

**GMO-Z.com Cryptonomics (Thailand)
Company Limited**

Financial statements for the year ended
31 December 2023
and
Independent Auditor's Report



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Independent Auditor's Report

To the shareholders of GMO-Z.com Cryptonomics (Thailand) Company Limited

Opinion

I have audited the accompanying financial statements of GMO-Z.com Cryptonomics (Thailand) Company Limited ("the Company"), which comprise the statement of financial position as at 31 December 2023, the statements of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, comprising a summary of significant accounting policies.

In my opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 31 December 2023 and its financial performance and its cash flows for the year then ended in accordance with the Thai Financial Reporting Standard.

Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am independent of the Company in accordance with the Federation of Accounting Profession's Code of Ethics for professional Accountants together with the ethical requirements that are relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Material Uncertainty Related to Going Concern

I draw attention to note to financial statements No.3, for the year ended 31 December 2023, the Company incurred a net loss for the year amounting to Baht 103.97 million, deficit of Baht 405.63 million and current liabilities in excess of the current assets amounting to Baht 54.01 million, most such current liabilities consist of short-term loans from related party. Such circumstances indicate the existence of a material uncertainty which may cast significant doubt about the Company's ability to continue as a going concern. However, the Company's management believes that the preparation of the financial statements on a going concern basis is appropriate because the ultimate parent company intends to provide the necessary level of financial support and management is implementing strategic operational plan to enable the Company to continue its operations and to meet its liabilities as they fall due at least 12 months from the end of the reporting period. Hereby, my opinion is not modified in respect of this matter. *Mr.*

Other Matter

The financial statements of the Company for the year ended 31 December 2022, as presented herein for comparative purpose, were audited by another auditor who expressed an unmodified opinion with an emphasis of matter regarding material uncertainty related to going concern and the report of calculation of monthly Net Capital Ratio (Dor Jor. 2 Form) incorrectly in some months according to the Notification of the Office of Securities and Exchange Commission, and accounting adjustments in respect of prior year and adjusted retrospectively for the years ended 31 December 2021 and 2020, as report dated 12 June 2023.

Responsibilities of Management for the Financial Statements

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

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

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 TSAs 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 TSAs, I exercise professional judgment 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. *my*

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

I communicate with management 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.



(Nathaphol Srichakhot)
Certified Public Accountant
Registration No. 12038

PKF Audit (Thailand) Ltd.
Bangkok
27 March 2024

GMO-Z.com Cryptonomics (Thailand) Company Limited

Statement of financial position

As at 31 December 2023

Assets	Note	2023	2022
		(in Baht)	
Current assets			
Cash and cash equivalents	6, 24	48,588,987	47,956,039
Current investment	7, 24, 26	607,989	605,740
Other current receivables	8	1,988,362	3,247,060
Other current assets	9	16,340,969	11,871,123
Total current assets		67,526,307	63,679,962
Non-current assets			
Digital assets	10	38,330,735	25,460,685
Leasehold improvement and equipment	11	6,125,165	6,511,638
Intangible assets	12	63,697,753	52,245,148
Right-of-used assets	13	917,535	3,003,934
Other non-current financial assets	24	261,746	188,344
Total non-current assets		109,332,934	87,409,749
Total assets		176,859,241	151,089,711

GMO-Z.com Cryptonomics (Thailand) Company Limited

Statement of financial position

As at 31 December 2023

Liabilities and equity	Note	2023	2022
		(in Baht)	
Current liabilities			
Trade and other current payables	15, 24	15,544,146	12,172,586
Custodial funds and digital assets due to customers	16, 24	25,055,680	16,987,095
Short-term loans from related party	5, 24	80,000,000	80,000,000
Lease liabilities - current portion	17, 24	390,342	2,118,912
Other current liabilities		550,689	502,985
Total current liabilities		121,540,857	111,781,578
Non-current liabilities			
Lease liabilities - net of current portion	17, 24	-	413,733
Non-current provisions for employee benefits	18	1,946,898	1,198,695
Deferred tax liabilities	14	730,212	508,564
Provision for decommissioning cost		786,484	740,512
Total non-current liabilities		3,463,594	2,861,504
Total liabilities		125,004,451	114,643,082
Equity			
Share capital:	19		
Authorised share capital			
4,554,000 ordinary shares of Baht 100 each			
(2022 : 3,354,000 ordinary shares of Baht 100 each		455,400,000	335,400,000
Issued and paid-up capital			
4,554,000 ordinary shares of Baht 100 each			
(2022 : 3,354,000 ordinary shares of Baht 100 each		455,400,000	335,400,000
Deficits		(405,627,104)	(300,793,394)
Other components of equity		2,081,894	1,840,023
Total equity		51,854,790	36,446,629
Total liabilities and equity		176,859,241	151,089,711

GMO-Z.com Cryptonomics (Thailand) Company Limited

Statement of comprehensive income

For the year ended 31 December 2023

	Note	2023	2022
		(in Baht)	
Income			
Revenue from fee and rendering of services		964,672	267,994
Other income		328,620	556,379
Gain from exchange rate		534,500	207,647
Total income		1,827,792	1,032,020
Expenses			
Cost of rendering services		49,577,750	53,061,281
Distribution costs		4,449,479	1,734,613
Administrative expenses	21	51,807,227	45,706,801
(Reversal of) loss on revaluation of digital assets	20	(2,680,134)	2,336,761
Total expenses	20	103,154,322	102,839,456
Loss before financial cost and income tax expense		(101,326,530)	(101,807,436)
Finance cost		2,479,056	2,406,173
Loss before income tax expense		(103,805,586)	(104,213,609)
Income tax expense	22	161,179	160,411
Loss for the year		(103,966,765)	(104,374,020)
Other comprehensive income (expense)			
Items that will not be reclassified to profit or loss			
(Reversal of) gain on revaluation of digital assets		(564,605)	555,189
Gain on remeasurement of defined employee benefit plan	18	-	1,214,690
Income tax relating to items that will not be reclassified to profit or loss	14	(60,469)	(111,038)
Other comprehensive income (expense) for the year, net of tax		(625,074)	1,658,841
Total comprehensive income (expense) for the year		(104,591,839)	(102,715,179)
Loss per share			
Basic loss per share	23	(26.07)	(35.95)

GMO-Z.com Cryptonomics (Thailand) Company Limited

Statement of changes in equity

For the year ended 31 December 2023

	Note	Other components of equity					Net	Total equity
		Issued and paid-up share capital	Retained earnings (deficit)	Gain on revaluation of digital assets	Gain on remeasurement of defined employee benefit plan (in Baht)	Tax relating to components of other comprehensive income		
For the year ended 31 December 2022								
Balance at 1 January 2022		265,400,000	(197,286,319)	1,093,422	-	(218,684)	874,738	68,988,419
Transactions with owners, recorded directly in equity								
Contributions by owners								
Issue of ordinary shares	19	70,000,000	-	-	-	-	-	70,000,000
Total transactions with owners, recorded directly in equity		70,000,000	-	-	-	-	-	70,000,000
Comprehensive income (expense) for the year								
Loss for the year		-	(104,374,020)	-	-	-	-	(104,374,020)
Other comprehensive income (expense)		-	-	555,189	1,214,690	(111,038)	1,658,841	1,658,841
Transfer gain on revaluation of digital assets to deficits		-	866,945	(866,945)	-	173,389	(693,556)	173,389
Total comprehensive income (expense) for the year		-	(103,507,075)	(311,756)	1,214,690	62,351	965,285	(102,541,790)
Balance at 31 December 2022								
		335,400,000	(300,793,394)	781,666	1,214,690	(156,333)	1,840,023	36,446,629

GMO-Z.com Cryptonomics (Thailand) Company Limited

Statement of changes in equity

For the year ended 31 December 2023

	Note	Other components of equity						Total equity
		Issued and paid-up share capital	Retained earnings (deficit)	(Reversal of) gain on revaluation of digital assets	Gain on remeasurement of defined employee benefit plan (in Baht)	Tax relating to components of other comprehensive income	Net	
For the year ended 31 December 2023								
Balance at 1 January 2023 - as reported		335,400,000	(300,793,394)	781,666	1,214,690	(156,333)	1,840,023	36,446,629
Impact of reclassification	26	-	(866,945)	866,945	-	-	866,945	-
Balance at 1 January 2023 - adjusted		335,400,000	(301,660,339)	1,648,611	1,214,690	(156,333)	2,706,968	36,446,629
Transactions with owners, recorded directly in equity								
Contributions by owners								
Issue of ordinary shares	19	120,000,000	-	-	-	-	-	120,000,000
Total transactions with owners, recorded directly in equity		120,000,000	-	-	-	-	-	120,000,000
Comprehensive income (expense) for the year								
Loss for the year		-	(103,966,765)	-	-	-	-	(103,966,765)
Other comprehensive income (expense)		-	-	(564,605)	-	(60,469)	(625,074)	(625,074)
Total comprehensive income (expense) for the year		-	(103,966,765)	(564,605)	-	(60,469)	(625,074)	(104,591,839)
Balance at 31 December 2023		455,400,000	(405,627,104)	1,084,006	1,214,690	(216,802)	2,081,894	51,854,790

GMO-Z.com Cryptonomics (Thailand) Company Limited

Statement of cash flows

For the year ended 31 December 2023

	Note	2023	2022
		(in Baht)	
Cash flows from operating activities			
Loss for the year		(103,966,765)	(104,374,020)
<i>Adjustments to reconcile net profit (loss) to net cash provided by (paid from) operating activities:</i>			
Tax expense	22	161,179	160,411
Unrelized gain from exchange rate		(202,295)	-
Depreciation of leasehold improvement and equipment	11	1,416,882	1,315,454
Depreciation of right-of-used assets	13	2,086,399	2,365,863
Amortization	12	5,498,550	3,791,024
Provision for long-term employee benefits	18	748,203	1,129,968
Finance costs		2,479,056	2,406,173
Write-off of withholding tax		1,433	-
Loss on write-off of assets		13,804	30,363
Gain on disposal of assets		(210)	-
Interest income		(209,424)	(43,632)
Loss from operating activities before changes in operating assets and liabilities		(91,973,188)	(93,218,396)
<i>Operating assets (increase) decrease</i>			
Current investment		(2,249)	(2,240)
Other current receivables		1,258,698	(468,058)
Changes in digital assets (cost)		(5,070,965)	15,179,824
Other current assets		(4,471,279)	(4,716,908)
Other non-current financial assets		(73,402)	(90,307)
<i>Operating liabilities increase (decrease)</i>			
Trade and other current payables		(177,757)	(3,741,839)
Other current liabilities		47,696	(133,521)
Cash used in operating activities		(100,462,446)	(87,191,445)
Cash received from interest income		209,424	43,632
Net cash flows used in operating activities		(100,253,022)	(87,147,813)

GMO-Z.com Cryptonomics (Thailand) Company Limited

Statement of cash flow

For the year ended 31 December 2023

	Note	2023	2022
		(in Baht)	
<i>Cash flows from investing activities</i>			
Acquisition of leasehold improvement and equipment		(1,052,297)	(261,835)
Acquisition of intangible assets		(15,849,420)	(12,252,449)
Cash received from disposal of assets		8,294	-
Net cash flows used in investing activities		(16,893,423)	(12,514,284)
<i>Cash flows from financing activity</i>			
Repayment of liabilities under lease agreements	13	(2,220,607)	(2,155,603)
Proceeds from issue of shares	19	120,000,000	70,000,000
Proceeds from short-term loans from related party	5	-	10,000,000
Net cash flows from financing activity		117,779,393	77,844,397
Net increase (decrease) in cash and cash equivalents		632,948	(21,817,700)
Cash and cash equivalents as at 1 January	6	47,956,039	69,773,739
Cash and cash equivalents as at 31 December	6	48,588,987	47,956,039
<i>Non-cash transactions</i>			
Changes in fair value of digital assets		3,849,149	365,371
Increase intangible asset payables		1,101,735	1,517,929
Increase in right-of-use assets		-	1,908,469

GMO-Z.com Cryptonomics (Thailand) Company Limited

Notes to the financial statements

For the year ended 31 December 2023

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GMO-Z.com Cryptonomics (Thailand) Company Limited

Notes to the financial statements

For the year ended 31 December 2023

These notes form an integral part of the financial statements.

The financial statements issued for Thai statutory and regulatory reporting purposes are prepared in the Thai language. These English language financial statements have been prepared from the Thai language statutory financial statements and were approved and authorised for issue by the Directors of the Company on 27 March 2024.

1 General information

GMO-Z.com Cryptonomics (Thailand) Company Limited (the “Company”) is incorporated in Thailand and has its registered office at 1, Fortune Town Building, 22nd floor, Ratchadapisek Road, Din Dang Sub-district, Din-Dang District, Bangkok.

The Company’s ultimate parent company and parent company during the financial year were GMO Internet Group, Inc. (49.00% of shareholding), incorporated in Japan and GMO-Z Com Holdings (Thailand) Company Limited (50.90% of shareholding), incorporated in Thailand, respectively.

The principal activities of the Company are digital assets business operators. The Company has been approved as a digital assets business operator by the Securities and Exchange Commission for cryptocurrency and digital token broker and cryptocurrency and digital token exchange center.

2 Basis of preparation of the financial statements

2.1 Statement of compliance

The financial statements are prepared in accordance with Thai Financial Reporting Standards (“TFRS”), guidelines promulgated by the Federation of Accounting Professions and applicable rules and regulations of the Thai Securities and Exchange Commission.

2.2 Basis of measurement

The financial statements have been prepared on the historical cost basis except for the following items.

<i>Items</i>	<i>Measurement bases</i>
Digital assets	Fair value revaluation
Defined benefit liability	Present value of the defined benefit obligation

2.3 Functional and presentation currency

The financial statements are presented in Thai Baht, which is the Company’s functional currency.

All financial information are presented in Thai Baht in the notes to the financial statements unless otherwise stated.

The financial statements in English language have been translated from the Thai language financial statements. In the event of any conflict or different interpretation in the two languages, the Thai version of the financial statements, in accordance with Thai laws will prevail.

GMO-Z.com Cryptonomics (Thailand) Company Limited

Notes to the financial statements

For the year ended 31 December 2023

2.4 Use of judgements and estimates

The preparation of financial statements in conformity with TFRS requires management to make judgements, estimates and assumptions that affect the application of the Company's accounting policies. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

2.4.1 Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements is included in the following notes:

Note 4.8	Leases: <ul style="list-style-type: none">- whether an arrangement contains a lease;- whether the Company is reasonably certain to exercise extension options;- whether the Company exercise termination options;- whether the Company has transferred substantially all the risks and rewards incidental to the ownership of the assets to lessees or sub-lessees.
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2.4.2 Assumptions and estimation uncertainties

Information about assumption and estimation uncertainties that have a significant risk of resulting in a material adjustment to the carrying amounts in the financial statements are included in the following notes:

Note 4.6, 4.7 and 4.8	Estimation useful life of assets;
Note 4.8	Determining the incremental borrowing rate to measure lease liabilities;
Note 4.9	Measurement of ECL allowance for account receivables;
Note 4.11	Measurement of defined benefit obligations: key actuarial assumptions;
Note 4.13	Determining the fair value of financial instruments on the basis of significant unobservable inputs;
Note 4.17	Recognition of deferred tax assets: availability of future taxable profit against which deductible temporary differences and tax losses carried forward can be utilized.

GMO-Z.com Cryptonomics (Thailand) Company Limited

Notes to the financial statements

For the year ended 31 December 2023

3 Use of going concern basis of accounting

For the year ended 31 December 2023, the Company incurred a net loss for the year amounting to Baht 103.97 million, deficit of Baht 405.63 million, and current liabilities in excess of the current assets amounting to Baht 54.01 million, most such current liabilities consist of short-term loans from related party. Such circumstances indicate the existence of a material uncertainty which may cast significant doubt about the Company's ability to continue as a going concern. However, the Company's management believes that the preparation of the financial statements on a going concern basis is appropriate because the ultimate parent company intends to provide the necessary level of financial support and management is implementing strategic operational plan to enable the Company to continue its operations and to meet its liabilities as they fall due at least 12 months from the end of the reporting period. Accordingly, the financial statements do not include any adjustments relating to the recoverability and classifications of recorded assets amounts or to amounts and classifications of liabilities that may be necessary if the Company is unable to continue as a going concern.

4 Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

4.1 Foreign currencies

Foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currencies of Company entities at exchange rates at the dates of the transactions.

Monetary assets and liabilities at the reporting date denominated in foreign currencies are translated to Thai Baht at the exchange rate at the date.

Non-monetary assets and liabilities measured at cost in foreign currencies are translated to the functional currency at the exchange rates at the dates of the transactions.

Foreign currency differences are generally recognised as profit or loss.

4.2 Financial instruments

4.2.1. Recognition and initial measurement

Trade receivables, debt securities issued and trade payables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset and financial liability (unless it is a trade receivable without a significant financing component or measured at FVTPL) is initially measured at fair value plus transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price. A financial asset and a financial liability measured at FVTPL are initially recognised at fair value.

GMO-Z.com Cryptonomics (Thailand) Company Limited

Notes to the financial statements

For the year ended 31 December 2023

4.2.2. Classification and subsequent measurement

Financial assets - classification

On initial recognition, a financial asset is classified as measured at: amortised cost; fair value to other comprehensive income (FVOCI); or fair value to profit or loss (FVTPL).

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets, in which case all affected financial assets are reclassified prospectively from the reclassification date.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cashflows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets - business model assessment

The Company makes an assessment of the objective of a business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Company's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated - e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

GMO-Z.com Cryptonomics (Thailand) Company Limited

Notes to the financial statements

For the year ended 31 December 2023

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Company's continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial assets - assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment,

'principal' is defined as the fair value of the financial asset on initial recognition.

'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Company considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable-rate features; and
- terms that limit the Company's claim to cash flows from specified assets (e.g. non-recourse features).

Financial assets - subsequent measurement and gains and losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Financial liabilities - classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

GMO-Z.com Cryptonomics (Thailand) Company Limited

Notes to the financial statements

For the year ended 31 December 2023

Derecognition

Financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Company enters into transactions whereby it transfers assets recognised in its statement of financial position, but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognised.

Financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Company also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

4.3 Cash and cash equivalents

Cash and cash equivalents in the statements of cash flows comprise cash balances, call deposits and highly liquid short-term investments, including restricted deposits at financial institution and customer custodial funds which separated from the Company's accounts and with restriction.

4.4 Other current receivables

A receivable is recognised when the Company has an unconditional right to receive consideration. If revenue has been recognised before the Company has an unconditional right to receive consideration, the amount is presented as a contract asset.

A receivable is measured at transaction price less allowance for expected credit loss which is determined based on an analysis of payment histories and future expectations of customer payments. Bad debts are written off when incurred (if any).

GMO-Z.com Cryptonomics (Thailand) Company Limited

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For the year ended 31 December 2023

4.5 Digital assets

The Financial Reporting Standards and accounting guidance regarding digital asset are still evolving. The Company has considered and evaluated digital asset transactions from core operation as cryptocurrency and digital token broker and cryptocurrency and digital token exchange center. According to current Financial Reporting Standards interpretation and the Agenda Decisions, June 2019 by the IFRS Interpretations Committee, the Company recognized the digital assets as follows;

- accounted for under TAS38 Intangible Assets, as an intangible asset with an indefinite useful life, initially measured at cost, deemed to be the fair value upon receipt, and subsequently measured under the revaluation model.

Revaluation model

Revaluation value is fair value at the revaluation date less impairment losses (no amortisation is provided on digital assets with an indefinite useful life). The fair value of digital assets using the closing rate (in US Dollar) of the day from trustworthy central website, and calculated weighted-average price from various sources and translated to Thai Baht at the foreign exchange rates ruling by Bank of Thailand at the same date.

Increase in the digital assets' carrying amount is recognised in other comprehensive income and presented under "Gain on revaluation of digital assets" accumulated other comprehensive income in other components of equity (except, in case of the increases are recognised in profit or loss to the extent that it reverses a revaluation decrease of digital assets previously recognised in profit or loss.) A decrease in value is recognised in profit or loss to the extent it exceeds an increase previously recognised in other comprehensive income. Upon disposal of a revalued digital asset, any related gain on revaluation of digital assets is transferred directly to retained earnings and is not taken into account in calculating the gain or loss on disposal.

The fair value measurement is categorised as level 2 in the fair value hierarchy.

Digital assets are shown in gross balance of company's asset and customers' asset. The Company is a coordinator of digital asset wallet to third-party custodian who qualified under the announcements by the Securities and Exchange Commission ("SEC"). The SEC emphasized on cybersecurity whereby the Company securely controls the private key and assesses the risk level of loss or theft of private key at extremely unlikely due to; (1) it has no known or historical experience of risk to use as a basis of measurement (2) it accounts for and continually verifies the amount of digital assets within its controls (3) it has established cybersecurity complied with rules and regulations of the SEC.

- accounted as prepayment included under other current receivables in statement of financial position, for the digital assets which hold for system testing and transaction fee on blockchain. Prepayment is measured at cost.

Therefore, the Company will re-evaluate the accounting policy for digital assets regularly and adjust if appropriate when the new financial reporting standards and accounting guidance have been announced or changed in the Company's business practice.

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For the year ended 31 December 2023

4.6 Leasehold improvement and equipment

Recognition and measurement

Owned assets

Leasehold improvement and equipment are stated at cost less accumulated depreciation and impairment losses (if any).

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and any other costs directly attributable to bringing the assets to a working condition for their intended use, the costs of dismantling and removing the items and restoring the site on which they are located and capitalised borrowing costs. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

When parts of an item of leasehold improvement and equipment have different useful lives, they are accounted for as separate items (major components) of leasehold improvement and equipment.

Any gains and losses on disposal of item of leasehold improvement and equipment are determined by comparing the proceeds from disposal with the carrying amount of leasehold improvement and equipment, and are recognised as profit or loss.

Subsequent costs

The cost of replacing a part of an item of leasehold improvement and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company, and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of leasehold improvement and equipment are recognised as profit or loss as incurred.

Depreciation

Depreciation is calculated based on the depreciable amount, which is the cost of an asset, or other amount substituted for cost, less its residual value.

Depreciation is charged to profit or loss on a straight-line basis over the estimated useful lives of each component of an item of assets. The estimated useful lives are as follows:

Leasehold improvements	20 years
Furniture and office equipment	5 years
Computer equipment	5 years

No depreciation is provided on assets under construction.

Depreciation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

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4.7 Intangible Assets

Research and development

Expenditure on research activities, undertaken with the prospect of gaining new scientific or technical knowledge and understanding, is recognised in profit or loss as incurred.

Development activities involve a plan or design for the production of new or substantially improved products and processes. Development expenditure is capitalised only if development costs can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Company intends to and has sufficient resources to complete development and to use or sell the asset. The expenditure capitalised includes the cost of materials, direct labour, overhead costs that are directly attributable to preparing the asset for its intended use, and capitalised borrowing costs. Other development expenditure is recognised in profit or loss as incurred.

Capitalised development expenditure is measured at cost less accumulated amortisation and accumulated impairment losses.

Other intangible assets

Other intangible assets that are acquired by the Company and have finite useful lives are measured at cost less accumulated amortisation and accumulated impairment losses (if any).

Intangible assets with indefinite useful life consist of digital assets business licenses which are tested for impairment annually and whenever there is an indication that the intangible assets may be impaired and allowance for impairment is recognised (if any).

Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates.

Amortisation

Amortisation is based on the cost of the asset, or other amount substituted for cost, less its residual value.

Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful lives of intangible assets, other than goodwill, from the date that they are available for use, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset. The estimated useful lives are as follows:

Computer software	5 and 10 years
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Amortisation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

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4.8 Lease

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. To assess whether a contract conveys the right to control the use of an identified asset, the Company uses the definition of a lease in TFRS 16.

As a lessee

At commencement or on modification of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. However, for the leases of property the Company has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The Company recognises a right-of-use asset and a lease liability at the lease commencement date, except for leases of low-value assets and short-term leases which is recognised as an expense on a straight-line basis over the lease term.

Right-of-use asset is measured at cost, less any accumulated depreciation and impairment loss, and adjusted for any remeasurements of lease liability. The cost of right-of-use asset includes the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of restoration costs, less any lease incentives received. Depreciation is charged to profit or loss on a straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Company by the end of the lease term or the cost of the right-of-use asset reflects that the Company will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. The lease payments included fixed payments less any lease incentive receivable.

The Company determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in lease term, change in lease payments, change in the estimate of the amount expected to be payable under a residual value guarantee, or a change in the assessment of purchase, extension or termination options. When the lease liability is remeasured, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

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4.9 Impairment of financial assets

The Company recognises allowances for expected credit losses (ECLs) on financial assets measured at amortised cost (including cash and cash equivalents, trade receivables and other current receivables, loans to others and related parties), debt investments measured at FVOCI, contract assets, lease receivables, and loan commitments issued which are not measured at FVTPL.

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Company expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

ECLs are measured on either of the following bases:

- 12-month ECLs: these are losses that are expected to result from possible default events within the 12 months after the reporting date; or
- lifetime ECLs: these are losses that are expected to result from all possible default events over the expected lives of a financial instrument.

Loss allowances for trade receivables, lease receivables and contract assets are always measured at an amount equal to lifetime ECLs. ECLs on these financial assets are estimated using a provision matrix based on the Company's historical credit loss experience, adjusted for factors that are specific to the debtors and an assessment of both current and forecast general economic conditions at the reporting date.

Loss allowances for all other financial instruments, the Company recognises ECLs equal to 12-month ECLs unless there has been a significant increase in credit risk of the financial instrument since initial recognition or credit-impaired financial assets, in which case the loss allowance is measured at an amount equal to lifetime ECLs.

The maximum period considered when estimating ECLs is the maximum contractual period over which the Company is exposed to credit risk.

The Company assumes that the credit risk on a financial asset has increased significantly if it is overdue, significant deterioration in financial instruments's credit rating, significant deterioration in the operating results of the debtor and existing or forecast changes in the technological, market, economic or legal environment that have a significant adverse effect on the debtor's ability to meet its obligation to the Company.

The Company considers a financial asset to be in default when:

- the debtor is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realising security (if any is held); or
- the financial asset is overdue.

Depending on the nature of the financial instruments, the assessment of a significant increase in credit risk is performed on either an individual basis or a collective basis. When the assessment is performed on a collective basis, the financial instruments are evaluated based on shared credit risk characteristics, such as past due status and credit risk ratings.

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ECLs are remeasured at each reporting date to reflect changes in the financial instrument's credit risk since initial recognition. Increased in loss allowance is recognised as an impairment loss in profit or loss. Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets. For debt securities at FVOCI, the Company recognises an impairment loss in profit or loss with the corresponding entry in other comprehensive income.

Credit-impaired financial assets

At reporting date, the Company assesses whether financial assets carried at amortised cost and debt securities at FVOCI are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Evidence of credit-impairment includes significant financial difficulty, a breach of contract such as past due, and the probability the debtor will enter bankruptcy.

Write-off

The gross carrying amount of a financial asset is written off when the Company has no reasonable expectations of recovering. Subsequent recoveries of an asset that was previously written off, are recognised as a reversal of impairment in profit or loss in the period in which the recovery occurs.

4.10 Impairment of non-financial assets

The carrying amounts of the Company's assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amounts are estimated. For goodwill and intangible assets that have indefinite useful lives or are not yet available for use, the recoverable amount is estimated each year at the same time.

An impairment loss is recognised if the carrying amount of an asset exceeds its recoverable amount. The impairment loss is recognised in profit or loss unless it reverses a previous revaluation credited to equity, in which case it is charged to equity.

Calculation of recoverable amount

The recoverable amount of a non-financial asset is the greater of the asset's value in use and fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

Reversal of impairment

Impairment losses recognised in prior periods in respect of other non-financial assets are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

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4.11 Employee benefit

Defined contribution plan

Obligations for contributions to defined contribution plans are expensed as the related service is provided.

Defined benefit plans

The Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount.

The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. To calculate the present value of economic benefits, consideration is given to any application minimum funding requirements.

Remeasurements of the net defined benefit liability, actuarial gain or loss are recognised immediately in OCI. The Company determines the interest expense on the net defined benefit liability for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period, taking into account any changes in the net defined benefit liability during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in profit or loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

4.12 Provisions

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as a finance cost.

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4.13 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 market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Company has access at that date. The fair value of a liability reflects its non-performance risk.

A number of the Company’s accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

When one is available, the Company measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as ‘active’ if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

If there is no quoted price in an active market, then the Company uses valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The chosen valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

If an asset or a liability measured at fair value has a bid price and an ask price, then the Company measures assets and long positions at a bid price and liabilities and short positions at an ask price.

The best evidence of the fair value of a financial instrument on initial recognition is normally the transaction price - i.e. the fair value of the consideration given or received. If the Company determines that the fair value on initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique for which any unobservable inputs are judged to be insignificant in relation to the measurement, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value on initial recognition and the transaction price. Subsequently, that difference is recognised in profit or loss on an appropriate basis over the life of the instrument but no later than when the valuation is wholly supported by observable market data or the transaction is closed out.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: inputs for the asset or liability that are based on unobservable input.

If the inputs used to measure the fair value of an asset or liability might be categorised in different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

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For the year ended 31 December 2023

4.14 *Share capital*

Ordinary shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effects.

4.15 *Revenue*

Revenue is recognised when a customer obtains control of the goods or services in an amount that reflects the consideration to which the Company expects to be entitled, excluding those amounts collected on behalf of third parties, value added tax and is after deduction of any trade discounts.

Trading fee

Revenue from trading fee from digital asset exchange platform is recognized at a point in time when the Company has satisfied its performance obligation to the customer, and recognized based on rate agreed with customers.

Revenue for rendering of services

Revenue from rendering of services is recognised over time as the services are provided. The stage of completion is assessed based on surveys of work performed. The related costs are recognised in profit or loss when they are incurred.

Commission revenue

For the contracts that the Company is arranging for the provision of the goods or services on behalf of its customers and does not control the goods or services before the primary sellers or service providers will provide the goods or services to the customers. The Company acts in the capacity of an agent and recognises the net amount of consideration as commission revenue.

4.16 *Other income*

Other income comprises interest income and others and recognised as revenue in profit and loss on accrued basis.

4.17 *Income tax*

Income tax expense for the year comprises current and deferred tax. Current and deferred tax are recognised in profit or loss except to the extent that they relate to a business combination, or items recognised directly in equity or in other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

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Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the following temporary differences: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss.

The measurement of deferred tax reflects the tax consequences that would follow the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

In determining the amount of current and deferred tax, the Company takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. The Company believes that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors, including interpretations of tax law and prior experience. This assessment relies on estimates and assumptions and may involve a series of judgements about future events. New information may become available that causes the Company to change its judgement regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact tax expense in the period that such a determination is made.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis, or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognise a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans for individual subsidiaries in the Company. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realised.

4.18 Earnings (loss) per share

The Company presents basic earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period, adjusted for own shares held.

4.19 Related parties

A related party is a person or entity that has direct or indirect control, or has significant influence over the financial and managerial decision-making of the Company; a person or entity that are under common control or under the same significant influence as the Company; or the Company has direct or indirect control or has significant influence over the financial and managerial decision-making of a person or entity.

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5 Related parties

For the purposes of these financial statements, parties are considered to be related to the Company if the Company has the ability, directly or indirectly, to control or joint control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Company and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

Relationship with key management and other related parties are as follows:

Related parties	Country of incorporation/ nationality	Nature of relationships
Key management personnel	Japanese and Thai	Persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of the Company.
GMO Internet Group, Inc.	Japan	Ultimate parent company
GMO-Z Com Holding (Thailand) Company Limited	Thai	Parent company
GMO-Z Com Netdesign Holdings Company Limited	Thai	Common director
GMO-Z Com Runsystem JSC Company Limited	Vietnam	Related company under common control
GMO GlobalSign Holding K.K. Company Limited	Japan	Related company under common control
Netdesign Host Company Limited	Thai	Common director

The pricing policies for particular types of transactions are explained further below:

Transactions	Pricing policies
Purchase/sales of assets	Agreed price
Interest expense	2.50% - 3.00% per annum (2022: 2.50% - 3.00% per annum)
Cost of services	Agreed price
Management fee	Agreed price
Consultant fee	Agreed price
Distribution cost and administrative expenses	Agreed price
Key management personnel compensation	As determined and approved by the internal meeting

Significant transactions for the year ended 31 December 2023 and 2022 with related parties were as follows:

For the year ended 31 December	2023	2022
	(in Baht)	
Ultimate parent company		
Service fee	3,243,772	4,003,228
Interest expense	2,350,000	2,132,877

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<i>For the year ended 31 December</i>	2023	2022
<i>Related parties</i>		
Cost of services	11,798,877	14,386,030
Service fee	133,026	2,831
System maintenance fees	9,875,605	12,695,743
Outsourcing fee	84,000	256,500
Marketing fee	235,396	-
Purchase of intangible assets	14,241,948	11,384,895
 <i>For the year ended 31 December</i>	 2023	 2022
	<i>(in Baht)</i>	
<i>Key management personnel</i>		
Key management personnel		
Short-term employee benefits	1,560,000	3,560,000
Termination benefits	-	1,000,000
Post-employment benefits	-	249,385
Total key management personnel compensation	1,560,000	4,809,385

Balances as at 31 December 2023 and 2022 with related parties were as follows:

	2023	2022
	<i>(in Baht)</i>	
<i>Ultimate parent company</i>		
Trade and other current payable	220,757	331,493
Accrued interest	5,334,384	2,984,384
Short-term loans from related party	80,000,000	80,000,000
 <i>Related parties</i>		
Trade and other current payables	3,130,878	2,836,471

Movements during the year ended 31 December 2023 and 2022 of short-term loans from ultimate parent company were as follows:

	2023	2022
	<i>(in Baht)</i>	
At 1 January	80,000,000	70,000,000
Addition	-	10,000,000
At 31 December	80,000,000	80,000,000

During 2023, short-term loans from ultimate parent company bears interest at 2.50% - 3.00% per annum (2022: 2.50% - 3.00% per annum).

Short-term loan agreements from ultimate parent company in amount of Baht 80 million has condition specified in the contract to extend the term of the agreement which repaid at call under the condition about cash flows of the Company.

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6 Cash and cash equivalents

	2023	2022
	<i>(in Baht)</i>	
Cash on hand	-	485
Cash at banks - savings accounts	44,569,960	44,469,384
Cash at banks - current accounts	912,324	120,020
Customer custodial funds	3,106,703	3,366,150
Total	48,588,987	47,956,039

Customer custodial funds represent restricted cash maintained in segregated Company bank accounts that are held for the exclusive benefit of customers for use in the Company's service.

Restricted cash at financial institutions

As of 31 December 2023, saving deposits in the amount of Baht 0.50 million were used as collateral for a credit line with a domestic financial institution.

7 Current investment

	2023	2022	2023	2022
	<i>(interest rate, % per annum)</i>		<i>(in Baht)</i>	
Short-term deposits - fixed accounts	0.750-0.950	0.375	607,989	605,740
			607,989	605,740

Restricted cash at financial institutions

As of 31 December 2023, fixed deposits in the amount of Baht 0.60 million were used as collateral for a credit line with a domestic financial institution.

8 Other current receivables

	2023	2022
	<i>(in Baht)</i>	
Prepaid expense – software service	1,524,574	2,626,704
Prepayment - digital assets	3,364	192,630
Others	460,424	427,726
Total	1,988,362	3,247,060

9 Other current assets

	2023	2022
	<i>(in Baht)</i>	
Revenue Department receivable	15,780,271	11,510,155
Undue input VAT	557,171	359,535
Others	3,527	1,433
Total	16,340,969	11,871,123

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10 Digital assets

Digital assets as at 31 December 2023 and 2022 are as follows;

	Cost	Add (Less) Fair value adjustment (in Baht)	Total
As at 31 December 2023			
Digital assets - Company	13,919,212	2,462,546	16,381,758
Digital assets - Customer	6,073,159	15,875,818	21,948,977
Total	19,992,371	18,338,364	38,330,735

As at 31 December 2022			
Digital assets - Company	13,518,077	(1,678,337)	11,839,740
Digital assets - Customer	43,190,889	(29,569,944)	13,620,945
Total	56,708,966	(31,248,281)	25,460,685

For the year ended 31 December

	2023	2022
		(in Baht)
Cost of digital assets which recorded as expenses and included in cost of services		
- Cost of services	175,731	57,577
Total	175,731	57,577

The fair value measurement of digital assets is categorised as level 2 in the fair value hierarchy. Digital assets of the Company and customer in fair value as at the date of approved and authorised for issuance of financial statements for 31 December 2023, amounting to Baht 19,650,102 and 34,842,876, respectively.

GMO-Z.com Cryptonomics (Thailand) Company Limited

Notes to the financial statements

For the year ended 31 December 2023

11 Leasehold improvement and equipment

	Leasehold improvement	Furniture and office equipment	Computer equipment (in Baht)	Assets under construction	Total
Cost					
At 1 January 2022	4,464,789	1,241,421	4,144,256	-	9,850,466
Additions	-	75,039	186,796	-	216,835
Disposals	-	(7,415)	(1,673)	-	(9,088)
At 31 December 2022 and 1 January 2023	4,464,789	1,309,045	4,329,379	-	10,103,213
Additions	-	53,129	817,268	181,900	1,052,297
Disposals/Write-off	-	(39,926)	(44,944)	-	(84,870)
Transfers in (out)	181,900	-	-	(181,900)	-
At 31 December 2023	4,646,689	1,322,248	5,101,703	-	11,070,640
Accumulated depreciation					
At 1 January 2022	389,497	440,984	1,450,092	-	2,280,573
Depreciation for the year	223,239	251,114	841,101	-	1,315,454
Disposal	-	(3,880)	(572)	-	(4,452)
At 31 December 2022 and 1 January 2023	612,736	688,218	2,290,621	-	3,591,575
Depreciation for the year	226,902	263,148	926,832	-	1,416,882
Disposal/Write-off	-	(25,038)	(37,944)	-	(62,982)
At 31 December 2023	839,638	926,328	3,179,509	-	4,945,475
Net book value					
At 31 December 2022	3,852,053	620,827	2,038,758	-	6,511,638
At 31 December 2023	3,807,051	395,920	1,922,194	-	6,125,165

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Notes to the financial statements

For the year ended 31 December 2023

12 Intangible assets

	Computer program	Digital assets business licenses (in Baht)	Software under development	Total
Cost				
At 1 January 2022	36,056,304	7,500,000	879,470	44,435,774
Additions	-	-	13,770,378	13,770,378
Disposals	-	-	(25,727)	(25,727)
Transfers in (out)	12,456,153	-	(12,456,153)	-
At 31 December 2022				
and 1 January 2023	48,512,457	7,500,000	2,167,968	58,180,425
Additions	6,719	-	16,944,436	16,951,155
Disposals	-	-	-	-
Transfers in (out)	14,417,184	-	(14,417,184)	-
At 31 December 2023	62,936,360	7,500,000	4,695,220	75,131,580
Accumulated amortisation				
At 1 January 2022	2,144,253	-	-	2,144,253
Amortisation for the year	3,791,024	-	-	3,791,024
At 31 December 2022				
and 1 January 2023	5,935,277	-	-	5,935,277
Amortisation for the year	5,498,550	-	-	5,498,550
At 31 December 2023	11,433,827	-	-	11,433,827
Net book value				
At 31 December 2022	42,577,180	7,500,000	2,167,968	52,245,148
At 31 December 2023	51,502,533	7,500,000	4,695,220	63,697,753

GMO-Z.com Cryptonomics (Thailand) Company Limited

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For the year ended 31 December 2023

13 Right-of-use assets

As a lessee

At 31 December	2023	2022
	<i>(in Baht)</i>	
Right-of-use assets		
Office spaces	917,535	3,003,934
Total	917,535	3,003,934

The Company has entered into two lease agreements to rent office space in a building for use in the company's operations. The agreements stipulate monthly rental payments at the rates specified in the contracts. The lease terms are for a period of 3-4 years, expiring by the year 2024.

For the year ended 31 December	2023	2022
	<i>(in Baht)</i>	
Amounts recognised in profit or loss		
Depreciation of right-of-use asset		
- Office spaces	2,086,399	2,365,863
Interest on lease liabilities	78,305	230,415
Expenses relating to leases of low value assets	72,000	72,000

In 2023 and 2022, total cash outflow for lease of the Company were Baht 2.22 million and Baht 2.16 million, respectively.

Movement in right-of-use asset for the year ended 31 December 2023 and 2022 as follows:

	<i>(in Baht)</i>
Cost	
At 1 January 2022	6,144,328
Additions	625,362
Lease remeasurement	1,908,469
At 31 December 2022 and 1 January 2023	8,678,159
Additions	-
At 31 December 2023	8,678,159
Accumulated depreciation	
At 1 January 2022	3,308,362
Depreciation for the year	2,365,863
At 31 December 2022 and 1 January 2023	5,674,225
Depreciation for the year	2,086,399
At 31 December 2023	7,760,624
Net book value	
At 31 December 2022	3,003,934
At 31 December 2023	917,535

GMO-Z.com Cryptonomics (Thailand) Company Limited

Notes to the financial statements

For the year ended 31 December 2023

14 Deferred tax

Movement in deferred tax for the year ended 31 December 2023 and 2022 are as follows:

	At	(Charged) / Credited to			At
	1 January	Profit or	Other		31 December
	2023	loss	comprehensive	Equity	2023
			income		
			(in Baht)		
Deferred tax liabilities					
Right-of-use asset	493,007	(417,280)	-	-	75,727
Lease liabilities	(506,529)	428,459	-	-	(78,070)
Intangible assets	365,753	150,000	-	-	515,753
Gain on revaluation of digital assets	156,333	-	60,469	-	216,802
Total	508,564	161,179	60,469	-	730,212

	At	(Charged) / Credited to			At
	1 January	Profit or	Other		31 December
	2022	loss	comprehensive	Equity	2022
			income		
			(in Baht)		
Deferred tax liabilities					
Right-of-use asset	459,413	33,594	-	-	493,007
Lease liabilities	(483,346)	(23,183)	-	-	(506,529)
Intangible assets	215,753	150,000	-	-	365,753
Gain on revaluation of digital assets	218,684	-	111,038	(173,389)	156,333
Total	410,504	160,411	111,038	(173,389)	508,564

As at 31 December 2023 and 2022, tax loss occurred which were classified by expiring year of tax benefits as follows;

	2023	2022
	(in Baht)	
Expiring year of tax benefit		
Year 2024	25,912,727	25,912,727
Year 2025	56,374,774	56,374,774
Year 2026	107,852,327	107,852,327
Year 2027	103,503,207	103,503,207
Year 2028	105,680,732	-
Total	399,323,767	293,643,035

GMO-Z.com Cryptonomics (Thailand) Company Limited

Notes to the financial statements

For the year ended 31 December 2023

15 Trade and other current payables

	2023	2022
	<i>(in Baht)</i>	
Trade payables - related parties (Note 5)	3,308,935	3,167,964
Trade payables - third parties	832,989	1,753,952
Total trade payables	4,141,924	4,921,916
Accrued personnel expense	3,032,435	2,792,829
Accrued interest – related parties (Note 5)	5,334,384	2,984,384
Accrued expenses	2,088,747	1,148,520
Others	946,656	324,937
Total other current payables	11,402,222	7,250,670
Total	15,544,146	12,172,586

16 Custodial funds and digital assets due to customers

Custodial funds and digital assets due to customers as at 31 December 2023 and 2022 are as follows;

	Cost	Add (Less) fair value adjustment <i>(in Baht)</i>	Total
As at 31 December 2023			
Customer deposits - Fiat currency	3,106,703	-	3,106,703
Customer deposits - Digital assets	6,073,159	15,875,818	21,948,977
Total	9,179,862	15,875,818	25,055,680
As at 31 December 2022			
Customer deposits - Fiat currency	3,366,150	-	3,366,150
Customer deposits - Digital assets	43,190,889	(29,569,944)	13,620,945
Total	46,557,039	(29,569,944)	16,987,095

17 Lease liabilities

	2023	2022
	<i>(in Baht)</i>	
Lease liabilities	417,560	2,638,167
Less: Deferred interest expense	(27,218)	(105,522)
Total	390,342	2,532,645
Less: Current portion	(390,342)	(2,118,912)
Lease liabilities - net of current portion	-	413,733

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For the year ended 31 December 2023

Future minimum lease payments of the Company required under the lease agreements were as follows:

	2023			
	Less than 1 year	1 - 5 years	Over 5 years	Total
	<i>(in thousand Baht)</i>			
Future minimum lease payments	417	-	-	417
Deferred interest expenses	(27)	-	-	(27)
Present value of future minimum lease payments	390	-	-	390

	2022			
	Less than 1 year	1 - 5 years	Over 5 years	Total
	<i>(in thousand Baht)</i>			
Future minimum lease payments	2,221	418	-	2,639
Deferred interest expenses	(102)	(4)	-	(106)
Present value of future minimum lease payments	2,119	414	-	2,533

18 Non-current provision for employee benefits

	2023	2022
	<i>(in Baht)</i>	
Statement of financial position		
non-current provisions for:		
Post-employment benefits	<u>1,946,898</u>	<u>1,198,695</u>

	2023	2022
	<i>(in Baht)</i>	
For the year ended 31 December		
Statement of comprehensive income:		
Recognised in profit or loss:		
Post-employment benefits	<u>748,203</u>	<u>1,129,968</u>
Recognised in other comprehensive income:		
Gain on remeasurement of defined employee benefit plan	<u>-</u>	<u>(1,214,690)</u>

The Company operate a defined benefit plan based on the requirement of Thai Labour Protection Act B.E 2541 (1998) to provide retirement benefits to employees based on pensionable remuneration and length of service.

The defined benefit plans are exposed to actuarial risks, such as longevity risk, and interest rate risk.

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Notes to the financial statements

For the year ended 31 December 2023

Present value of the non-current provisions for employee benefits.

	2023	2022
	<i>(in Baht)</i>	
At 1 January	1,198,695	1,283,417
Recognised in profit or loss:		
Current service cost	703,252	1,093,134
Interest on obligation	44,951	36,834
Recognised in other comprehensive income		
Gain on remeasurement of defined employee benefit plan	-	(1,214,690)
At 31 December	1,946,898	1,198,695

Gain on remeasurement of defined employee benefit plan consist of;

	2023	2022
	<i>(in Baht)</i>	
Financial assumption change	-	19,227
Experience adjustments	-	(1,233,917)
Total	-	(1,214,690)

Actuarial assumptions

The following were the principal actuarial assumptions at the reporting date.

	2023	2022
	<i>(%)</i>	
Discount rate	3.75	3.75
Future salary growth rate	6.00	6.00
Employee turnover rate	1.91 - 22.92	1.91 - 22.92

Assumptions regarding future mortality have been based on published statistics and mortality tables 2560 (TMO 2017).

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Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below;

	(in Baht)	
	Increase	Decrease
At 31 December 2023		
Discount rate (1% movement)	(310,135)	382,978
Future salary growth (1% movement)	391,952	(322,280)
Employee turnover (20% movement)	(274,769)	343,264
At 31 December 2022		
Discount rate (1% movement)	(201,922)	251,504
Future salary growth (1% movement)	243,009	(199,765)
Employee turnover (20% movement)	(169,974)	211,240

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

19 Share capital

	Par value per share (in Baht)	2023		2022	
		Number	Baht (shares/in Baht)	Number	Baht
Authorised					
At 1 January					
- ordinary shares	100	3,354,000	335,400,000	2,654,000	265,400,000
Issue of ordinary shares	100	<u>1,200,000</u>	<u>120,000,000</u>	<u>700,000</u>	<u>70,000,000</u>
At 31 December					
- ordinary shares	100	<u>4,554,000</u>	<u>455,400,000</u>	<u>3,354,000</u>	<u>335,400,000</u>
Issued and paid-up					
At 1 January					
- ordinary shares	100	3,354,000	335,400,000	2,654,000	265,400,000
Issue of ordinary shares	100	<u>1,200,000</u>	<u>120,000,000</u>	<u>700,000</u>	<u>70,000,000</u>
At 31 December					
- ordinary shares	100	<u>4,554,000</u>	<u>455,400,000</u>	<u>3,354,000</u>	<u>335,400,000</u>

Increase of registered share capital during the year 2023

At the Extraordinary General Meeting of the shareholders of the Company No.1/2023 held on 10 February 2023, the shareholders had the resolution to approve the increase of registered capital amounting to Baht 30 million by issuing 300,000 shares with a Baht 100 par value. The Company had received in full and registered increase in share capital with Ministry of Commerce on 22 February 2023.

At the Extraordinary General Meeting of the shareholders of the Company held No.2/2023 on 26 April 2023, the shareholders had the resolution to approve the increase of registered capital amounting to Baht 30 million by issuing 300,000 shares with a Baht 100 par value. The Company had received in full and registered increase in share capital with Ministry of Commerce on 28 April 2023.

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At the Extraordinary General Meeting of the shareholders of the Company No.3/2023 held on 21 July 2023, the shareholders had the resolution to approve the increase of registered capital amounting to Baht 30 million by issuing 300,000 shares with a Baht 100 par value. The Company had received in full and registered increase in share capital with Ministry of Commerce on 4 August 2023.

At the Extraordinary General Meeting of the shareholders of the Company No.4/2023 held on 12 October 2023, the shareholders had the resolution to approve the increase of registered capital amounting to Baht 30 million by issuing 300,000 shares with a Baht 100 par value. The Company had received in full and registered increase in share capital with Ministry of Commerce on 2 November 2023.

Increase of registered share capital during the year 2022

At the Extraordinary General Meeting of the shareholders of the Company No.1/2022 held on 31 May 2022, the shareholders had the resolution to approve the increase of registered capital amounting to Baht 20 million by issuing 200,000 shares with a Baht 100 par value. The Company had received in full and registered increase in share capital with Ministry of Commerce on 1 June 2022.

At the Extraordinary General Meeting of the shareholders of the Company No.2/2022 held on 10 August 2022, the shareholders had the resolution to approve the increase of registered capital amounting to Baht 30 million by issuing 300,000 shares with a Baht 100 par value. The Company had received in full and registered increase in share capital with Ministry of Commerce on 16 August 2022.

At the Extraordinary General Meeting of the shareholders of the Company No.3/2022 held on 4 November 2022, the shareholders had the resolution to approve the increase of registered capital amounting to Baht 20 million by issuing 200,000 shares with a Baht 100 par value. The Company had received in full and registered increase in share capital with Ministry of Commerce on 28 November 2022.

20 Expenses by nature

	2023	2022
	<i>(in Baht)</i>	
Personnel expenses	45,744,340	42,949,431
System maintenance expenses	31,830,166	36,079,166
Depreciation and amortisation	9,001,832	7,472,342
Professional fee	8,729,544	7,398,799
Advertising expenses	4,449,479	1,733,639
Service fee	2,609,232	2,015,605
Utilities expenses	1,282,654	1,397,730
Blockchain transaction fee	175,731	57,577
(Reversal of) loss on revaluation of digital assets	(2,680,134)	2,336,760
Others	1,981,478	1,398,407
Total	<u>103,154,322</u>	<u>102,839,456</u>

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21 Administrative expenses

	2023	2022
	(in Baht)	
Personnel expenses	33,426,932	29,572,587
Professional fee	8,759,544	7,398,799
Depreciation and amortisation	3,747,387	3,924,647
Service fee	2,609,232	2,015,605
Utilities expenses	1,282,654	1,397,730
Others	1,981,478	1,397,433
Total	51,807,227	45,706,801

22 Income tax expense

Income tax expense recognised in profit or loss

	2023	2022
	(in Baht)	
Current tax expense		
Current year	-	-
	-	-
Deferred tax expense		
Movement in temporary differences	161,179	160,411
	161,179	160,411
Total tax expense	161,179	160,411

Reconciliation of effective tax rate

	2023		2022	
	Rate (%)	Amount (in Baht)	Rate (%)	Amount (in Baht)
Loss before income tax expense		(103,805,586)		(104,213,609)
Income tax expense (income) using the Thai corporation tax rate	20	(20,761,117)	20	(20,842,722)
Expenses not deductible for tax purposes		322,179		137,856
Revenue exempt on tax		(536,029)		-
Current year losses for which no deferred tax asset was recognised		21,136,146		20,865,277
Tax expense	(0.16)	161,179	(0.15)	160,411

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23 Loss per share

Basic loss per share

The calculations of basic loss per share for the year ended 31 December 2023 and 2022 were based on the loss for the year attributable to ordinary shareholders of the Company and the weighted average number of ordinary shares outstanding during the year.

	2023	2022
	<i>(in Baht/share)</i>	
<i>For the year ended 31 December</i>		
Basic loss per share		
Loss attributable to ordinary shareholders of the Company	(103,966,765)	(104,374,020)
Loss for the year attributable to ordinary shareholders of the Company	(103,966,765)	(104,374,020)
Number of ordinary shares issued as at 1 January	3,354,000	2,654,000
Adjustment for shares issued and paid-up during the period	633,699	249,315
Weighted average number of ordinary shares outstanding	3,987,699	2,903,315
Basic loss per share	(26.07)	(35.95)

The Company has no effects of dilutive potential ordinary shares, and has net loss, thus no calculation of diluted earnings per share.

24 Financial instruments

Risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors has established the risk management committee, which is responsible for developing and monitoring the Company's risk management policies. The committee reports regularly to the board of directors.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Company's board of directors oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The Company's board of directors is assisted in its oversight role by risk management committee. Risk management committee undertakes both regular and ad hoc reviews of risk management controls and procedures.

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Financial risk management policies

The Company is exposed to normal business risks from changes in market interest rates, currency exchange rates and digital assets exchange rate, and from non-performance of contractual obligations by counterparties. The Company does not hold or issue derivatives for speculative or trading purposes.

Risk management is integral to the whole business of the Company. The Company has a system of controls in place to create an acceptable balance between the cost of risks occurring and the cost of managing the risks. The management continually monitors the Company's risk management process to ensure that an appropriate balance between risk and control is achieved.

Capital liquidity level maintenance and capital management

Capital liquidity level maintenance is to maintain capital stability to maintain trust from investor, creditor and market and to sustain the future development of the business. The Office of Securities and Exchange Commission (SEC) governs and requires regularly report submission from digital asset business operators, according to the following notifications;

- Attachment to the notification of the Office of the Securities and Exchange Commission No. GorThor. 19/2561 Re: Rules, Conditions and Procedures for Undertaking Digital Asset Businesses (Summary) which amended by the notification of the Office of the Securities and Exchange Commission No. GorThor. 27/2565 (No.18) stated that the digital assets business operator that holding more than one type of license and providing custody of customers' asset shall maintain the capital by NC-1 method as following rules:
 - Not less than Baht 15 million;
 - Not less than 5% of customers' asset which has been kept in digital asset business operation system which is not connected with networks when transacting only (hot wallet), except for the customers' asset has been kept in digital asset business operator's system and connected with network when transacting only (cold wallet), the Company shall maintain not less than 1% of customers' asset.
- The Notification of the Office of the Securities and Exchange Commission No. SorThor 73/2563 (cancelled the notification No. SorThor 34/2562) Re: Calculation and Preparation Reports of Capital which amended by the notification of the Office of the Securities and Exchange Commission No. SorThor. 23/2565 (No.2), the Company shall explicate to SEC in case of the capital level equal to or less than 1.5 times of the required net capital level.
- The Notification of the Office of the Securities and Exchange Commission No. GorThor. 32/2563 (canceled the notification No. GorThor. 20/2561) Re: Prescription of Paid-up Registered Capital of a License Applicant in Undertaking Digital Asset Businesses which amended by the notification of the Office of the Securities and Exchange Commission No. GorThor. 20/2565 (No.2), SEC stated that the Company shall remain the authorised and paid-up capital as following rules:
 - Not less than Baht 50 million for exchange center of cryptocurrency or exchange center of digital token
 - Not less than Baht 25 million for broker of cryptocurrency or broker of digital token.

As at December 31, 2023, the Company is able to comply with the SEC's regulations.

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Significant financial instruments risk

As at December 31, 2023 and 2022, the Company has not speculated in or engaged in trading of any off-financial position financial derivatives instruments.

The periods of time from the end of reporting period to the maturity dates of financial instruments as of 31 December 2023 and 2022 are as follows:

As at 31 December 2023						
Outstanding balances of net financial instruments						
	At call	Within 1 year	1 - 5 years (in million Baht)	Over 5 years	Not limit	Total
Financial assets						
Cash and cash equivalents	48.59	-	-	-	-	48.59
Current investment	-	-	-	-	0.61	0.61
Other non-current financial assets	-	-	-	-	0.26	0.26
Total	48.59	-	-	-	0.87	49.46
Financial liabilities						
Trade and other current payables	-	15.54	-	-	-	15.54
Custodial funds due to customers	3.11	-	-	-	-	3.11
Short-term from related parties	80.00	-	-	-	-	80.00
Lease liabilities	-	0.39	-	-	-	0.39
Total	83.11	15.93	-	-	-	99.04

As at 31 December 2022						
Outstanding balances of net financial instruments						
	At call	Within 1 year	1 - 5 years (in million Baht)	Over 5 years	Not limit	Total
Financial assets						
Cash and cash equivalents	47.96	-	-	-	-	47.96
Current investment	-	-	-	-	0.61	0.61
Other non-current financial assets	-	-	-	-	0.19	0.19
Total	47.96	-	-	-	0.80	48.76
Financial liabilities						
Trade and other current payables	-	12.17	-	-	-	12.17
Custodial funds due to customers	3.37	-	-	-	-	3.37
Short-term from related parties	70.00	10.00	-	-	-	80.00
Lease liabilities	-	2.12	0.41	-	-	2.53
Total	73.37	24.29	0.41	-	-	98.07

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Interest rate risk

Interest rate risk is the risk that future movements in market interest rates will affect the results of the Company's operations and its cash flows because financial assets and liabilities debt securities is primarily exposed to interest rate referencing to the market interest rate.

As at 31 December 2023									
Outstanding balances of net financial instruments									
reprising or maturity dates									
Floating interest rate	Fixed interest rate						Interest rate		
	At call	Within 1 year	1-5 years	Over 5 years	No interest	Total	Floating rate	Fixed rate	
(in million Baht)									
(%)									
Financial assets									
Cash and cash equivalents	-	47.68	-	-	-	0.91	48.59	-	0.25 - 0.60
Current investment	-	-	0.61	-	-	-	0.61	-	0.75 - 0.95
Other non-current financial assets	-	-	-	-	-	0.26	0.26	-	-
Total	-	47.68	0.61	-	-	1.17	49.46		
Financial liabilities									
Trade and other current payables	-	-	-	-	-	15.54	15.54	-	-
Custodial funds due to customers	-	3.11	-	-	-	-	3.11	-	0.25 - 0.60
Short-term loan to related parties	-	80.00	-	-	-	-	80.00	-	2.50 - 3.00
Lease liabilities	-	-	0.39	-	-	-	0.39	-	5.98, 7.75
Total	-	83.11	0.39	-	-	15.54	99.04		

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

Financial Instruments	As at December 31, 2023		
	Average balance	Interest	Average yield
	income/expense (in Baht)		(%)
Financial assets			
Cash and cash equivalents	47,756,099	207,153	0.43
Current investment	606,685	2,272	0.37
Financial Liabilities			
Short-term from related parties	80,000,000	2,350,000	2.94
Lease liabilities	1,461,493	70,431	4.82
	As at December 31, 2022		
	Average balance	Interest	Average yield
	income/expense (in Baht)		(%)
Financial assets			
Cash and cash equivalents	58,705,222	41,369	0.07
Current investment	604,620	2,263	0.37
Financial Liabilities			
Short-term from related parties	75,000,000	2,132,877	2.84
Lease liabilities	2,474,688	230,415	9.31

Digital assets risk

Digital assets as at reporting date are measured at fair value at the revaluation date less impairment losses or presented at cost for the digital assets prepayment. The Company's performance is relating to the risk of fluctuation of digital assets price from various factors; including global supply and demand, interest rates, exchange rates, inflation and the political and economic conditions. Some cryptocurrencies and digital tokens have no underlying backing or contracts to enforce recovery of invested amounts. Regulatory changes and governance of digital assets business may affect to the Company's operation.

Foreign currency risk

The Company is exposed to foreign currency risk relating to translation digital assets which are denominated in foreign currencies. The Company has unhedged foreign currency refer to Note 10.

Credit risk

Credit risk is the potential financial loss resulting from the failure of a customer or counterparty to settle its financial and contractual obligations to the Company as and when they fall due.

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit evaluations are performed on all customers or counterparty. At the reporting date there were no significant concentrations of credit risk. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement of financial position. However, management does not anticipate material losses from its debt collection.

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Liquidity risk

The Company monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by management to finance the Company's operations and to mitigate the effects of fluctuations in cash flows.

Fair value of financial assets and financial liabilities

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

Financial instruments not measured at fair value

Fair value of financial instruments which are not measured at fair value as at 31 December 2023 are summarised as follows:

- Financial asset: cash and cash equivalent, current investment, and other non-current financial asset (2022: *cash and cash equivalent, current investment, and other non-current financial asset*) stated at book value which is close to fair value. The valuation techniques and key inputs is net present value of expected cash inflow;
- Financial liabilities: trade and other current payables, custodial funds due to customers, short-term loan from related party, and lease liability (2022: *trade and other current payables, custodial funds due to customers, short-term loan from related party, and lease liability*) stated at book value which is close to fair value. The valuation techniques and key inputs is net present value of expected cash outflow.

The fair value measurement is categorised as level 3 in the fair value hierarchy.

25 Commitments with non-related parties

Service agreements

As at 31 December 2023 and 2022, the Company had lease and service agreement which will be ended between 2023 and 2024. The rental and services fee obligation to pay are as follows:

	2023	2022
	(in Baht)	
<i>Future minimum payments under non-cancellable agreements</i>		
Within 1 year	2,512,056	158,600
1 - 5 years	-	-
Total	2,512,056	158,600

Commitment relating to OTC digital assets transactions

As at 31 December 2023 and 2022, the Company has commitment relating to OTC digital assets transactions with oversea liquidity provider. The credit limit amount under the agreement is USD 3 million.

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26 Reclassification of accounts

	As reported	Reclassify (in Baht)	As adjusted
<i>Statement of financial position</i>			
<i>for the year ended 31 December 2022</i>			
Current investment	-	605,740	605,740
Restricted deposit at financial institution	605,740	(605,740)	-
<i>Statement of changes in equity</i>			
<i>for the year ended 31 December 2022</i>			
Retained earnings (deficit)	(300,793,394)	(866,945)	(301,660,339)
Gain on revaluation on digital assets	781,666	866,945	1,648,611

27 Subsequent event after reporting period

At the Extraordinary General Meeting of the shareholders of the Company No.1/2024 held on 10 January 2024, the shareholders had the resolution to approve the increase of registered capital amounting to Baht 30 million by issuing 300,000 shares with a Baht 100 par value. The Company had received in full and registered increase in share capital with Ministry of Commerce on 18 January 2024.