248)	1,388,048,110
Cumulative effect of change in accounting policy for investments in subsidiaries and associate from cost method to equity method (Note 4)	-	-	-	178,877,676	(391,878)	178,485,798
Balance as at 31 December 2015 - as restated	987,477,305	288,886,306	56,313,833	284,693,590	(50,837,126)	1,566,533,908
Profit for the year (restated)	-	-	-	159,564,059	-	159,564,059
Other comprehensive income for the year (restated)	-	-	-	-	(7,517,131)	(7,517,131)
Total comprehensive income for the year (restated)	-	-	-	159,564,059	(7,517,131)	152,046,928
Dividend paid (Note 30)	-	-	-	(118,497,277)	-	(118,497,277)
Appropriation of retained earnings (Note 24)	-	-	7,506,085	(7,506,085)	-	-
Balance as at 31 December 2016 - restated	987,477,305	288,886,306	63,819,918	318,254,287	(58,354,257)	1,600,083,559
Balance as at 31 December 2016 - as previously reported	987,477,305	288,886,306	63,819,918	129,934,251	(58,037,477)	1,412,080,303
Cumulative effect of change in accounting policy for investments in subsidiaries and associate from cost method to equity method (Note 4)	-	-	-	188,320,036	(316,780)	188,003,256
Balance as at 31 December 2016 - as restated	987,477,305	288,886,306	63,819,918	318,254,287	(58,354,257)	1,600,083,559
Profit for the year	-	-	-	28,070,119	-	28,070,119
Other comprehensive income for the year	-	-	-	-	55,050,437	55,050,437
Total comprehensive income for the year	-	-	-	28,070,119	55,050,437	83,120,556
Dividend paid (Note 30)	-	-	-	(78,998,184)	-	(78,998,184)
Appropriation of retained earnings (Note 24)	-	-	1,403,506	(1,403,506)	-	-
Balance as at 31 December 2017	987,477,305	288,886,306	65,223,424	265,922,716	(3,303,820)	1,604,205,931
	-	-	-	-	-	-
	-	-	-	-	-	-

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

Trinity Watthana Public Company Limited and its subsidiaries

Notes to consolidated financial statements

For the year ended 31 December 2017

1. General information

1.1 Trinity Watthana Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. The Company is principally engaged in investment in other companies. The registered office of the Company is at 179/111, 26th Floor, Bangkok City Tower, South Sathorn Road, Thungmahamek, Sathorn, Bangkok.

1.2 The Company invests 99.9% of the registered share capital of Trinity Securities Company Limited, a subsidiary, which operates its business in Thailand and undertakes securities businesses licenses, as follows:

1. Securities brokerage
2. Securities trading
3. Investment advisory
4. Securities underwriting
5. Securities borrowing and lending
6. Private fund asset management
7. Financial advisory
8. Derivatives agent

The registered office of the subsidiary is at 179, 25th-26th, 29th Floor, Bangkok City Tower, South Sathorn Road, Thungmahamek, Sathorn, Bangkok.

As at 31 December 2017, the subsidiary has 7 branches (2016: 8 branches).

2. Basis of preparation

2.1 The financial statements have been prepared in accordance with Thai Financial Reporting Standards enunciated under the Accounting Profession Act B.E. 2547 and in conjunction with the Notifications of the Office of the Securities and Exchange Commission. The presentation of the financial statements has been made in compliance with the stipulations of the Notification of the Department of Business Development dated 11 October 2016, issued under the Accounting Act B.E. 2543.

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

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

2.2 Basis of consolidation

- a) The consolidated financial statements include the financial statements of Trinity Watthana Public Company Limited (“the Company”) and the following subsidiary companies (“the subsidiaries”):

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			2017	2016
			(%)	(%)
Trinity Securities Company Limited	Securities business	Thailand	99.9	99.9
Trinity Advisory 2001 Company Limited	Financial advisory	Thailand	99.9	99.9
Trinity Intelligence Plus Company Limited	Advisory	Thailand	99.9	-

- b) The Company 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 the Company 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 the Company.
- e) Material balances and transactions between the Company and its subsidiaries have been eliminated from the consolidated financial statements.

- 2.3 The separate financial statements present investments in subsidiaries and associates under the equity method.

3. New financial reporting standards

(a) Financial reporting standards that became effective in the current year

During the year, the Company and its subsidiaries have adopted the revised financial reporting standards and interpretations (revised 2016) and new accounting treatment guidance which are effective for fiscal years beginning on or after 1 January 2017. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards revision of wording and terminology, and provision of interpretations and accounting guidance to users of standards. The adoption of these financial reporting standards does not have any significant impact on the Company and its subsidiaries' financial statements except for the following new accounting standard.

TAS 27 (revised 2016) Separate Financial Statements

This revised standard stipulates an additional option to account for investments in subsidiaries, joint ventures and associates in separate financial statements under the equity method, as described in TAS 28 (revised 2016) Investments in Associates and Joint Ventures. However, the entity is to apply the same accounting treatment for each category of investment. If an entity elects to account for such investments using the equity method in the separate financial statements, it has to adjust the transaction retrospectively.

The Company has decided to change its accounting policy for investments in subsidiaries and associate in separate financial statements from cost method to equity method since 1 January 2017. The Company adjusted the transaction retrospectively. The cumulative effect of the change is described in Note 4.

(b) Financial reporting standards that will become effective in the future

During the current year, the Federation of Accounting Professions issued a number of revised financial reporting standards and interpretations (revised 2017) which are effective for fiscal years beginning on or after 1 January 2018. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes and clarifications directed towards disclosures in the notes to financial statements.

The management of the Company and its subsidiaries believe that the revised financial reporting standards will not have any significant impact on the financial statements when they are initially applied.

4. Cumulative effects of changes in accounting policies due to the adoption of new financial reporting standards

As described in Note 3 to the financial statements, during the current period, the Company has changed its accounting policy related to investments in subsidiaries and associate in separate financial statements from cost method to equity method and elected to restate the prior period's financial statements to reflect the effect of the change. The cumulative effect of the change in accounting policy is presented as a separate item in the statement of changes in shareholders' equity.

The amounts of the adjustments affecting the statement of financial position and the statement of comprehensive income are summarised below.

(Unit: Thousand Baht)

	Separate financial statement	
	31 December 2017	31 December 2016
Statements of financial position		
Increase in investments in subsidiaries	292,193	188,090
Decrease in investment in associate	(270)	(87)
Increase in unappropriated retained earnings	291,654	188,320
Increase (decrease) in other components of shareholders' equity	269	(317)

(Unit: Thousand Baht)

	Separate financial statement	
	For the years ended 31 December	
	2017	2016
Statement of comprehensive income		
Profit or loss:		
Decrease in interest and dividend income	(750)	(120,750)
Increase in share of profit from investments in subsidiaries	103,517	129,549
Increase in share of profit from investment in associate	567	643
Increase in profit for the year	103,334	9,442
Other comprehensive income:		
Increase in share of other comprehensive income from investments in subsidiaries	586	75
Earnings per share (Baht):		
Increase in basic earnings per share	0.523	0.048

5. Significant accounting policies

5.1 Revenue and expense recognition

(a) Brokerage fees

Brokerage fees on securities and derivatives trading are recognised as income on the transaction dates.

(b) Fees and services income

Service income is recognised when services have been rendered taking into account the stage of completion. Revenue is recognised when it is probable that the amount will be collected.

Management fees are calculated as a percentage of the net asset value of the funds managed by the subsidiary and recognised as income when services have been rendered.

(c) Interest on margin loans

Interest income is recognised as interest accrues based on the effective rate method, but where there is uncertainty as to the collectability of loans and interest the subsidiary ceases accrual.

In the following cases, collectability of loans and interest is held to be uncertain.

- (1) Loans which are not fully collateralised.
- (2) Installment loans with repayments scheduled less frequently than 3 months for which principal or interest is overdue by more than 3 months.
- (3) Installment loans with repayments scheduled no less frequently than 3 months, unless there is clear evidence and a high degree of certainty that full repayment will be received.
- (4) Problem financial institutions.
- (5) Other receivables from which interest payment is overdue for 3 months or more.

These conditions are based on the guidelines stipulated by the Office of the Securities and Exchange Commission.

(d) Gains (losses) on securities and derivatives

Gains (losses) on securities and derivatives are recognised as income/expense on the transaction date.

(e) Interest and dividend on investments

Interest income on investments is recognised as interest accrues based on the effective rate method. Dividends on investments are recognised when the right to receive the dividends is established.

(f) Expenses

Expenses are recognised on an accrual basis.

5.2 Interest on borrowing

Interest on borrowing is charged on an accrual basis.

5.3 Cash and cash equivalents

Cash and cash equivalents consist of cash in hand, all bank deposit accounts with an original maturity less than 3 months, and not subject to withdrawal restrictions, promissory notes and term notes with an original maturity less than 3 months and exclude deposits used as collateral.

5.4 Long-term deposits at financial institutions

Long-term deposits at financial institutions include fixed deposits, bills of exchange and promissory notes issued by financial institutions with an original maturity more than 3 months and deposits subject to restriction.

5.5 Recognition and amortisation of customer deposits

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

5.6 Securities borrowing and lending

The Company and its subsidiary record their obligations to return borrowed securities which they have been sold as short selling or lent as “Securities borrowing and lending payables”, which are included in securities and derivatives business payables in the statement of financial position. At the end of reporting period, the balance of securities borrowing and lending payables are adjusted by the latest offer price quoted on the Stock Exchange of Thailand on the last working day of the year. Gains or losses arising from such adjustment are included in profit or loss. Securities lent to customers are recorded as “Securities borrowing and lending receivables”, which are included in securities and derivatives business receivables in the statement of financial position. Cash paid or received as collateral for securities borrowing and lending is recorded as “Collateral receivables” or “Collateral payables”. Fees on securities borrowing and lending are recognised on an accrual basis over the term of the lending.

5.7 Investments

- a) Investments in securities held for trading are stated at fair value. Changes in the fair value of these securities are recorded in profit or loss.
- b) Investments in available-for-sale securities are stated at fair value. Changes in the fair value of these securities are recorded as a separate item in other comprehensive income, and will be recorded in profit or loss when the securities are sold.
- c) Investments in debt securities, both due within one year and expected to be held to maturity, are recorded at amortised cost. The premium/discount on debt securities is amortised/accreted by the effective rate method with the amortised/accreted amount presented as an adjustment to the interest income.
- d) Investments in non-marketable equity securities, which the Company and its subsidiaries classify as other investments, are stated at cost net of allowance for loss on impairment (if any).
- e) Investment in associate are accounted for in the consolidated financial statements using the equity method.
- f) Investments in subsidiaries and associate are accounted for in the separate financial statements using the equity method.

The fair value of marketable securities is based on the latest bid price of the last working day of the year. The fair value of debt instruments is determined based on yield rates quoted by the Thai Bond Market Association. The fair value of unit trusts is determined from their net asset value as at the end of reporting period.

Loss on impairment (if any) of investments in available-for-sale securities, debt securities expected to be held to maturities, and other investments are included in profit or loss.

The weighted average method is used for computation of the cost of investments.

In the event the Company and its subsidiaries reclassify investments from one type to another, such investments will be readjusted to their fair value as at the reclassification date. The difference between the carrying amount of the investments and the fair value on the date of reclassification are recorded in profit or loss or recorded as other components of shareholders' equity, depending on the type of investment that is reclassified.

On disposal of an investment, the difference between net disposal proceeds and the carrying amount of the investment is recognised in profit or loss.

5.8 Receivables from Clearing House

Receivables from Clearing House comprise the net receivable from Thailand Clearing House in respect of settlements for securities and derivative trading business. These also include cash collateral pledged with Thailand Clearing House for derivatives trade.

5.9 Securities and derivatives business receivables and allowance for doubtful accounts

Securities and derivatives business receivables are the net balances of securities business receivables and derivatives business receivables after deducting allowance for doubtful accounts.

In addition, securities business receivables include the net receivable balance of cash accounts, credit balance accounts, collateral receivables (which comprise cash placed as security with securities lenders) and other receivables such as overdue cash accounts and securities receivables which are the subject of legal proceedings, are undergoing restructuring or are being settled in installments.

The subsidiary has provided an allowance for doubtful debts based on a review of debtor's repayment capability, taking into consideration in recovery risk and value of collateral. An allowance will be set aside for doubtful debts that are not fully covered by collateral and/or debtors that cannot be recovered in full amount. Such debt classifications and provisions are made in accordance with the following criteria.

- (a) Debt classified as bad debt is defined as follows:
 - (1) Debts which the subsidiary has made effort to follow up, but could not collect repayment. The subsidiary has written them off in accordance with tax law.
 - (2) Debts which the subsidiary has forgiven them.
- (b) Doubtful debt is defined as the uncollateralised portion of the debt which meets the following criteria:
 - (1) Debtors in general, problem financial institution loans, and other debtors which the collateral value is less than the debts.
 - (2) Installment loans with repayments scheduled no more than 3 months for each installment, which principal or interest is overdue by more than 3 months.
 - (3) Installment loans with repayments scheduled no less than 3 months for each installment, unless there is clear evidence and a high degree of certainty that full is recovered.

- (c) Substandard debt is defined as the collateralised portion of loans which meet the criteria in (b).

Loans classified as bad debt will be written off when identified. Full provision of the loan balance will be set aside for loans classified as doubtful. These conditions are based on the guidelines stipulated by the Office of the Securities and Exchange Commission.

5.10 Premises improvement and equipment and depreciation

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

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

Furniture & fixtures	5 years
Office equipment	3 - 5 years
Motor vehicles	5 years

Depreciation is included in determining income.

No depreciation is provided on work under installation.

An item of premises improvement 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 profit or loss when the asset is derecognised.

5.11 Intangible assets and amortisation

Intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses.

Intangible assets with finite lives are amortised on a systematic 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 for such intangible assets are reviewed at least at each financial year end. The amortisation expense is charged to profit or loss.

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

	<u>Useful lives</u>
Deferred license fee	5 - 10 years
Computer software	3 - 10 years
Others	2 - 8 years

No amortisation is provided on computer software under installation.

5.12 Goodwill

Goodwill is initially recorded at cost, which equals to the excess of cost of business combination over the fair value of the net assets acquired. If the fair value of the net assets acquired exceeds the cost of business combination, the excess is immediately recognised as gain in profit or loss.

Goodwill is carried at cost less any accumulated impairment losses. Goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the Company's cash generating units (or group of cash-generating units) that are expected to benefit from the synergies of the combination. The Company estimates the recoverable amount of each cash-generating unit (or group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit is less than the carrying amount, an impairment loss is recognised in profit or loss. Impairment losses relating to goodwill cannot be reversed in future periods.

The recoverable amount of cash generating unit has been determined based on value in use calculating using cash flow projections from financial budgets approved by management, based on key assumptions regarding revenue growth rates and discount rates.

5.13 Impairment of assets

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

An impairment loss is recognised in profit or loss.

5.14 Payables to Clearing House

Payables to Clearing House comprises the net payable to Thailand Clearing House (TCH) for settlement of equity securities trades made through the Stock Exchange of Thailand, net payable for derivatives trade made through the Thailand Futures Exchange.

5.15 Securities and derivatives business payables

Securities and derivatives business payables are the obligations of the subsidiary in respect of its securities and derivatives business with outside parties, such as the net payable balances of cash accounts, securities delivery obligations as a result of short sales or securities borrowing, and obligations to return assets held by the subsidiary as collateral for securities lending.

5.16 Borrowings and debts issued

Borrowings and debts issued are recognised initially at the fair value of the proceeds received. Borrowings are subsequently stated at amortised cost, using the effective yield method; any difference between proceeds and the redemption value is recognised in the profit or loss over the period of the borrowings.

5.17 Related party transactions

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

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

5.18 Long-term leases

Leases of property and equipment which do not transfer substantially all the risks and rewards of ownership are classified as operating leases. Operating lease payments are recognised as an expense in profit or loss on a straight-line basis over the lease term.

5.19 Foreign currency

The consolidated and separate financial statements are presented in Baht, which is also the Company's functional currency. Items of each entity included in the consolidated financial statements are measured using the functional currency of that entity.

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

Exchange gains and losses are included in determining income.

5.20 Employee benefits

Short-term employee benefits

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

Post-employment benefits

Defined contribution plans

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

Defined benefit plans

The Company and its subsidiaries have obligations in respect of the severance payments they must make to employees upon retirement under labor law. The Company and its subsidiaries treat these severance payment obligations as a defined benefit plan.

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

Actuarial gains and losses arising from defined benefit plans are recognised immediately in other comprehensive income.

For the first-time adoption of TAS 19 Employee Benefits in 2011, the Company elected to recognise the transitional liability, which exceeds the liability that would have been recognised at the same date under the previous accounting policy, through an adjustment to the beginning balance of retained earnings in 2011.

5.21 Provisions

Provisions are recognised when the Company and its subsidiaries have 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.

5.22 Income tax

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

Current tax

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

Deferred tax

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

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

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

The Company and its subsidiaries record deferred tax directly to shareholders' equity if the tax relates to items that are recorded directly to shareholders' equity.

5.23 Financial derivatives**Futures contracts**

The subsidiary initially recognises future contracts at fair value. Obligations under derivatives business are regarded as the subsidiary's commitments. Amounts pledged as securities for these derivatives are recorded as receivable at Thailand Clearing House. Subsequently, as at reporting date, the futures contracts are presented at their fair value, which calculated with reference to the daily settlement prices quoted by Thailand Futures Exchange Public Company Limited on the last business day of the year. Unrealised gain or loss resulting from changes in the fair value is included in the profit or loss.

Options contracts

The subsidiary initially recognises options contracts at fair value. The subsidiary recorded the premium paid (long position) and the premium received (short position) under options contracts as at trade date as derivative assets and derivative liabilities, respectively. Subsequently, as at reporting date, the options contracts are presented at their fair value, which calculated with reference to the daily settlement prices quoted by Thailand Futures Exchange Public Company Limited on the last business day of the year. Unrealised gain or loss resulting from changes in the fair value is included in the profit or loss.

Forward exchange contracts

Receivables and payables arising from forward exchange contracts are translated into Baht at the rates of exchange ruling at the end of reporting period. Unrealised gain or loss from the translation is included in determining income. Premiums or discounts on forward exchange contracts are amortised on a straight-line basis over the contract periods.

5.24 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between buyer and seller (market participants) at the measurement date. The Company and its subsidiaries apply a quoted market price in an active market to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards. Except in case of no active market of an identical asset or liability or when a quoted market price is not available, the Company and its subsidiaries measure 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 Company and its subsidiaries determine 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.

6. Significant accounting judgements and estimates

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

Significant accounting judgements and estimates are as follows:

Allowance for doubtful accounts for securities and derivatives business receivables

Allowances for doubtful accounts for securities and derivatives business receivables are intended to adjust the values of loans and receivables for probable credit losses. The management uses judgement to establish reserves for estimated losses for each outstanding loan and receivable by taking into account collection risk and the value of the securities used as collateral. However, the use of different estimates and assumptions could affect the amounts of allowances for doubtful accounts and adjustments to the allowances may therefore be required in the future.

Goodwill and intangible assets

The initial recognition and measurement of goodwill and other intangible assets, and subsequent impairment testing, require management to make estimates of cash flows to be generated by the asset or the cash generating units and to choose a suitable discount rate in order to calculate the present value of those cash flows.

Impairment of investments

The Company and its subsidiaries will treat available-for-sale equity investments, held-to-maturity debt securities and non-marketable equity investments as impaired when the management judge that there has been a significant or prolonged decline in the fair value below their cost, together with investments in businesses that have been severely impacted by the global economic slowdown and take time to recover to their fair values or where other evidence of impairment exists. However, the use of different estimates and assumptions could affect the amounts of allowances for impairment of investment in such investments and adjustments to the allowances may be required in the future.

Recognition and derecognising 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.

Premises improvement and equipment and depreciation

In determining depreciation of premises improvement and equipment, the management is required to make estimates of the useful lives and salvage values of the subsidiaries' premises improvement and equipment and to review estimate useful lives and salvage values when there are any changes.

In addition, the management is required to review premises improvement and equipment for impairment on a periodical basis and record impairment losses in the period when it is determined that their recoverable amount is lower than the carrying amount. This requires judgements regarding forecast of future revenues and expenses relating to the assets subject to the review.

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

The obligation under the defined benefit plan 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.

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 exercise 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.

7. Related party transactions

The relationships between the Company and its related parties that have significant business transactions during the years 2017 and 2016 are summarised below:

Name of related parties	Relationship with the Company
Trinity Securities Company Limited	Subsidiary
Trinity Advisory 2001 Company Limited	Subsidiary
Trinity Intelligence Plus Company Limited	Subsidiary
Asset Backed Holdings Limited	Associate
Conduit Management Service Limited	Under the control of an associate

During the years, the Company and its subsidiaries had significant business transactions with related parties, which have been concluded on commercial terms and bases agreed upon in the ordinary course of businesses between the Company and those companies. Below is a summary of those transactions.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements		Transfer Pricing Policy
	2017	2016	2017	2016	
<u>Related party transactions</u>					
Brokerage fees from securities business					
- Directors of the Group	540	227	-	-	At the subsidiary's normal rate charged to other clients, in accordance with Association of Thai Securities Companies' notification
Brokerage fees from derivatives business					
- Directors of the Group	303	167	-	-	At the subsidiary's normal rate charged to other clients, in accordance with Association of Thai Securities Companies' notification
Management service income					
- Subsidiary	-	-	10,233	10,200	Contract price
- Associate	255	254	-	-	Contract price
Dividend income					
- Subsidiary	-	-	-	120,000	As declared
- Associate	750	750	750	750	As declared

(Unit: Thousand Baht)

	Consolidated financial		Separate financial		Transfer Pricing Policy
	statements		statements		
	2017	2016	2017	2016	
Interest income					
- Subsidiary	-	-	5,376	5,720	Savings deposit interest rate plus 0.60% per annum
Interest expenses					
- Subsidiary	-	-	57	59	Savings deposit interest rate plus 0.35% per annum
Management service expenses					
- Subsidiary	-	-	1,258	600	Contract price
Brokerage fee expenses					
- Subsidiary	-	-	33,827	51,230	At the subsidiary's normal rate charged to other clients, in accordance with Association of Thai Securities Companies' notification
Private fund management fees					
- Directors of the Group	899	716	-	-	Contract price

The balances of the accounts as at 31 December 2017 and 2016 between the Company, its subsidiaries and those related parties are as follows:

(Unit: Thousand Baht)

	Consolidated financial		Separate financial	
	statements		statements	
	2017	2016	2017	2016
<u>Outstanding balances of the transactions</u>				
Securities and derivatives business receivables				
Directors of the Group	5,390	10,111	-	-
Other receivables - subsidiary				
Trinity Securities Company Limited	-	-	61,528	81,450
Dividend receivable - subsidiary				
Trinity Securities Company Limited	-	-	-	69,600
Short-term loans to subsidiary				
Trinity Securities Company Limited	-	-	447,000	426,000
Short-term loans from subsidiaries				
Trinity Advisory 2001 Company Limited	-	-	7,000	7,000
Trinity Intelligence Plus Company Limited	-	-	1,500	-
Securities and derivatives business payables				
Directors of the Group	9,294	8,008	-	-
Other payables - subsidiaries				
Trinity Securities Company Limited	-	-	27,120	25,197
Trinity Intelligence Plus Company Limited	-	-	299	-

Short-term loans to subsidiary are due at call. Movements in the balance of the loans during the year were as follows:

(Unit: Thousand Baht)

	Separate financial statements			Balance as at 31 December 2017
	Balance as at	During the year		
	1 January 2017	Increase	Decrease	
Short-term loans to subsidiary				
Trinity Securities Company Limited	426,000	127,539,000	(127,518,000)	447,000

Short -term loans from subsidiaries are due at call. Movements in the balance of the loans during the year were as follows:

(Unit: Thousand Baht)

	Separate financial statements			Balance as at 31 December 2017
	Balance as at	During the year		
	1 January 2017	Increase	Decrease	
Short-term loans from subsidiaries				
Trinity Advisory 2001 Company Limited	7,000	51,500	(51,500)	7,000
Trinity Intelligence Plus Company Limited	-	1,500	-	1,500
	7,000	53,000	(51,500)	8,500

Directors and management's benefits

During the years ended 31 December 2017 and 2016, the Company and its subsidiaries had employee benefit payable to their directors and management as follows:

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2017	2016	2017	2016
Short-term benefits	60,506	78,657	8,616	10,650
Post-employment benefits	7,796	7,131	-	-
Total	68,302	85,788	8,616	10,650

The Company provided the other employee benefits to its directors and management. In the year 2017, the Company purchased liability insurance amounting to Baht 50 million for directors and management of the Company and its subsidiaries (2016: Baht 50 million).

8. Cash and cash equivalents

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2017	2016	2017	2016
Cash on hand	165	170	-	-
Deposits at financial institutions	176,782	47,241	667	1,435
Promissory note with maturity less than 3 months	-	489,691	-	-
Total cash and cash equivalents	176,947	537,102	667	1,435
Less: Deposits for customers' account	(94,739)	(482,288)	-	-
Net cash and cash equivalents	82,208	54,814	667	1,435

9. Investments

9.1 Cost and fair value

(Unit: Thousand Baht)

	Consolidated financial statements			
	2017		2016	
	Cost/ Amortised cost	Fair value	Cost/ Amortised cost	Fair value
Current investments				
<u>Long-term deposits at financial institutions</u>				
Fixed deposit notes with maturity over 3 months but less than 1 year	210,100	210,100	220,000	220,000
Promissory notes with maturity over 3 months but less than 1 year	400,000	400,000	200,000	200,000
BOT bonds with maturity over 3 months but less than year	99,621	99,621	249,654	249,654
Less: Deposits for customers' accounts	(709,791)	(709,791)	(669,654)	(669,654)
Long-term deposits at financial institutions - net	-	-	-	-
<u>Trading securities</u>				
Equity securities				
Listed securities	144,560	135,882	172,041	165,594
Less: Changes in fair value of securities	(8,210)	-	(6,447)	-
Less: Allowance for impairment loss	(468)	-	-	-
Equity securities - net	135,882	135,882	165,594	165,594
Debt securities				
Corporate and government debt securities	146,630	146,708	79,197	78,914
Add: Changes in fair value of securities	78	-	(283)	-
Debt securities - net	146,708	146,708	78,914	78,914
Total trading securities - net	282,590	282,590	244,508	244,508
<u>Available-for-sale securities</u>				
Debt securities				
Bills of exchange	217,038	216,073	102,845	101,940
Less: Discount	(965)	-	(905)	-
Debt securities - net	216,073	216,073	101,940	101,940
Total available-for-sale securities - net	216,073	216,073	101,940	101,940
Total current investments - net	498,663	498,663	346,448	346,448

(Unit: Thousand Baht)

	Consolidated financial statements			
	2017		2016	
	Cost/ Amortised cost	Fair value	Cost/ Amortised cost	Fair value
Long-term investments				
<u>Available-for-sale securities</u>				
Equity securities				
Listed securities	88,467	84,000	188,170	123,560
Less: Changes in fair value of securities	(4,467)	-	(64,610)	-
Listed securities - net	84,000	84,000	123,560	123,560
Equity securities				
Unit trusts	5,050	5,387	5,050	4,654
Less: Changes in fair value of securities	337	-	(396)	-
Unit trusts - net	5,387	5,387	4,654	4,654
Total available-for-sale securities - net	89,387	89,387	128,214	128,214
<u>Non-marketable securities</u>				
Equity securities	87,626		7,800	
Less: Allowance for impairment loss	(79,826)		-	
Total non-marketable securities	7,800		7,800	
Total long-term investments - net	97,187		136,014	
Total investments - net	595,850		482,462	

(Unit: Thousand Baht)

	Separate financial statements			
	2017		2016	
	Cost/ Amortised cost	Fair value	Cost/ Amortised cost	Fair value
Current investments				
<u>Trading securities</u>				
Equity securities				
Listed securities	65,147	64,674	7,338	7,216
Less: Changes in fair value of securities	(473)	-	(122)	-
Total trading securities - net	64,674	64,674	7,216	7,216
Total current investments - net	64,674	64,674	7,216	7,216

(Unit: Thousand Baht)

	Separate financial statements			
	2017		2016	
	Cost/ Amortised cost	Fair value	Cost/ Amortised cost	Fair value
Long-term investments				
<i>Available-for-sale securities</i>				
Equity securities				
Listed securities	88,467	84,000	188,170	123,560
Less: Changes in fair value of securities	(4,467)	-	(64,610)	-
Equity securities - net	84,000	84,000	123,560	123,560
Total available-for-sale securities - net	84,000	84,000	123,560	123,560
<i>Non-marketable securities</i>				
Equity securities	87,626		7,800	
Less: Allowance for impairment loss	(79,826)		-	
Total non-marketable securities	7,800		7,800	
Total long-term investments - net	91,800		131,360	
Total investments - net	156,474		138,576	

9.2 Fair value of obligated investments in equity securities

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2017	2016	2017	2016
Securities borrowing and not yet due				
Equity securities	9,006	27,816	-	-
Total obligated investments	9,006	27,816	-	-

9.3 As at 31 December 2017 and 2016, Trinity Securities Company Limited, the Company's subsidiary, classified its debt securities (book value) by remaining period to maturity as follows:

(Unit: Thousand Baht)

	Consolidated financial statements			
	2017			
	Period to maturity			
	Within 1 year	1-5 years	Over 5 years	Total
Trading debt securities				
Government debt securities	-	-	49,137	49,137
Corporate debt securities	97,571	-	-	97,571
Available-for-sale debt securities				
Bills of exchange	217,038	-	-	217,038
Less: Discount	(966)	-	-	(966)
Net	216,072	-	-	216,072
Total	313,643	-	49,137	362,780

(Unit: Thousand Baht)

	Consolidated financial statements			
	2016			
	Period to maturity			
	Within 1 year	1-5 years	Over 5 years	Total
Trading debt securities				
Corporate debt securities	-	78,212	702	78,914
Available-for-sale debt securities				
Bills of exchange	102,845	-	-	102,845
Less: Discount	(905)	-	-	(905)
Net	101,940	-	-	101,940
Total	101,940	78,212	702	180,854

9.4 Loss on re-measuring available-for-sale investments

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2017	2016	2017	2016
Balance - beginning of the year	(58,354)	(50,837)	(58,354)	(50,837)
Changes during the year (net of income tax)				
- from revaluation	55,050	(7,517)	55,050	(7,517)
Balance - end of the year	(3,304)	(58,354)	(3,304)	(58,354)

9.5 Gains (losses) on securities trading

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2017	2016	2017	2016
Unrealised gains (losses) on trading securities and derivatives	(1,329)	(316)	(351)	9
Realised gains on sales of trading securities	35,330	139,503	48,941	64,256
Realised losses on sales of available-for-sale securities	(12,741)	-	(15,336)	-
Loss on impairment of securities	(88,231)	-	(87,763)	-
Total	(66,971)	139,187	(54,509)	64,265

10. Receivables from Clearing House

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2017	2016	2017	2016
Receivables from Clearing House	170,302	250,311	-	-
Less: Receivables from Clearing House for customers' accounts of the subsidiary	(25,915)	(19,324)	-	-
Net receivables from Clearing House	144,387	230,987	-	-

11. Securities and derivatives business receivables

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2017	2016	2017	2016
Securities business receivables				
Cash customers' accounts	411,588	802,508	-	-
Credit balance accounts	2,230,492	2,346,814	-	-
Collateral receivables	10,120	36,411	-	-
Other receivables	196,928	60,060	-	-
Total securities business receivables	2,849,128	3,245,793	-	-
Less: Allowance for doubtful accounts	(69,038)	(60,060)	-	-
Net securities business receivables	2,780,090	3,185,733	-	-
Derivatives business receivables				
Derivatives business receivables	968	745	-	-
Other receivables	3,120	55	-	-
Total derivatives business receivables	4,088	800	-	-
Less: Allowance for doubtful accounts	-	(55)	-	-
Net derivatives business receivables	4,088	745	-	-
Net securities and derivatives business receivables	2,784,178	3,186,478	-	-

11.1 As at 31 December 2017 Trinity Securities Company Limited, the Company's subsidiary, has other receivables of approximately Baht 126 million (2016: Baht 60 million) for which it has stopped recognising interest income.

11.2 Trinity Securities Company Limited, the Company's subsidiary, have classified securities business receivables and derivatives business receivables in accordance with the Notification of the Office of the Securities and Exchange Commission governing accounting for doubtful debts of securities company. The classified is as follows:

(Unit: Million Baht)

	Consolidated financial statements					
	2017			2016		
	Debt balance	Allowance for doubtful accounts set up by the subsidiary	Debt balance net of allowance for doubtful accounts	Debt balance	Allowance for doubtful accounts set up by the subsidiary	Debt balance net of allowance for doubtful accounts
Normal debts	2,653	-	2,653	3,186	-	3,186
Sub - standard debts	131	-	131	-	-	-
Doubtful debts	69	(69)	-	60	(60)	-
Total	2,853	(69)	2,784	3,246	(60)	3,186

12. Allowance for doubtful accounts

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2017	2016	2017	2016
Balance - beginning of the year	60,115	68,142	-	-
Add: Doubtful accounts	9,210	250	-	-
Less: Reversal of allowance for doubtful accounts	-	(5,000)	-	-
Bad debt written-off	(287)	(3,277)	-	-
Balance - end of the year	69,038	60,115	-	-

13. Other receivables

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2017	2016	2017	2016
Accrued income	15,547	18,337	909	2,758
Other receivables - subsidiary (Note 7)	-	-	61,528	81,450
Dividend receivables - subsidiary (Note 7)	-	-	-	69,600
Total other receivables	15,547	18,337	62,437	153,808

14. Short-term loans to others

As at 31 December 2017, the Company has loans to others amounting to Baht 132 million (2016: 437 million) carry interest at MOR plus 0.12% - 2.87% per annum (2016: 0.25% - 0.75% per annum) and to be due within July 2018 and secured by a pledge of the borrower's securities.

15. Investments in subsidiaries

15.1 Details of investments in subsidiaries as presented in the separate financial statements are as follows:

(Unit: Thousand Baht)

Company's name	Paid-up capital		Shareholding percentage		Cost		Carrying amounts based on the equity method		Dividend received during the year	
	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
			(%)	(%)			(Restated)			
Trinity Securities Company Limited	1,200,000	1,200,000	99.9	99.9	1,169,803	1,169,803	1,457,449	1,353,340	-	120,000
Trinity Advisory 2001 Company Limited	10,000	10,000	99.9	99.9	10,000	10,000	15,047	14,553	-	-
Trinity Intelligence Plus Company Limited	3,000	-	99.9	-	3,000	-	2,501	-	-	-
Total					1,182,803	1,179,803	1,474,997	1,367,893	-	120,000

On 17 October 2017, the Board of Directors of the Company passed a resolution to establish a new company under the name Trinity Intelligence Plus Company Limited. The Company has a 99.9% shareholding in such company, which has a registered share capital comprised of 300,000 shares at Baht 10 per share, totaling Baht 3 million. Trinity Intelligence Plus Company Limited registered with the Ministry of Commerce on 22 November 2017, and the share were fully paid up on 28 December 2017.

15.2 Share of comprehensive income

During the years, the Company has recognised its share of comprehensive income from investment in subsidiaries in the separate financial statements as follows:

(Unit: Thousand Baht)

Company's name	Separate financial statements			
	Share of profit or loss		Share of other comprehensive income	
	2017	2016	2017	2016
		(Restated)		(Restated)
Trinity Securities Company Limited	103,522	128,906	586	75
Trinity Advisory 2001 Company Limited	494	643	-	-
Trinity Intelligence Plus Company Limited	(499)	-	-	-
Total	103,517	129,549	586	75

16. Investment in associate

16.1 Details of investment in associate

(Unit: Thousand Baht)

Company's name	Nature of business	Country of incorporation	Consolidated financial statements									
			Shareholding percentage		Cost		Carrying amounts based on the equity method		Dividend received during the year			
			2017	2016	2017	2016	2017	2016	2017	2016		
			(%)	(%)								
Asset Backed Holdings Limited	Investments in securitisation	Thailand	49.9	49.9	50	50	3,262	3,445	750	750		

(Unit: Thousand Baht)

Company's name	Nature of business	Country of incorporation	Separate financial statements									
			Shareholding percentage		Cost		Carrying amounts based on the equity method		Dividend received during the year			
			2017	2016	2017	2016	2017	2016	2017	2016		
			(%)	(%)								
Asset Backed Holdings Limited	Investments in securitisation	Thailand	49.9	49.9	3,532	3,532	3,262	3,445	750	750		

Asset Backed Holdings Limited which operates its business in Thailand and its principal activity is investments in securitisation entities authorised by the Office of the Securities and Exchange Commission invested in subsidiaries in the percentage of shareholding as follows:

Subsidiary of Asset Backed Holdings Limited	Type of business	Percentage of shareholding	
		2017 (%)	2016 (%)
Conduit Management Services Limited	Management service for special purpose vehicles	100	100

16.2 Share of comprehensive income

During the years, the Company has recognised its share of profit from investment in associate in the consolidated financial statements in the separate financial statements as follows:

(Unit: Thousand Baht)

Company's name	Consolidated financial statements			
	Share of profit		Share of other comprehensive income	
	2017	2016	2017	2016
Asset Backed Holdings Limited *	567	643	-	-
Total	567	643	-	-

(Unit: Thousand Baht)

Company's name	Separate financial statements			
	Share of profit		Share of other comprehensive income	
	2017	2016	2017	2016
		(Restated)		
Asset Backed Holdings Limited *	567	643	-	-
Total	567	643	-	-

* The Company's interest in the equity of Asset Backed Holdings Limited was calculated based on the financial statements with prepared by the affiliated company's management and has not yet been audited by its auditor.

16.3 Summarised financial information of associate

(Unit: Million Baht)

Company's name	Paid-up capital		Total assets as at		Total liabilities as at		Total revenues for		Profit for the	
	as at		31 December		31 December		the years ended		years ended	
	31 December	31 December	2017	2016	2017	2016	2017	2016	2017	2016
Asset Backed Holdings Limited	0.1	0.1	5.0	5.4	-	-	1.4	1.6	1.1	1.3

17. Premises improvements and equipment

(Unit: Thousand Baht)

Consolidated financial statements

	Furniture and fixtures	Office equipment	Motor vehicles	Work under installation	Total
Cost:					
1 January 2016	45,549	87,684	22,628	5,632	161,493
Additions	270	4,898	4,630	720	10,518
Disposals	-	(414)	(3,822)	-	(4,236)
Write-off	-	(8,022)	-	-	(8,022)
Transfer in (out)	213	6,053	-	(6,266)	-
31 December 2016	46,032	90,199	23,436	86	579,753
Additions	9	5,143	5,149	19	10,320
Disposals	-	(193)	(4,290)	-	(4,483)
Write-off	(150)	(682)	-	-	(832)
Transfer in (out)	-	105	-	(105)	-
31 December 2017	45,891	94,572	24,295	-	164,758
Accumulated depreciation:					
1 January 2016	42,094	76,792	15,229	-	134,115
Depreciation for the year	1,683	7,694	2,988	-	12,365
Depreciation on disposals	-	(414)	(3,822)	-	(4,236)
Depreciation on write-off	-	(8,021)	-	-	(8,021)
31 December 2016	43,777	76,051	14,395	-	134,223
Depreciation for the year	1,192	6,689	3,947	-	11,828
Depreciation on disposals	-	(111)	(4,287)	-	(4,398)
Depreciation on write-off	(58)	(682)	-	-	(740)
31 December 2017	44,911	81,947	14,055	-	140,913

(Unit: Thousand Baht)

Consolidated financial statements					
	Furniture and fixtures	Office equipment	Motor vehicles	Work under installation	Total
Net book value:					
31 December 2016	2,255	14,148	9,041	86	25,530
31 December 2017	980	12,625	10,240	-	23,845
Depreciation for the years					
2016					12,365
2017					11,828

(Unit: Thousand Baht)

Separate financial statements			
	Furniture and fixtures	Motor vehicles	Total
At cost			
1 January 2016		3	3
Acquisition		4,630	4,630
31 December 2016		4,630	4,633
Acquisition		1,249	1,249
31 December 2017		5,879	5,882
Accumulated depreciation			
1 January 2016		3	3
Depreciation charged for the year		321	321
31 December 2016		321	324
Depreciation charged for the year		1,127	1,127
31 December 2017		1,448	1,451
Net book value			
31 December 2016		4,309	4,309
31 December 2017		4,431	4,431
Depreciation for the years			
2016			321
2017			1,127

As at 31 December 2017 certain premises improvement and equipment have been fully depreciated but are still in use. The gross carrying amount (before deducting accumulated amortisation) of those assets amounted to approximately Baht 118 million (2016: Baht 109 million).

18. Intangible assets

(Unit: Thousand Baht)

Consolidated financial statements					
	Deferred license fee	Computer software	Others	Computer software under installation	Total
Cost:					
1 January 2016	4,206	34,166	3,029	812	42,213
Acquisitions	250	1,384	247	3,025	4,906
Write-off	(250)	-	(705)	-	(955)
Transfer in (out)	-	812	-	(812)	-
31 December 2016	4,206	36,362	2,571	3,025	46,164
Acquisitions	250	790	1,042	38	2,120
Write-off	(250)	-	-	(799)	(1,049)
Transfer in (out)	-	211	-	(211)	-
31 December 2017	4,206	37,363	3,613	2,053	47,235
Amortisation:					
1 January 2016	2,933	30,053	1,317	-	34,303
Amortised charged for the year	471	1,129	551	-	2,151
Write off	(250)	-	(705)	-	(955)
31 December 2016	3,154	31,182	1,163	-	35,499
Amortised charged for the year	470	879	520	-	1,869
Write off	(250)	-	-	-	(250)
31 December 2017	3,374	32,061	1,683	-	37,118
Net book value:					
31 December 2016	1,052	5,180	1,408	3,025	10,665
31 December 2017	832	5,302	1,930	2,053	10,117
Amortisation expense for the years					
2016					2,151
2017					1,869

As at 31 December 2017, certain computer software items have been fully amortisation but are still in use. The gross carrying amount (before deducting accumulated amortisation) of those assets amounted to approximately Baht 30 million (2016: Baht 25 million).

19. Short-term borrowings from financial institutions, other short-term borrowings and short-term unsecured debentures

(Unit: Thousand Baht)

Type	Interest rate		Consolidated		Separate	
	per annum		financial statements		financial statements	
	2017	2016	2017	2016	2017	2016
	(%)	(%)				
Short-term borrowings from financial institutions						
Promissory notes	Inter bank rate	Inter bank rate	1,102,000	1,070,000	-	-
			<u>1,102,000</u>	<u>1,070,000</u>	<u>-</u>	<u>-</u>
Other short-term borrowings						
Bills of exchange	Inter bank rate	Inter bank rate				
	plus 0.30%	plus 0.25% - 0.80%	39,957	840,906	-	790,998
			<u>39,957</u>	<u>840,906</u>	<u>-</u>	<u>790,998</u>
Short-term unsecured debentures						
Debentures No. 1/2017	Fixed at 3.25%	-	200,000	-	200,000	-
Debentures No. 1/2017 series III	Fixed at 2.60%	-	155,000	-	155,000	-
Debentures No. 2/2017	Fixed at 3.25%	-	180,000	-	180,000	-
			<u>535,000</u>	<u>-</u>	<u>535,000</u>	<u>-</u>

There is no collateral for these short-term borrowings from financial institutions, other short-term borrowings and short-term unsecured debentures, remaining period to maturity within 1 year.

20. Securities and derivatives business payables

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2017	2016	2017	2016
Securities business payables				
Cash customers' accounts	374,823	524,981	-	-
Securities borrowing and lending payables	-	6,013	-	-
Total securities business payables	<u>374,823</u>	<u>530,994</u>	<u>-</u>	<u>-</u>
Derivatives business payables				
Derivatives business payables	1,798	1,564	-	-
Total derivatives business payables	<u>1,798</u>	<u>1,564</u>	<u>-</u>	<u>-</u>
Total securities and derivatives business payables	<u>376,621</u>	<u>532,558</u>	<u>-</u>	<u>-</u>

21. Other payables

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2017	2016	2017	2016
Accrued expenses	72,024	106,492	11,413	13,484
Other payables - subsidiary (Note 7)	-	-	27,419	25,197
Total other payables	72,024	106,492	38,832	38,681

22. Unsecured debenture

On 27 July 2016, the Company issued Baht 100 million of unsubordinated and unsecured without a debentureholders' representative debenture with interest at a fixed rate of 3.2% per annum with terms of 2 years and 3 days. It will mature on 30 July 2018.

Issue date	Number of debenture (shares)	Interest rate per annum	Term	Maturity date	(Unit: Thousand Baht)	
					Consolidated financial statements/separate financial statements	
					2017	2016
27 July 2016	100,000	Fixed at 3.2%	2 years and 3 days	30 July 2018	100,000	100,000
Less: Debenture due within one year					(100,000)	-
Debenture due over one year					-	100,000

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		Separate	
	financial statements		financial statements	
	2017	2016	2017	2016
Provision for long-term employee benefits at the beginning of year	23,555	20,917	569	405
Included in profit or loss:				
Current service cost	4,559	4,080	180	145
Interest cost	961	885	26	19
Benefits paid during the year	(800)	(2,327)	-	-
Provision for long-term employee benefits at the end of year	28,275	23,555	775	569

Line items in profit or loss under which long-term employee benefit expenses are recognised are as follows:

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2017	2016	2017	2016
Personnel expenses	5,520	4,965	206	164
Total expenses recognised in profit or loss	5,520	4,965	206	164

The Company and its subsidiaries do not expect to pay the long-term employee benefits during the next year (The Company only: Nil) (2016: Nil, The Company only: Nil).

As at 31 December 2017, the weighted average duration of the liabilities for long-term employee benefit is 18 years (The Company only: 18 years) (2016: 19 years, The Company only: 19 years).

Significant actuarial assumptions are summarised below:

(Unit: Percent per annum)

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
Discount rate	3.54	3.54	3.54	3.54
Salary increase rate	5.00	5.00	5.00	5.00
Turnover rate	0.00 - 22.10	0.00 - 22.10	0.00 - 22.10	0.00-22.10

The result of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligation as at 31 December 2017 and 2016 are summarised below:

	Consolidated financial statements			
	As at 31 December 2017			
	Increase	Effect to provision for employee benefits	Decrease	Effect to provision for employee benefits
	(Percent)	(Thousand Baht)	(Percent)	(Thousand Baht)
Discount rate	0.5%	(933)	0.5%	985
Salary increase rate	1.0%	2,552	1.0%	(2,310)
Staff turnover rate	10.0%	(2,269)	10.0%	2,547

Consolidated financial statements

	As at 31 December 2016			
	Effect to		Effect to	
	provision for		provision for	
	Increase	benefits	Decrease	benefits
(Percent)	(Thousand Baht)	(Percent)	(Thousand Baht)	
Discount rate	0.5%	(842)	0.5%	890
Salary increase rate	1.0%	2,020	1.0%	(1,832)
Staff turnover rate	10.0%	(2,003)	10.0%	2,261

Separate financial statements

	As at 31 December 2017			
	Effect to		Effect to	
	provision for		provision for	
	Increase	benefits	Decrease	benefits
(Percent)	(Thousand Baht)	(Percent)	(Thousand Baht)	
Discount rate	0.5%	(38)	0.5%	40
Salary increase rate	1.0%	98	1.0%	(86)
Staff turnover rate	10.0%	(95)	10.0%	110

Separate financial statements

	As at 31 December 2016			
	Effect to		Effect to	
	provision for		provision for	
	Increase	benefits	Decrease	benefits
(Percent)	(Thousand Baht)	(Percent)	(Thousand Baht)	
Discount rate	0.5%	(30)	0.5%	32
Salary increase rate	1.0%	71	1.0%	(63)
Staff turnover rate	10.0%	(75)	10.0%	87

24. Statutory reserve

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

During the year 2017, the Company had set aside the statutory reserve of Baht 1.4 million from profit for the year (2016: Baht 7.5 million).

25. Income tax

Income tax expenses for the years ended 31 December 2017 and 2016 are made up as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2017	2016	2017	2016
Current income tax:				
Current income tax charge	29,246	31,700	-	-
Deferred tax:				
Relating to origination and reversal of temporary differences	(23,147)	7,358	(19,885)	6,125
Income tax expenses (revenue) reported in the statements of comprehensive income	6,099	39,058	(19,885)	6,125

The amounts of income tax relating to each component of other comprehensive income for the years ended 31 December 2017 and 2016 are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2017	2016	2017	2016
Deferred tax relating to gain (loss) on change in value of available-for-sale securities	13,763	(1,879)	13,616	(1,898)
	13,763	(1,879)	13,616	(1,898)

Reconciliation between accounting profit and income tax expenses is shown below.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2017	2016	2017	2016
				(restated)
Accounting profit before tax	34,169	198,622	8,185	165,689
Applicable tax rate	20%	20%	20%	20%
Accounting profit before tax multiplied by applicable tax rate	6,834	39,724	1,637	33,138
Effects of:				
Tax exempted revenue	(1,006)	(1,155)	(21,709)	(27,064)
Non-deductible expenses	1,828	1,139	187	51
Additional expense deductions allowed	(301)	(560)	-	-
Others	(1,256)	(90)	-	-
Total	(735)	(666)	(21,522)	(27,013)
Income tax expenses (revenue) reported in the statements of comprehensive income	6,099	39,058	(19,885)	6,125

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

	(Unit: Thousand Baht)			
	Consolidated financial		Separate financial	
	statements		statements	
	2017	2016	2017	2016
Deferred tax assets				
Allowance for doubtful accounts	11,633	9,795	-	-
Allowance for impairment investment	16,059	-	15,965	-
Unrealised loss from revaluation of trading investments	1,612	1,347	95	24
Loss on re-measuring available-for-sale investments	826	13,001	893	12,922
Provision for long-term employee benefits	5,655	4,711	155	114
Unused tax loss	3,814	1,593	3,814	1,593
Total	39,599	30,447	20,922	14,653
Deferred tax liabilities				
Unrealised gain from revaluation of derivatives	(18)	(251)	-	-
Total	(18)	(251)	-	-
Deferred tax assets - net	39,581	30,196	20,922	14,653

The unused tax loss amounting to Baht 19 million will expire by 2019 amounting to Baht 8 million and Baht 11 million by 2022.

26. Securities business income

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2017	2016	2017	2016
Brokerage fees from securities business	293,382	316,208	-	-
Fees and service income	43,086	51,066	33	-
Interest and dividend	32,818	36,320	-	-
Interest on margin loans	144,558	150,096	-	-
Total	<u>513,844</u>	<u>553,690</u>	<u>33</u>	<u>-</u>

27. Earnings per share

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

	Consolidated		Separate	
	financial statements		financial statements	
	2017	2016	2017	2016
Profit for the year (Thousand Baht)	28,070	159,564	28,070	159,564
Weighted average number of ordinary shares (Thousand shares)	197,495	197,495	197,495	197,495
Earnings per share (Baht/share)	0.14	0.81	0.14	0.81

28. 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. The authorised decision maker has been identified as the Company's Board of Directors.

The Company and its subsidiaries are organised into business units based on their products and services and have two reportable segments which are Securities and Derivatives Business, and Financial Advisory Business and investment banking.

The authorised 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 profit or loss and total assets and on a basis consistent with that used to measure operating profit or loss and total assets in the financial statements. However, the Company and its subsidiaries are not allocated operating expenses and income tax expenses to operating segments.

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

The following tables present revenue, and profit information regarding the Company and its subsidiaries' operating segments for the years ended 31 December 2017 and 2016, respectively.

(Unit: Million Baht)

	For the year ended 31 December 2017				
	Securities and derivatives business	Financial advisory business and investment banking	Total reportable segments	Adjustments and eliminations	Total
Revenue from external customers	424	22	446	-	446
Inter-segment revenue	3	16	19	(19)	-
Interest revenue	175	18	193	(5)	188
Interest expenses	(60)	-	(60)	5	(55)
Loss on impairment of investments	(88)	-	(88)	-	(88)
Share of profit from investment in associate	-	1	1	-	1
Segment profit	408	55	463	(19)	444
Unallocated expenses:					
Operating expenses					
Personnel expenses					(316)
Depreciation and amortisation					(14)
Other expenses					(80)
Income tax expenses					(6)
Profit for the year					28

(Unit: Million Baht)

For the year ended 31 December 2016					
	Securities and derivatives business	Financial advisory business and investment banking	Total reportable segments	Adjustments and eliminations	Total
Revenue from external customers	530	41	571	-	571
Inter-segment revenue	4	136	140	(140)	-
Interest revenue	188	37	225	(6)	219
Interest expenses	(67)	-	(67)	6	(61)
Share of profit from investment in associate	-	1	1	-	1
Segment profit	582	214	796	(140)	656
Unallocated expenses:					
Operating expenses					
Personnel expenses					(358)
Depreciation and amortisation					(15)
Other expenses					(85)
Income tax expenses					(39)
Profit for the year					159

The following table presents segment assets of the Company's and its subsidiaries' operating segments as at 31 December 2017 and 2016:

(Unit: Million Baht)

	Securities and derivative business	Financial advisory business and investment banking	Total segments	Unallocated assets	Total
Segment assets					
At 31 December 2017	3,540	2	3,542	413	3,955
At 31 December 2016	3,958	5	3,963	630	4,593

Geographic information

The Company and its subsidiaries are operated in Thailand only. As a result, all of the revenues and assets as reflected in these financial statements pertain to the aforementioned geographical reportable.

Major customers

For the year 2017 and 2016, the Company and its subsidiaries have no major customer with revenue of 10 percent or more of an entity's revenues.

29. Provident fund

The Company and its subsidiaries and their employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. Both employees and the Company and its subsidiaries contributed to the fund monthly at the rate of 3-15 percent of basic salary. The fund, which is managed by UOB Funds (Thailand) Company Limited, will be paid to employees upon termination in accordance with the fund rules.

The contributions from the Company and its subsidiaries for the year 2017 amounting to approximately of Baht 16 million (The Company only: Baht 1 million) (2016: Baht 15 million, The Company only: Baht 1 million) were recognised as expenses.

30. Dividend paid

Dividend	Approved by	Approved dividend per share (Baht)	Interim dividend per share (Baht)	Additional dividend paid per share (Baht)	Total additional dividend paid (Thousand Baht)
Final dividend for 2015	Annual General Meeting of the shareholders on 27 April 2016	0.60	(0.25)	0.35	69,123
Interim dividend for 2016	Board of Directors' Meeting on 10 August 2016	0.25	-	0.25	49,374
					<hr/> <hr/> 118,497
Final dividend for 2016	Annual General Meeting of the shareholders on 21 April 2017	0.65	(0.25)	0.40	78,998
					<hr/> <hr/> 78,998

31. Commitments and contingent liabilities

31.1 The subsidiaries have the outstanding rental and service commitments under long-term lease agreements for its office and equipment as follows:

(Unit: Million Baht)

	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2017	2016	2017	2016
Payable:				
In up to 1 year	29.4	20.6	-	-
In over 1 and up to 5 years	50.4	0.8	-	-

31.2 Trinity Securities Company Limited, the Company's subsidiary, has commitments to pay the fees related to its securities business to the Stock Exchange of Thailand and Thailand Clearing House Company Limited. These comprise a monthly fixed amount and/or a percentage of trading volume each month and/or a percentage of net settlements each month.

31.3 Trinity Securities Company Limited, the Company's subsidiary, has commitments to pay the fees related to its derivatives business to Thailand Futures Exchange Public Company Limited and Thailand Clearing House Company Limited. These comprise a monthly fixed amount and/or at the fixed payment for each purchase or sale of a futures contract transaction.

31.4 Trinity Securities Company Limited, the Company's subsidiary, is required to pay fee to the Office of the Securities and Exchange Commission in relation to securities business licenses for securities brokerage, securities trading, investment advisory, securities underwriting, securities borrowing and lending and private fund asset management. The fee is charged at the certain rate from the aforesaid activities.

31.5 Trinity Securities Company Limited, the Company's subsidiary, has commitments to pay certain service fees to Thailand Securities Depository Company Limited (TSD), as its Back Office Service Bureau. These comprise a monthly fixed amount and certain other fees specified in the agreement.

31.6 As at 31 December 2017 and 2016, the Company's subsidiary has commitments in respect of futures contracts and options traded through the Thailand Futures Exchange as detailed in Note 33.3 to the financial statements.

31.7 Litigation

On 27 July 2017, the subsidiary was sued as a co-defendant in a lawsuit filed by one of its securities business receivables against the subsidiary and two other securities companies for the sale of collateral, as the plaintiff's securities could not be traded on the Stock Exchange of Thailand. The plaintiff sought the return of these assets and asked the Court to suspend the sale of the plaintiff's shares. The Court considered the indictment and took the view that it had no grounds because the plaintiff's securities could not be traded on the Stock Exchange of Thailand, in accordance with the temporary suspension order, and there was not enough evidence to support the issue of a temporary injunction prior to the ruling of the Court. Therefore, the Court dismissed the case. The subsidiary's legal counsellor is of an opinion that there were no grounds and evidence to support the claim made by the plaintiff.

On 19 October 2017, the plaintiff filed a request with the Court again to seek a court injunction to prevent the trading of the plaintiff's shares, and the Court considered the request on the same day. The subsidiary was not aware of such request. The plaintiff provided additional statement to the Court that the shares were not traded through the Stock Exchange of Thailand, so the suspension order made by SEC and SET could not be applied to off-exchange trading. If the subsidiary and two other securities companies offered shares for trading, the plaintiff will suffer damage. Therefore, the Court ordered the suspension of the trading of the plaintiff's shares until ordered otherwise. The subsidiary filed a request to revoke the injunction on 30 October 2017, and in January 2018 there was a mediation, but no agreement could be reached. The Court therefore scheduled a hearing for 26 March 2018.

32. Fair value hierarchy

As at 31 December 2017 and 2016, the Company and its subsidiaries had the assets and liabilities that were measured at fair value using different levels of inputs as follows:

	(Unit: Million Baht)			
	Consolidated financial statements			
	As at 31 December 2017			
	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value				
Investments in trading securities				
Equity securities	136	-	-	136
Debt securities	-	147	-	147
Investments in available-for-sale securities				
Equity securities	84	-	-	84
Unit trusts	5	-	-	5
Debt securities	-	216	-	216

(Unit: Million Baht)

Consolidated financial statements				
As at 31 December 2016				
Level 1	Level 2	Level 3	Total	
Financial assets measured at fair value				
Investments in trading securities				
Equity securities	166	-	-	166
Debt securities	-	79	-	79
Investments in available-for-sale securities				
Equity securities	124	-	-	124
Unit trusts	5	-	-	5
Debt securities	-	102	-	102

(Unit: Million Baht)

Separate financial statements				
As at 31 December 2017				
Level 1	Level 2	Level 3	Total	
Financial assets measured at fair value				
Investments in trading investments				
Equity securities	65	-	-	65
Investments in available-for-sale securities				
Equity securities	84	-	-	84

(Unit: Million Baht)

Separate financial statements				
As at 31 December 2016				
Level 1	Level 2	Level 3	Total	
Financial assets measured at fair value				
Investments in trading investments				
Equity securities	7	-	-	7
Investments in available-for-sale securities				
Equity securities	124	-	-	124

Valuation techniques and inputs to Level 2 valuation

The fair value of investments in debt securities has been determined by using the yield rates of the last working day of the reporting period as announced by the Thai Bond Market Association.

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

33. Financial instruments

33.1 Financial risk management

The Company and its subsidiaries' financial instruments, as defined under Thai Accounting Standard No. 107 "Financial Instruments: Disclosure and Presentations", principally comprise cash and cash equivalents, investments, receivables from Clearing House, securities and derivatives business receivables, other receivables, short-term loans, derivatives assets, payables to Clearing House, securities and derivatives business payables, other payables, derivatives liabilities, and borrowings. The financial risks associated with these financial instruments and how they are managed is described below.

Credit risk

The Company and its subsidiaries are exposed to credit risk primarily with respect to deposits at financial institutions, investments in debt securities, receivables from Clearing House, securities and derivatives business receivables, other receivables, short-term loans to subsidiary and short-term loans to others.

To control this risk, the management set proper policies and procedures for credit control, i.e. an establishment of credit approval authority from those of officer's level to the Credit Committee and Board of Directors; rules regulating a cluster of credit provision to any particular clients/counterparties; specification of securities eligible for credit offer; analysis of debt settlement ability of both clients and counterparties; and an annual review of credit line. In addition, the Company and its subsidiaries' credits are not clustered in any particular group of clients or counterparties given that the Company and its subsidiaries has a large and diversified client base. As a result, the Company and its subsidiaries did not expect to suffer any material adverse affect from its credit provision. However, the maximum exposure to credit risk is limited to the carrying amounts as follows:

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	Financial assets			
Deposits at financial institutions in the name of Company and on behalf of customers	887	957	1	2
Investments in debt securities	363	181	-	-
Receivables from Clearing House	144	231	-	-
Securities and derivatives business receivables	2,784	3,186	-	-
Other receivables	16	18	62	95
Short-term loans to subsidiary	-	-	447	707
Short-term loans to others	132	437	132	452

Interest rate risk

The Company and its subsidiaries' exposure to interest rate risk relates primarily to their deposits at financial institutions, investments in debt securities, securities business receivables - credit balance accounts, loan to, and borrowings. However, since most of the Company and its subsidiaries' financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate. As a result, the interest rate risk is expected to be minimal.

Significant financial assets and liabilities as at 31 December 2017 and 2016 classified by type of interest rates and, for those financial assets and liabilities are categorised by the contractual repricing or maturity date (whichever is earlier) are as follows:

(Unit: Million Baht)

	Consolidated financial statement							Interest rate per annum (%)	
	2017								
	Outstanding balances of net financial instruments							Floating rate	Fixed rate
	Floating interest rate	Fixed interest rate				No interest	Total		
Repricing or maturity dates									
	At call	Within 1 year	1 - 5 years	Over 5 years					
Financial instruments - assets									
Cash and cash equivalents	77	-	-	-	5	82	Savings deposit interest rate	-	
Investments									
- Equity securities	-	-	-	-	233	233	-	-	
- Debt securities	-	-	314	-	49	363	-	2.20 - 5.00	
Receivables from Clearing House	-	-	-	-	144	144	-	-	
Securities and derivatives business receivables	2,227	-	-	-	557	2,784	5.50 -15.00	-	
Other receivables	-	-	-	-	16	16	-	-	
Short-term loans to others	-	-	132	-	-	132	-	MOR plus 0.12 - 2.87	

(Unit: Million Baht)

Consolidated financial statement									
2017									
Outstanding balances of net financial instruments									
	Floating interest rate	Fixed interest rate				No interest	Total	Interest rate per annum (%)	
		Repricing or maturity dates						Floating rate	Fixed rate
		At call	Within 1 year	1 - 5 years	Over 5 years				
Financial instruments - liabilities									
Short-term borrowings from financial institutions	-	702	400	-	-	-	1,102	-	Interbank rate
Securities and derivatives business payables	-	-	-	-	-	377	377	-	-
Other short-term borrowings	-	-	40	-	-	-	40	-	Interbank rate plus 0.30
Unsecured debentures	-	-	635	-	-	-	635	-	2.60 - 3.25
Other payables	-	-	-	-	-	72	72	-	-

(Unit: Million Baht)

Consolidated financial statement									
2016									
Outstanding balances of net financial instruments									
	Floating interest rate	Fixed interest rate				No interest	Total	Interest rate per annum (%)	
		Repricing or maturity dates						Floating rate	Fixed rate
		At call	Within 1 year	1 - 5 years	Over 5 years				
Financial instruments - assets									
Cash and cash equivalents	27	-	8	-	-	20	55	Savings deposit interest rate	12 month - fixed deposit interest rate
Investments									
- Equity securities	-	-	-	-	-	301	301	-	-
- Debt securities	-	-	102	78	1	-	181	-	2.30 - 4.70
Receivables from Clearing House	-	-	-	-	-	231	231	-	-
Securities and derivatives business receivables	2,346	-	-	-	-	840	3,186	5.50 - 15.00	-
Other receivables	-	-	-	-	-	18	18	-	-
Short-term loans to others	-	-	437	-	-	-	437	-	MOR plus 0.25 - 0.75
Financial instruments - liabilities									
Short-term borrowings from financial institutions	-	770	300	-	-	-	1,070	-	Interbank rate
Securities and derivatives business payables	-	-	-	-	-	533	533	-	-
Other short-term borrowings	-	-	841	-	-	-	841	-	Interbank rate plus 0.25 - 0.80
Other payables	-	-	-	-	-	106	106	-	-

(Unit: Million Baht)

Separate financial statement									
2017									
Outstanding balances of net financial instruments									
Floating interest rate	Fixed interest rate					No interest	Total	Interest rate per annum (%)	
	Repricing or maturity dates				Floating rate			Fixed rate	
	At call	Within 1 year	1 - 5 years	Over 5 years					
Financial instruments - assets									
Cash and cash equivalents	-	-	-	-	-	1	1	-	-
Investments									
- Equity securities	-	-	-	-	-	156	156	-	-
Other receivables	-	-	-	-	-	62	62	-	-
Short-term loans to subsidiary	-	447	-	-	-	-	447	-	Savings Deposit interest rate plus 0.60
Short-term loans to others	-	-	132	-	-	-	132	-	MOR plus 0.12 - 2.87
Financial instruments - liabilities									
Short-term loans from subsidiary	-	9	-	-	-	-	9	-	Savings deposit interest rate plus 0.35
Unsecured debentures	-	-	635	-	-	-	635	-	2.60 - 3.25
Other payables	-	-	-	-	-	39	39	-	-

(Unit: Million Baht)

Separate financial statement									
2016									
Outstanding balances of net financial instruments									
Floating interest rate	Fixed interest rate					No interest	Total	Interest rate per annum (%)	
	Repricing or maturity dates				Floating rate			Fixed rate	
	At call	Within 1 year	1 - 5 years	Over 5 years					
Financial instruments - assets									
Cash and cash equivalents	-	-	-	-	-	1	1	-	-
Investments									
- Equity securities	-	-	-	-	-	139	139	-	-
Other receivables	-	-	-	-	-	154	154	-	-
Short-term loans to subsidiary	-	426	-	-	-	-	426	-	Savings Deposit interest rate plus 0.60
Short-term loans to others	-	-	437	-	-	-	437	-	MOR plus 0.25 - 0.75
Financial instruments - liabilities									
Other short-term borrowings	-	-	791	-	-	-	791	-	Interbank plus 0.60 - 0.80
Short-term loans from subsidiary	-	7	-	-	-	-	7	-	Savings deposit interest rate plus 0.35
Other payables	-	-	-	-	-	39	39	-	-

Liquidity risk

Liquidity risk is the risk that the Company and its subsidiaries will be unable to liquidate its financial assets and/or procure sufficient funds to discharge their obligations in a timely manner, resulting in the Company and its subsidiaries incurring a financial loss.

The Company and its subsidiaries' liquidity risk are in connection with their assets and financial obligations. However, given that most of the Company and its subsidiaries' assets and financial obligations are short-term, the liquidity risk is low. To control this risk, the management reviews the net capital ratio report on a daily basis and instructs any departments engaging in new transactions which may have effects on the Company and its subsidiaries' liquidity to check with the Accounting and Finance Department so as to make sure that such transactions will not cause its subsidiary's net capital ratio to be lower than its subsidiary's specified ratio which is higher than that prescribed by the Office of the Securities and Exchange Commission. In case that a financial crisis arises in the Company and its subsidiaries, the management will closely follow up and monitor all transactions.

During the current year, its subsidiary was able to maintain a net capital ratio exceeding the requirement laid down by the Office of Securities and Exchange Commission.

The years of time from the end of reporting date to the maturity dates of financial instruments as of 31 December 2017 and 2016 follows:

(Unit: Million Baht)

	Consolidated financial statement					
	2017					
	Outstanding balances of net financial instruments					
	At call	Within 1 year	1 - 5 years	Over 5 years	No maturity	Total
<u>Financial instruments - assets</u>						
Cash and cash equivalents	82	-	-	-	-	82
Investments						
- Equity securities	-	-	-	-	233	233
- Debt securities	-	314	-	49	-	363
Receivables from Clearing House	-	135	-	-	9	144
Securities and derivatives business						
receivables	-	412	-	-	2,372	2,784
Other receivables	-	16	-	-	-	16
Short-term loans to others	-	132	-	-	-	132
<u>Financial instruments - liabilities</u>						
Short-term borrowings from financial institutions	702	400	-	-	-	1,102
Securities and derivatives business payables	-	377	-	-	-	377
Other short-term borrowings	-	40	-	-	-	40
Unsecured debentures	-	635	-	-	-	635
Other payables	-	72	-	-	-	72

(Unit: Million Baht)

Consolidated financial statement						
2016						
Outstanding balances of net financial instruments						
	At call	Within 1 year	1 - 5 years	Over 5 years	No maturity	Total
Financial instruments - assets						
Cash and cash equivalents	47	8	-	-	-	55
Investments						
- Equity securities	-	-	-	-	301	301
- Debt securities	-	102	78	1	-	181
Receivables from Clearing House	-	211	-	-	20	231
Securities and derivatives business receivables	-	840	-	-	2,346	3,186
Other receivables	-	18	-	-	-	18
Short-term loans to others	-	437	-	-	-	437
Financial instruments - liabilities						
Short-term borrowings from financial institutions	770	300	-	-	-	1,070
Securities and derivatives business payables	-	533	-	-	-	533
Other short-term borrowings	-	841	-	-	-	841
Other payables	-	106	-	-	-	106

(Unit: Million Baht)

Separate financial statement						
2017						
Outstanding balances of net financial instruments						
	At call	Within 1 year	1 - 5 years	Over 5 years	No maturity	Total
Financial instruments - assets						
Cash and cash equivalents	1	-	-	-	-	1
Investments						
- Equity securities	-	-	-	-	156	156
Other receivables	-	62	-	-	-	62
Short-term loans to subsidiary	447	-	-	-	-	447
Short-term loans to others	-	132	-	-	-	132
Financial instruments - liabilities						
Short-term loans from subsidiaries	9	-	-	-	-	9
Unsecured debentures	-	635	-	-	-	635
Other payables	-	39	-	-	-	39

(Unit: Million Baht)

Separate financial statement						
2016						
Outstanding balances of net financial instruments						
	At call	Within 1 year	1 - 5 years	Over 5 years	No maturity	Total
Financial instruments - assets						
Cash and cash equivalents	1	-	-	-	-	1
Investments						
- Equity securities	-	-	-	-	139	139
Other receivables	-	154	-	-	-	154
Short-term loans to subsidiary	426	-	-	-	-	426
Short-term loans to others	-	437	-	-	-	437
Financial instruments - liabilities						
Other short-term borrowings	-	791	-	-	-	791
Short-term loans from subsidiaries	7	-	-	-	-	7
Other payables	-	39	-	-	-	39

Foreign currency risk

A foreign exchange rate risk is a risk arising in case where a financial instrument's value is changed due to a change in the foreign exchange rate. The subsidiary is exposed to this risk due to the fact that it has made certain investments in derivatives denominated in foreign currency. However, the subsidiary entered into a forward contract to mitigate the risk.

Market risk

The Company and its subsidiaries' price fluctuation risk are in connection with investment in securities and derivatives.

To control this risk, the management instructs the Proprietary Committee to stipulate the investment policy and requirements and rules to limit loss (Stop Loss Limit) from the Company and its subsidiaries' proprietary trading. In this regard, the Risk Management and Management Information Department is assigned to follow up the risk management and regularly report results to the Proprietary Committee both on a daily and monthly basis to ensure that the investment risks are acceptable to the Company and its subsidiaries.

33.2 Fair values of financial instruments

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

- a) For financial assets and liabilities which have short-term maturity, including cash and cash equivalents, receivables from Clearing House, securities and derivatives business receivables, other receivables, short-term loans, short-term borrowings, payables to Clearing House, and securities and derivatives business payables, their carrying amounts in the statement of financial position approximate their fair value.
- b) For investment in debts securities, their fair values, are generally derived from quoted market prices or determined by using the yield curve as announced by the Thai Bond Market Association or by other relevant bodies.
- c) For investment in marketable equity securities and derivatives, their fair values, are generally derived from quoted market prices.
- d) For fixed rate debenture, the fair value is estimated by discounting expected future cash flow by the current market interest rate of the loans with similar terms and conditions. The estimated fair value does not significantly differ from the carrying value presenting in the statement of financial position.

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

33.3 Commitments in respect of derivatives trading

As at 31 December 2017 and 2016, the fair values of financial derivatives which are the commitments of Trinity Securities Company Limited, the Company's subsidiary, are as follows:

(Unit: Million Baht)

	2017				
	Remaining period before maturity date				
	1 - 3 months	3 - 6 months	6 - 9 months	10 - 12 months	Total
Futures and Options					
Long position	34	-	-	-	34
Short position	71	-	-	-	71

(Unit: Million Baht)

	2016				
	Remaining period before maturity date				
	1 - 3 months	3 - 6 months	6 - 9 months	10 - 12 months	Total
Futures and Options					
Long position	1	1	-	-	2
Short position	174	23	-	-	197

34. Capital management

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

35. Event after the reporting period

On 23 January 2018, a meeting of the Board of Directors of the Company passed a resolution to propose the warrant issuance and the increase in registered share capital to the extraordinary general meeting of shareholders which will be held on 9 March 2018, with the warrants to be issued to the Company's shareholders, directors, management and employees and its subsidiaries' employees and the proceeds are to be used as working capital and to invest in companies with potential in order to increase investment income. The resolutions were as follows:

1. That the reduction of the Company's registered capital by cancelling 539 authorised but unissued shares amounted to Baht 2,695 from the current registered capital of Baht 987,480,000 to be the new registered capital of Baht 987,477,305 comprising ordinary shares of 197,495,461 shares with a par value of Baht 5 per share, as well as the amendment to Clause 4 of the Memorandum of Association so as to reflect the reduction of the Company's registered capital, be approved.
2. That the issue and offering of warrants representing the right to purchase the newly issued ordinary shares (TNITY-W1) to the existing shareholders proportionate to their respective shareholdings (Right Offering) in the amount of 98,747,730 units, at no cost, be approved.
3. That the issue and offering of warrants to the directors, executives, employees and advisors of the Company and/or subsidiaries in the amount of 30,000,000 units, at no cost, be approved.
4. That the increase of the Company's registered capital for an additional amount of Baht 643,738,650 from the existing amount of Baht 987,477,305 to be the new registered capital of Baht 1,631,215,955, by issuing 128,747,730 new ordinary shares at the par value of Baht 5 per share, as well as the amendment to Clause 4 of the Memorandum of Association so as to reflect the increase of the Company's registered capital be approved.

5. That the allocation of newly issued shares in the amount of not exceeding 98,747,730 shares with a par value of Baht 5 per each in order to accommodate the exercises of the warrants representing the right to purchase the newly issued ordinary shares TNITY-W1, be approved.
6. That the allocation of newly issues shares in the amount of not exceeding 30,000,000 shares with a par value of Baht 5 per each in order to accommodate the exercises of the warrants to the directors, executives and employees of the Company and/or subsidiaries be approved.

On 27 February 2018, the Company's Board of Directors passed a resolution to propose that the Annual General Meeting of shareholders to be held on 24 April 2018 adopt a resolution to pay a year-end dividend of Baht 0.45 per share in respect of the operating result of 2017 and retained earnings, or a total of Baht 88.87 million. The dividend payment is scheduled for 11 May 2018. Such dividend will be paid and recorded after it is approved by the Annual General Meeting of the Company's shareholders.

36. Reclassification

In addition to the restatement of the prior year's financial statements as a result of the adoption of revised financial reporting standard as mentioned in Note 4 to the financial statements, the Company and its subsidiaries have reclassified certain accounts as follows:

	(Unit: Thousand Baht)	
	For the year ended 31 December 2016	
	Consolidated financial statements	
	As reclassified	As previously reported
Premises and equipment expenses	-	62,054
Depreciation and amortisation	14,515	-
Fees and services expenses	74,392	75,414
Other expenses	84,503	35,942

The reclassifications had no effect to previously reported profit or shareholders' equity.

37. Approval of financial statements

These financial statements were authorised for issue by the Company's Board of Directors on 27 February 2018.