

ANNUAL
REPORT
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FINANSIA SYRUS



**May His Majesty the King Bhumibol Adulyadej rest peacefully
in heaven, always in remembrance of Thai people eternally**



On behalf of Finansia Syrus Securities Plc.



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INFORMATIVE INNOVATIVE

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Get the right stock via scanning system for both fundamental and technical modules through various types of criteria.



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- Securities Brokerage
- Derivatives Brokerage
- Selling Agent
- Global Trading

- Securities Borrowing and Lending
- Securities Trading on Internet
- Investment Banking
- Application on Smart Phone

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CORPORATE INFORMATION



Vision

“To be the leading and reputable broker with comprehensive and most advanced services and a regional coverage ”

Mission

We aspire to be the leading securities company with emphasis on retail individual investors through quality investment advisory to optimize returns, offer comprehensive investment products and services, ethical and fair treatment of customers, as well as constant technological development. We also aim to be a specialist in the GMS market.

Core Value



Full
Services



Product
Innovative



Corporate
Governance



Specialist In
Greater Mekong



NORTH AMERICA
1 country

EUROPE
15 countries

THAILAND

17 Provinces,

34 Branches, 514 IC

- Through 34 branches nationwide; 21 branches in Bangkok and its vicinity
- 13 Branches in up country
- Through 23 countries ; 31 exchanges worldwide

EUROPE

- | | |
|---------------|------------------|
| - Netherlands | - Belgium |
| - Portugal | - France |
| - Germany | - United Kingdom |
| - Italy | - Denmark |
| - Finland | - Sweden |
| - Norway | - Spain |
| - Switzerland | - Poland |
| - Austria | |

FINANSIA SYRUS 'S FOOTPRINT



NORTH AMERICA

- United States

ASIA

- Hong Kong
- Singapore
- Japan
- Laos
- Cambodia
- Vietnam

AUSTRALIA

- Australia

FINANCIAL HIGHLIGHTS

		2014	2015	2016
Consolidated (Baht Million)	Total Revenue	1,841	1,679	1,856
	Net Profit	230	138	231
	Total Assets	4,138	4,010	6,541
	Total Liabilities	1,942	1,664	4,039
	Total Equities	2,197	2,346	2,502
	Net Cash Provided by (used in) Operating Activities	322	(474)	417
Profitability Ratio (Percentage)	Net Profit Margin	12.39	8.07	12.24
	Return on Total Assets (ROA)	7.37	4.53	5.83
	Return on Total Equity (ROE)	11.04	6.07	9.54
Debt to Equity Ratio (Times)	Debt to Equity Ratio	0.88	0.71	1.61
Per Share Data (Baht)	Earning per shares ¹	0.44	0.30	0.46
	Book Value per Share	3.99	4.03	4.30
	Dividends per Share	0.31 ²	0.17	0.13
	Dividend Payout Ratio (%)	35.52	38.37	46.51
Share Capital	Par Value (Baht per Share)	1.60	1.60	1.60
	Registered Ordinary Shares	550,055,813	581,403,025	581,403,025
	Registered Preferred Shares	-	-	-
	Number of Ordinary Shares Outstanding	550,055,032	581,403,025	581,403,025
	Number of Weighted Average Ordinary Shares Outstanding	550,055,032	550,221,699	581,403,025

Remark: 1. The Company Financial Statements

2. Dividend payment in form of ordinary shares and cash; (1) Company ordinary shares at the ratio of 5.64 existing shares for 1 units or at value of Baht 0.28 per share; and (2) cash payment at rate of Baht 0.0315208826 per share.

FINANCIAL STATUS AT A GLANCE

Consolidated Cash Flow Statements

For the Year Ended 31 December 2016

Net Cash Provided in Operating Activities	417
Net Cash Used in Investment Activities	(18)
Net Cash Used in Financial Activities (1)	(77)
Net Increase (Decrease) in Cash and Cash Equivalents	322

Cash and Cash Equivalents on 31 December 2015	384
Cash and Cash Equivalents on 31 December 2016	706

Consolidated Financial Position Statements

As at 31 December 2015

Assets	
Cash and Cash Equivalents	384
Securities and Derivatives Business	
Receivables	2,034
Other Assets	1,592
Total Assets	4,010
Liabilities	
Securities and Derivatives	
Business Payables	1,190
Other Liabilities	474
Share Capital, Premium & Reserves	1,618
Retained earnings-net	728
Non-controlling Interests	0.3
Total Liabilities and Equity	4,010

Consolidated Comprehensive Income

For the Year Ended 31 December 2016

Revenues	1,856
Total Expenses	1,548
Profit Before Income	
Tax Expenses	308
Income Tax Expenses	76
Exchange Differences on Translation of Financial Statements in Foreign Currency	(0.01)
Net Profit	231

Retained Earnings

As at 31 December 2016

Balance as at 31 December 2015	728
Legal Reserve	(13)
Total Earnings for 2016	231
Dividends (2)	(75)
Balance as at 31 December 2016	871

Consolidated Financial Position Statements

As at 31 December 2016

Assets	
Cash and Cash Equivalents	706
Securities and Derivatives	
Business Receivables (3)	4,453
Other Assets	1,382
Total Assets	6,541
Liabilities	
Securities and Derivatives	
Business Payables	2,114
Other Liabilities	1,925
Share Capital, Premium & Reserves	1,631
Retained earnings-net	871
Non-controlling Interests	0.4
Total Liabilities and Equity	6,541

Remark:

- (1) Net cash used in financing activities of Baht 77 million was primarily due to dividend paid amounted to Baht 75 million.
- (2) The Company paid dividend payment of Baht 75 million in May 2016 at the rate of Baht 0.13 per share.
- (3) Securities and derivatives business receivables-net increased Baht 2,419 million primarily due to increase in cash accounts of Baht 2,304 million.

“To the shareholders”

The year 2016 was a pivotal annum for Thailand where the entire nation moan its losses for the beloved King. Global political outcomes including Brexit and US elections added to the markets erratic behaviors.

The year 2016 was also in a way pivotal year for Finansia as we continue to search the way to reposition ourselves in the face of Fintech and other technological advancements. We therefore took a major decision to develop, jointly with a leading foreign securities firm, a cutting-edge technology online trading platform for the Thai market. This investment marks a significant move in our attempt to align our business model to the changing customer and market behavior.

For the performance of 2016, we were able to maintain our market share and ranking in brokerage while also made significant inroads into other areas including derivatives warrant markets and institutional clientele. Our investment banking activities were also active as usual with

5 Lead Underwriting issues. We also imposed cost cutting measures during the year and thereby saw a material drop in both manpower and operational expenses.

Our investments in subsidiaries have mix results with SBI Thai Online Securities off its target revenue goal resulting in losses while SBI Royal Securities Cambodia posted handsome earnings by closing sizable corporate finance deals.

The Company overall performance results for 2016 was an increase of 67.97% and 64.61% in net earnings for the Company and Consolidated accounts accordingly compare to the previous year with a resultant ROE of approximately 9.54% and 6.07% accordingly. In this, the Company wishes to thank the shareholders, directors, employees and customers and look forward to 2017 as a crucial year to our re-positioning strategy.

MESSAGE FROM THE CHAIRMAN



Chatchaval Jiaravanon

Chairman of the Board of Directors

BOARD OF DIRECTORS



1. Mr. Chatchaval Jiaravanon
Chairman of the Board

2. Mr. Varah Sucharitakul
Deputy Chairman of the Board

3. Mr. Chuangchai Nawongs
Director

4. Mr. Somphop Keerasuntonpong
Director

5. Mrs. Pornpring Suksantisuwan
Director

6. Mr. Som Pisarnsopon
Director

7. Pol.Lt.Gen. Visanu Prasattongosoth
Independent Director

8. Mr. Phaiboon Siripanoosatien
Independent Director

9. Mr. Kittisak Bencharit
Independent Director



Mrs. Jareerat Fuengfuskul
Chief Financial Officer



Mr. Chuangchai Nawongs
Chief Executive Officer



Mrs. Wimon Lovichit
Chief Operation Officer

NATURE OF BUSINESS

The Company's business operations can be grouped into Securities Brokerage, Investment Banking, Investment Advisory, Bond Business, Derivatives Business, Selling Agent Business, Stock Borrowing and Lending and Global Trading. The details of each business are as follows:

Revenue Structure 2016

The revenue structure of the Company and its Subsidiary in 2014 – 2016:

Types of Revenue	2014		2015		2016	
	Baht Million	%	Baht Million	%	Baht Million	%
Brokerage fees	1,473	80.00	1,415	84.25	1,443	77.78
Fees and services income	141	7.66	63	3.73	121	6.52
Gain on investments	100	5.44	96	5.69	131	7.06
Loss on derivatives	(0.04)	(0.00)	5	0.30	42	2.27
Share of losses from investments in an associate and a jointly-controlled entity under equity method	(13)	(0.71)	(29)	(1.75)	(34)	(1.86)
Interest and dividend income	74	4.04	65	3.87	56	3.00
Interest income on margin loans	56	3.05	58	3.45	77	4.16
Other income	10	0.53	8	0.45	20	1.06
Total Revenues	1,841	100.00	1,679	100.00	1,856	100.00

SECURITIES BUSINESS

“ FSS strengths are not merely reflected through its market share alone but also through the cooperation of all employees which are building blocks for its future growth. These valued individuals will be key in exploring new services and markets ”



Mr. Chuangchai Nawongs
Chief Executive Officer

MANAGEMENT



1. Mr. Chuangchai Nawongs
Chief Executive Officer

2. Mr. Kuntra Ladavalaya Na Ayudhya
Director

3. Mr. Chatchai Chumsiri
Director

4. Mr. Chaiyaporn Dhammapeera,
Director

5. Mr. Pothorn Choemvarachat
Director

6. Mr. Somchai Keawjaroenpisan
Director

7. Mrs. Vilai Phongpreecha
Director

8. Ms. Kanoknapat Sithivaraporn
Director

9. Mr. Supat Apiratimai,
Director

10. Mr. Pannatat Samittisakda
Director

11. Mrs. Nusara Rooncharoen
Director

Market Overview

At the end of 2016, SET index closed at 1,542.94 points, increased by 19.79 percent YoY. SET's market capitalization stood at Baht 15.08 trillion, increased by 22.77 percent YoY and mai's market capitalization was at Baht 425.36 billion, increased by 31.50 percent YoY. The dividend yields of SET and mai was 3.04 percent and 1.24 percent respectively.

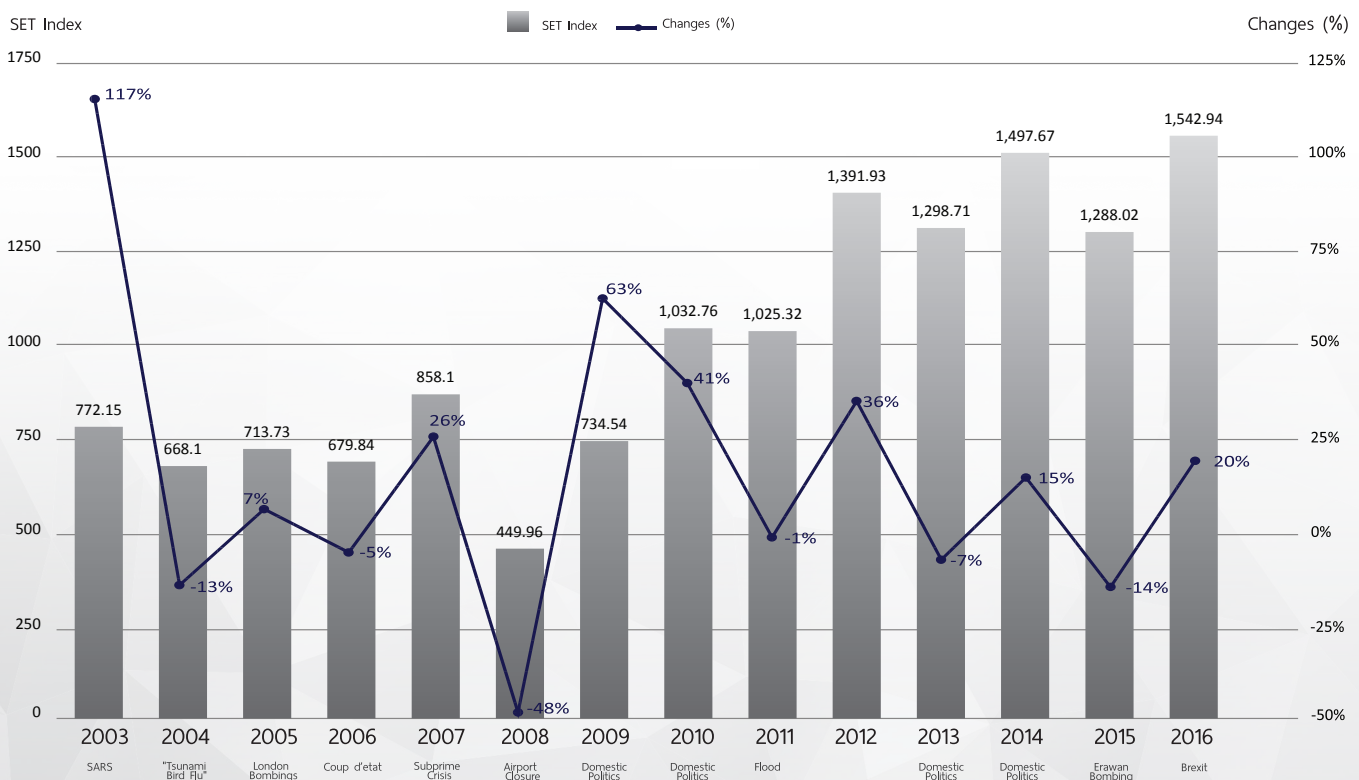
The average daily trading value of SET and mai was Baht 52.53 billion, increased by 22.13 percent YoY, having been affected by both internal factors such as the growing of Thai economy resulting from the expanding of tourism industry, public investment and constitutional referendum, and external factors such as negative interest rate policy of Bank of Japan, economic stimulus package of European Central Bank (ECB), signaling from FED to slow down raise of interest rate and EU referendum result of Brexit.

Foreign investor was net buyer of Baht 78.54 billion, increasing from the previous year which foreign investor was net seller of Baht 155.63 billion, and also local institution had net buyer position while local investor had net seller position in 2016. Numbers of Investors (Clients) that have opened accounts in 2016 were 1.35 million accounts increasing by 8.9% from the previous year.

Securities Brokerage

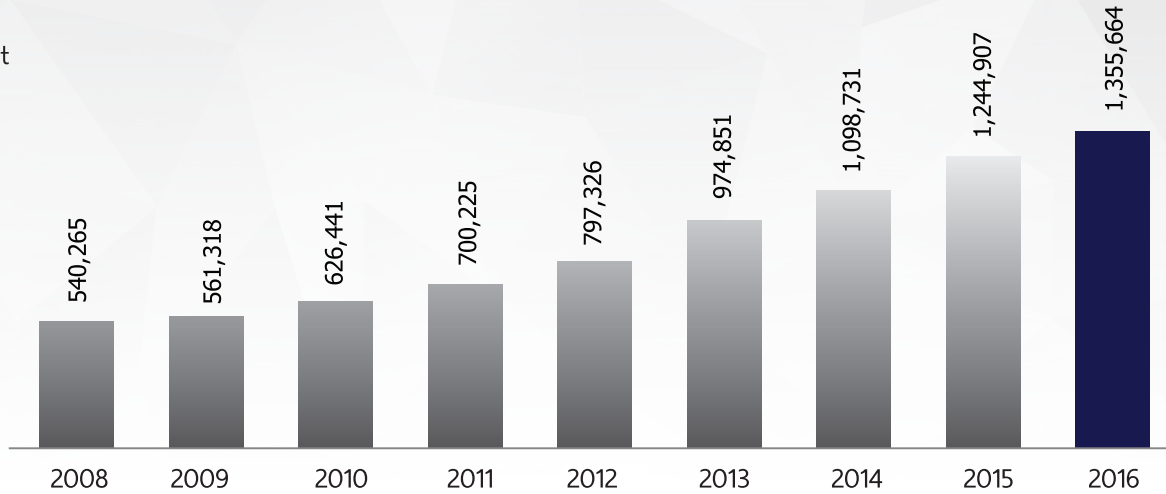
The Company, a member of SET No.24, provided securities brokerage business since August 9th, 2002. The Company has knowledgeable and experienced investment consultants providing stock analysis to clients to support their investment decision. In response to the needs of clients, online trading is also provided. The clients, then, are able to execute transaction, check their own portfolio, confirmation and settlement information online. The Company has both domestic and international individual and institutional clients.

Market Statistics



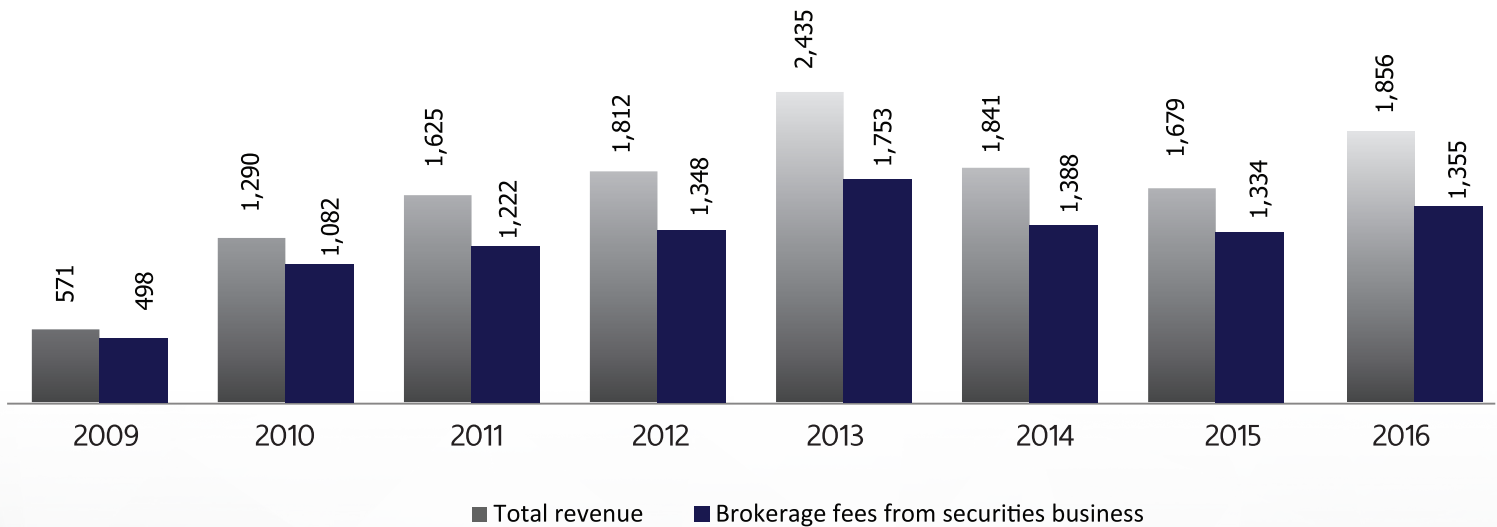
No. of SET ACCOUNTS

Unit : Account



Brokerage Fees from Securities Business and Total Revenue of the Company

Unit: Baht Million



In 2014, the Company and its Subsidiary received the brokerage fee at the amount of Baht 1,388.47 million while the Company's brokerage fee stood at Baht 1,388.47 million, equivalent to 75.43 percent and 74.76 percent of total revenue.

In 2015, the Company and its Subsidiary received the brokerage fee at the amount of Baht 1,333.62 million while the Company's brokerage fee stood at Baht 1,333.62 million, equivalent to 79.43 percent and 77.90 percent of total revenue.

In 2016, the Company and its Subsidiary received the brokerage fee at the amount of Baht 1,355.02 million while the Company's brokerage fee stood at Baht 1,355.02 million, equivalent to 73.02 percent and 71.56 percent of total revenue.

INVESTMENT BANKING BUSINESS



“ FSS always sought to gain customer’s trust through superior and professional advises ”

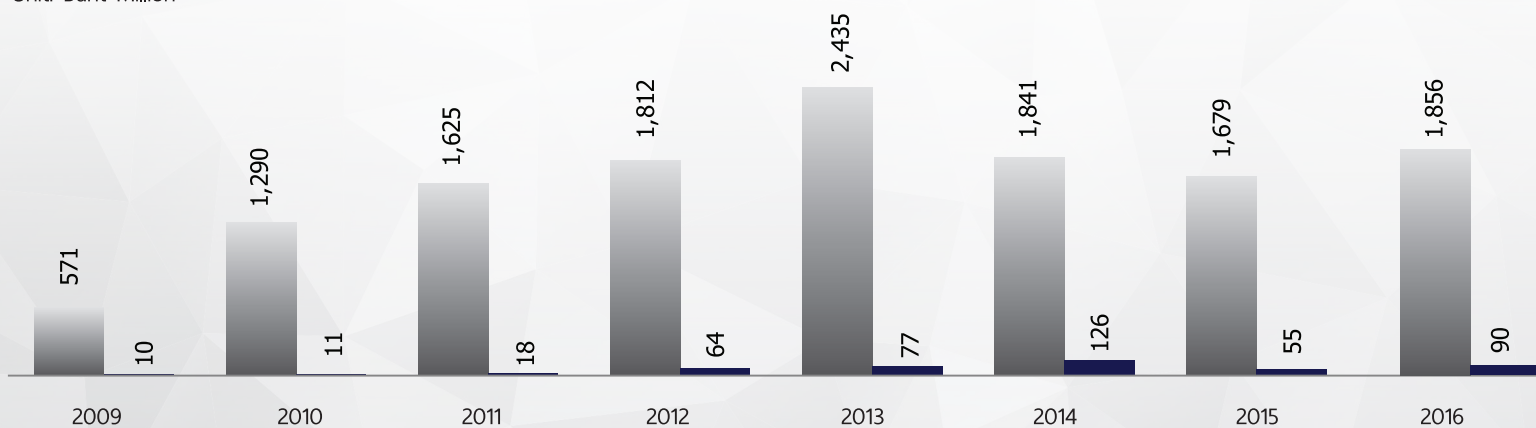
Mr. Somphop Keerasuntonpong
Director

Currently, the Company provides financial advisory and underwriting services. The Investment Banking Department consists of team members having experience and expertise in both domestic and international money and

equity markets. The Company was granted a license to provide financial advisory services on September 30th, 2002 by SEC, and was also granted a license to provide underwriting services by MOF.

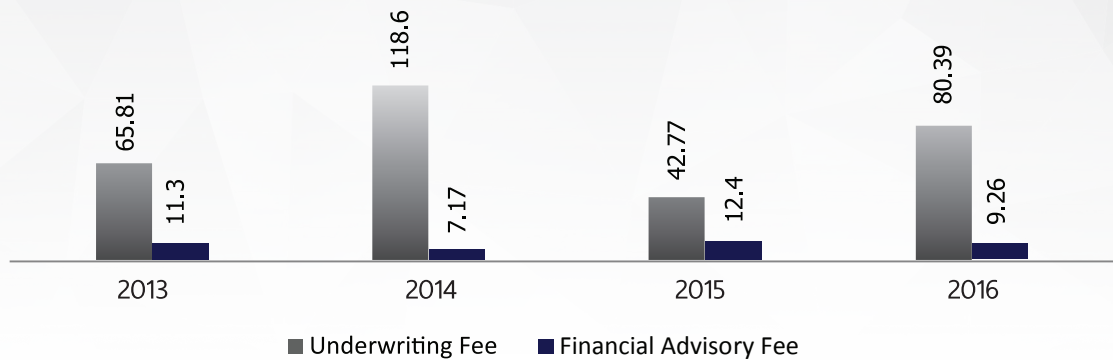
Fees Income from Investment Banking Business and Total Revenue of the Company

Unit: Baht Million



Breakdown of Revenue from Investment Banking Services

Unit: Baht Million



In 2014, the Company and its Subsidiary received revenue from investment banking services at the amount of Baht 125.78 million while the Company's revenue from investment banking services stood at Baht 125.78 million, equivalent to 6.83 percent and 6.77 percent of the total revenue.

In 2015, the Company and its Subsidiary received revenue from investment banking services at the amount of Baht 55.18 million while the Company's revenue from investment banking services stood at Baht 55.18 million, equivalent to 3.29 percent and 3.22 percent of the total revenue.

In 2016, the Company and its Subsidiary received revenue from investment banking services at the amount of Baht 89.65 million while the Company's revenue from investment banking services stood at Baht 89.65 million, equivalent to 4.83 percent and 5.34 percent of the total revenue.

In addition to the financial advisory service for securities issuance and offering and underwriting service, the Company also provides the following advisory services:

- Mergers and Acquisition
- Financial Restructuring
- Feasibility Study
- Business Valuation
- Other transactions that are in accordance with the rules and regulations of SEC and SET; for example, delisting of company, asset acquisition/disposition or connected transaction.

Financial advisory services in 2016 are as below:



Company	Details of Service
EKACHAI MEDICAL CARE PCL.	Financial Advisory : Initial Public Offering (IPO)
INTERLINK COMMUNICATION PCL.	Financial Advisory : Initial Public Offering (IPO)

The details of the underwriting services in 2016 are as follows:

Company	Details of Service
GETABEC PCL.	Lead Underwriter of the IPO shares
ALT TELECOM PCL.	Lead Underwriter of the IPO shares
EKACHAI MEDICAL CARE PCL.	Lead Underwriter of the IPO shares
INTERLINK COMMUNICATION PCL.	Lead Underwriter of the IPO shares
FN FACTORY OUTLET PCL.	Lead Underwriter of the IPO shares
ASN BROKER PCL.	Underwriter of the IPO shares
BANGKOK SHEET METAL PCL.	Underwriter of the IPO shares

Company	Details of Service
BUSINESS ALIGNMENT PCL.	Underwriter of the IPO shares
TECHNO MEDICAL PCL.	Underwriter of the IPO shares
BCPG PCL.	Underwriter of the IPO shares
SELIC CORP PCL.	Underwriter of the IPO shares
SAHAKOL EQUIPMENT PCL.	Underwriter of the IPO shares
BANPU POWER PCL.	Underwriter of the IPO shares
ALLA PCL.	Underwriter of the IPO shares
COMANCHE INTERNATIONAL PCL.	Underwriter of the IPO shares
AMA MARINE PCL.	Underwriter of the IPO shares

Apart from the Underwriting fee and Advisory fee that the Company would receive, the financial advisory service and underwriting service would also support the Brokerage business of the Company in a way to provide the clients with the IPO shares allocation.

OTHER BUSINESSES

“ Each of our products is designed to reflect customer requirements to enhance their wealth as evidenced from the trust that we have gained from them ”

Mrs. Pornpring Suksantisuwan
Director



Other Businesses Team



1. Mrs. Pornpring Suksantisuwan
Director
2. Mr. Kosit Thammatada
Executive Director, E-Busienss
3. Mrs. Jareerat Fuengfuskul
SEVP, Wealth Management Department
4. Mr. Surachet Khomphaiboonkij
EVP, Derivatives and Product Development Department
5. Mr. Kosin Juasiripukdee
SVP, Global Trading Department

Futures Exchange

The Company was granted with the futures brokerage license from SEC on October 14th, 2005 and qualified to be a member of Thailand Futures Exchange Plc. (“TFEX”) and Thailand Clearing House Co., Ltd. (“TCH”). The Company started providing futures brokerage services on March 17th, 2008.

Business plans and marketing plans of the future brokerage is to build a customer base from existing customers who traded equities with the Company because these customers already understand investments. For new customers, the Company will focus on clients who have financial stability and

good knowledge of the securities and futures trading.

In addition, the Company also conducted seminars to educate customers and interested persons to understand investment strategy, return, and risk arising from the investment and be able to make use of derivative in investment or hedging against investments risks.

Moreover, in July 2015, the Company commenced activities in Single Stock Futures through block trades to increase its liquidity of Single Stock Future. The Company expected to handle the increase of transactions and to increase revenue for the Company because TFEX market is a market that investors have high interest. The overall volume of trading of TFEX market increases every year especially the Single Stock Future.

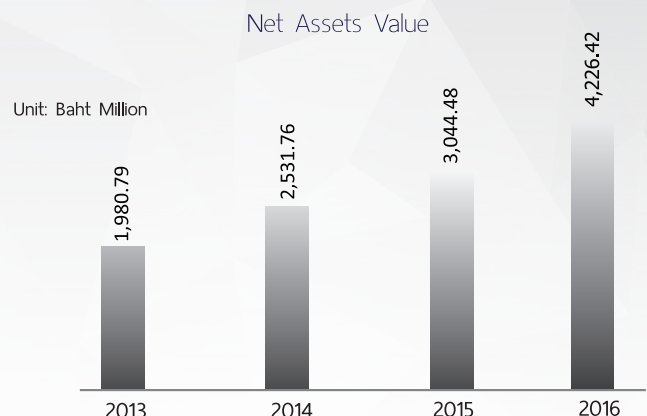
In 2016, the Company had 3,983 futures trading accounts with the total volume of 2,140,526 contracts. The revenue from futures contract brokerage fee stood at Baht 68.57 million. There are no derivatives accounts opened with the Company's Subsidiary.

In 2015, the Company had 4,029 futures trading accounts with the total volume of 2,140,526 contracts. The revenue from futures contract brokerage fee stood at Baht 72.82 million. There are no derivatives accounts opened with the Company's Subsidiary.

In 2014, the Company had 4,064 futures trading accounts with the total volume of 2,284,953 contracts. The revenue from futures contract brokerage fee stood at Baht 79.92 million. There are no derivatives accounts opened with the Company's Subsidiary.

Selling Agent Business

Selling Agent Service is another service provided by the Company to offer a one-stop-service i.e. clients are more convenience to buy, sell, and switch all types of mutual funds for all asset management companies in which the Company acts as an agent. As the Company provides the comparison information and the summary of all funds within one statement incurred the efficiency



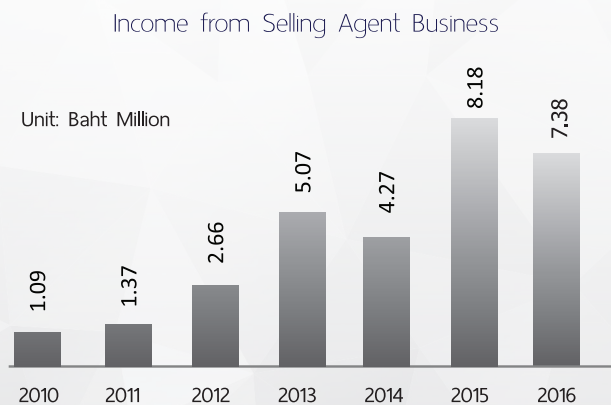
of mutual fund investment for clients. As at the end of 2016, the Company was the selling agent for 19 Asset Management Companies.

In 2016, the net assets value was Baht 4,226.42 million, increased by Baht 1,181.94 million from 2015, equivalent to 38.82 percent. The Company planned to continue improving services by increasing more types of mutual fund products for the convenience of the clients.

Stock Borrowing and Lending Business

The Company was granted the approval to offer SBL services by MOF on August 25th, 2010 and has started this business since September 16th, 2010.

The Company acts as a party for lender and borrower and facilitates the clients desiring to lend or borrow the securities to proceed according to the objectives. These transactions provide more options for the investors to invest in fluctuated market conditions. The summarized details of the transactions are as follows:



1. The Company lends securities to the clients for short selling of securities in SET100 and ETF as allowed by SET. The short selling could be done through cash or credit balance accounts.

2. On July 20th, 2015 the Company provided SMART ACCESS in which clients shall lend and borrow securities via Internet.

3. The lender shall have the rights and gets benefit from lending securities.

In 2016, the Company received SBL fees in the amount of Baht 2.63 million, equivalent to 0.14 percent of the total revenue.

In 2015, the Company received SBL fees in the amount of Baht 0.88million, equivalent to 0.05 percent of the total revenue.

In 2014, the Company received SBL fees in the amount of Baht 1.86 million, equivalent to 0.10 percent of the total revenue.

Bond Trading

Presently, the Company is a dealer member of the Thai Bond Market Association and the Thailand Bond Exchange where the Company provides the bond dealing service to bond investors having bond trading account opened together with securities trading account. In 2015, the Company started being a dealer of debt securities/debenture bond and selling agent in Thai Bond Market by offering One Stop Service to clients.

Derivative Warrants

The Company issued and offered Derivative Warrants (DW) in the year 2016 through trading systems in the Stock Exchange (Direct Listing). The Company issued and offered the DW total of 105 series and had good feedbacks from investors. The Company has been rated reliability (Credit Rating) at level BBB + by Fitch Ratings (Thailand) on October 17th, 2016.

DW are new products, the Company also organized seminars to educate employees and investors continuously and provided weekly research for decisions to all investors.

SECURITIES TRADING

The Company has a proprietary trading department who is responsible for the investment in equity, bond instrument, mutual fund and other private companies under the strict regulation with the objective of short-term trading and long-term investment. The Company's Board of Directors decided on clear limit allocation, criteria, procedure and investment policy for the Company to benefit from profit from trading, dividend and interest. The Company also had the Investment Committee approved by the Board of Directors to be responsible for planning strategies and investment policies for both short-term and long-term investment by diversifying risk with appropriate proportion and under loss limit. The Committee reported investment conditions to the Board of Directors to follow up the Company's investment conditions for the more efficient results.

FINANSIA SYRUS'S SUSTAINABLE DEVELOPMENT

The sustainable development of Finansia Syrus Securities

Sharing and to giving back to society is one of the determinations of the company by integrating basis to stimulate the development of human resources and raise the quality of life for the continuous and sustainable development of the country. In the past year, Finansia Syrus Securities raised various activities for social responsibility as follows;

The project of used calendars donation for the blind



Finansia Syrus Securities, led by Mrs. Tuenjai Jiaratanakul the vice executive of Corporate Communications raised the project for the blind as the CSR activities, our employees donated used calendars to make "Braille books" for the Educational Technology Center for the Blind, Foundation for the Blind in Thailand, Pak Kret, Nonthaburi on March 16th, 2016. The purpose of this project is to help the blind learn and study knowledge.

The project of bags donation for giving scholarships to Thai youths joined with Yuvabadhana Foundation



Finansia Syrus Securities, led by Mrs. Tuenjai Jiaratanakul the vice executive of Corporate Communications raised the sharing project as the CSR activities joined with Yuvabadhana Foundation, our employees

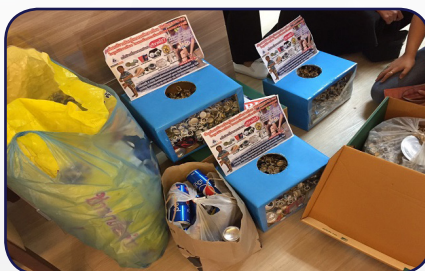
donated 1,000 used bags to Pangan office shop for Yuvabadhana Foundation on March 31st, 2016. All the used bags will turn to scholarships for Thai youths. We encourage people to be generous and helpful.

Reforestation for sustainable ecosystem of Thailand



Mr. Chaungchai Nawongs, CEO Finansia Syrus Securities, presided over a reforestation project for environment (CSR) in the year 2559 for sustainable ecosystem of Thailand and campaigned for the global warming crisis under the Chan Wang Project, Wang Chan, Rayong on August 18th, 2016.

Aluminum materials Donation to make prostheses



Representatives of Finansia Syrus Securities donated the aluminum materials collected from the employees to make prostheses. The purpose is to recycle all

used aluminum materials to make prostheses devices to assist the disabled, the disadvantaged and the elders. Moreover, this is to strengthen morality and conscience and raise awareness to protect the environment by saving and using resource properly. The activity was held at the Prostheses Foundation of H.R.H. the Princess Mother, Bangkok Office, Sri Chunlasap building floor 16 on November 18th, 2016.

Finansia Syrus Securities with the Royal Thai Armed Forces Headquarters donated blankets to Ban Sivader school, Maehong-sorn province



Finansia Syrus Securities, led by Mr. Korntipat Pitiamornset Chiang Mai branch manager and his team joined with the Royal Thai Armed Forces Headquarters team, Mobile Development Unit 36 Development Agency Region 3 Armed Forces Development Command donated 300 blankets, sports equipment, a 2,000 liter water tank with a luncheon to students at Ban Sivader. The ceremony presided by Col. Pongsatorn Boonfu in Sop Moei district, Maehongson province on December 10th, 2016.

REPORT OF THE BOARD OF DIRECTORS'S RESPONSIBILITY FOR FINANCIAL STATEMENTS

The Board of Directors of Finansia Syrus Securities Public Company Limited is responsible for the financial statements of the Company and subsidiaries which have been prepared in accordance with generally accepted accounting standards in Thailand. The policies pursued are deemed appropriate and applied consistently with adequate of important information in the notes to the financial statements.

The Board has appointed an Audit Committee comprising three independent members to provide effective oversight of finances and the internal control system to ensure that accounting records are accurate, adequately and timely, to prevent fraud and materially irregular operations. The views of the Audit Committee are reported in the Committee's report in this annual report.

The Board is confident that the internal control system of Finansia Syrus Securities Public Company Limited and subsidiaries presents the financial position, results, operations and cash flow accurately.



Chatchaval Jiaravanon

Chairman of the Board of Directors

REPORT OF AUDIT COMMITTEE

Composition of the Audit Committee

The Audit Committee of Finansia Syrus Securities Public Company Limited is comprised of three independent directors. The Company's senior executive vice president of Internal Audit and Compliance served as ex-officio members.

Audit Committee's Principal Responsibilities

The Audit Committee is empowered by the Board of Directors to examine all matters relating to the financial status of the Company, and its internal and external audits. The Committee pursues and promotes good corporate governance by actively creating awareness and providing advice to management on appropriate internal control practices, and other related activities of the Company in compliance with the rules and regulations of the Stock Exchange of Thailand.

The Audit Committee met independently with the management and the internal and external auditors of the Company, conducted reviews and evaluations of accounting policies, the procedures relative to the accounting policies, the internal control assessment, and the audit plan. The Audit Committee also verified and accepted the consolidated financial statements for every quarter-end and provided assessments and recommendations to the Board of Directors. Where weaknesses were identified in internal controls, corrective and preventive action plans were timely established to eliminate or mitigate impact of the associated risks. The Board of Directors, following the review and recommendations of the Audit Committee, approved the policy and reports for related party transactions.

The Internal Audit and Compliance of the Company serves to identify internal control weaknesses within the Company by supervising systematic audit activities focusing on operations and compliance of the Company. The results of each internal audit report were submitted to the Audit Committee regularly.

The Internal Audit and Compliance of the Company serves as a facilitator and change management agent to improve Company's good governance and compliance through internal audit processes, post-audit follow up and fraud prevention recommendations to business entities and work closely with each of business units to support compliance with the existing Code of Conduct and to foster overall Corporate Good Governance.

The Audit Committee's Principal Activities during the Year

In 2016, the Committee's principal activities including the following matters:

1. Approved quarterly financial statement and reviewed full year financial statements, and provided assessments and recommendations to the Board of Directors.
2. Reviewed the updated Internal Audit to be in line with business expansion, and proposed for the Board Approval.
3. Reviewed and approved Internal Audit plan including reviews the results of internal audit reports and their agreed improvement actions.

The Audit Committee Provided the Following Opinions:

1. The Company's 2016 financial reports are accurate, complete and reliable.
2. The Company complied with the securities law, the Exchange's regulations, and other laws relating to the Company's business.
3. The Company's Internal Audit and Compliance Department performed its duty appropriately and effectively.
4. EY Office Limited, the Company's auditor, is suitable and provided appropriate services.
5. The related transactions arising in 2016 were rational and contributed optimal benefits of the Company.
6. For the year 2016, the Audit Committee held 12 meetings to review the Company's consolidated financial statements that had been certified by the external auditor and internal audit results and corrective actions. The attendance of meetings by each committee member was as follows;

Full Name	No. of Attendances/Total meeting
1. Pol.Lt.Gen. Visanu Prasattongosoth	12/12
2. Mr. Phaiboon Siripanoosathien	12/12
3. Mr. Kittisak Bencharit	12/12

7. The Audit Committee performed its duties in accordance with its Charter that was approved by the Board of Directors.

The Audit Committee has recommended to the Board of Directors that EY Office Limited, be re-appointed as the Company's auditor for the financial year ending 31 December 2017. The re-appointment of the audit firm and acceptance of its fees will be subjected to the approval of the shareholders at the Annual General Meeting to be held on April 25th, 2017.



Pol. Lt. Gen. Visanu Prasattongosoth

Chairman of the Audit Committee

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Finansia Syrus Securities Public Company Limited

Opinion

I have audited the accompanying consolidated financial statements of Finansia Syrus Securities Public Company Limited and its subsidiary (the Group), which comprise the consolidated statement of financial position as at 31 December 2016, and the related consolidated statements of comprehensive income, changes in owners' equity and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, and have also audited the separate financial statements of Finansia Syrus Securities Public Company Limited for the same period.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Finansia Syrus Securities Public Company Limited and its subsidiary and of Finansia Syrus Securities Public Company Limited as at 31 December 2016, their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Basis for Opinion

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

Key Audit Matters

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

I have fulfilled the responsibilities described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report, including in relation to these matters. Accordingly, my audit included the performance of procedures designed to respond to my assessment of the risks of material misstatement of the financial statements. The results of my audit procedures, including the procedures performed to address the matters below, provide the basis for my audit opinion on the accompanying financial statements as a whole.

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

Recognition of brokerage fees and interest income on margin loans

The Group's core revenues consisted of brokerage fees and interest income on margin loans, totaling Baht 1,521 million, representing 82 percent of the total revenues. The Company charges brokerage fees at percentages of trading volume, which are freely negotiated, and based on a sliding scale fee structure, whereas interest income on margin loans is charged at fixed rates that are adjusted periodically based on market conditions and competitive environment. Because of the size and volume of transactions, the large number of customers, the fees charged to customers being dependent on various factors, and the recognition of revenue from brokerage fees and interest income on margin loans relying primarily on data processed by information and technology (IT) systems, I therefore focused on examining that brokerage fees and interest income on margin loans are recognised correctly as actually incurred.

I assessed and tested, on a sampling basis, the operation of the Company's internal controls relevant to recognition of brokerage fees and interest income on margin loans, the IT controls relevant to the calculation of brokerage fees and interest income on margin loans and checked, on a sampling basis, the brokerage rates, interest rates, calculation and recording. In addition, I performed analytical procedures on brokerage fees and interest income on margin loans and tested, on a sampling basis, material manual adjustments made through journal vouchers.

Allowance for doubtful accounts on securities business receivables

As discussed in Note 9 to the financial statements, the Company set aside allowance for doubtful accounts, taking into consideration, status of each debtor, collection risk and the value of the collateral. For securities trading and credit balance transactions, the Company has policies regarding the collateral to be placed, with the value of collateral required dependent on the type of transaction, type of securities and credit limit, among other factors. The estimation of allowance for doubtful accounts on securities business receivables is importance because of the number of customers and the significance of the amount of the securities business receivables to the Company's financial statements (As at 31 December 2016, securities business receivables were Baht 4,514 million, representing 69 percent of the Group's total assets). Therefore, I focused on the adequacy of allowance for doubtful accounts on such receivables.

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

- I assessed and tested, on a sampling basis, the operation of the Company's internal controls relevant to the status of receivables, calculation of collateral value, calculation of allowance for doubtful debts and the recording of allowance for doubtful accounts. I also assessed the methods applied by the Company in determination and calculation of the allowance for doubtful accounts, and compared the Company's policies with the regulatory requirements. I tested, on a sampling basis, the operation of the IT controls relevant to the calculation of the collateral value and the revaluation adjustments made to the fair values of collateral.
- I examined the allowance for doubtful accounts as at the period-end date by testing, on a sampling basis, the data used in calculation of allowance for doubtful accounts, the status of receivables, the valuation of collateral, the collections after the period-end date, the debt classification and the calculation of the allowance.

Allowance for impairment on investment

The Company has investments in a subsidiary, an associate and a jointly-controlled entity, which were stated at cost totalling Baht 438 million, which required consideration of impairment. The management is required to use a high level of considerable judgment in consideration and assessment of their fair values and the relevant assumptions used such as discounted rate, growth rate, and expected future revenues. Such assessment of fair value involved an estimation of expected cash flow each entity will earn in the future. I therefore focused on the adequacy of allowance for impairment.

I assessed the valuation model used by the Company's management and tested, on a sampling basis, key assumptions used in valuation of fair value by comparing the applied discounted rate with industry's information. I also performed analytical procedures by comparing the expected cash flows with historical financial performance and industry's trend and tested the fair value calculation.

Other Information

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

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

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

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

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

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

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

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

The engagement partner on the audit resulting in this independent auditor's report is Rachada Yongsawadvanich.

Rachada Yongsawadvanich

Certified Public Accountant (Thailand) No. 4951

EY Office Limited

Bangkok: 21 February 2017

Finansia Syrus Securities Public Company Limited and its subsidiary

Statements of financial position

As at 31 December 2016 and 2015

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		31 December 2016	31 December 2015	31 December 2016	31 December 2015
Assets					
Cash and cash equivalents	6, 30.3	705,914,603	383,752,048	690,882,423	370,679,251
Deposits at financial institutions	7, 30.3	-	-	-	-
Receivables from Clearing House	8	263,020,018	503,066,359	263,020,018	503,066,359
Securities and derivatives business receivables - net	9	4,452,785,333	2,033,956,628	4,452,785,333	2,033,956,628
Derivatives assets	10	1,537,688	-	1,537,688	-
Investments - net	11	518,578,118	446,088,934	518,578,118	446,088,934
Investments in a subsidiary, an associate and a jointly - controlled entity	12	360,291,404	394,744,098	438,162,291	438,162,291
Equipment - net	13	45,485,676	71,465,295	45,485,676	71,465,295
Intangible assets - net	14	34,816,821	38,498,605	34,816,821	38,498,605
Deferred tax assets	15	16,117,581	16,678,960	17,099,061	15,350,829
Other assets - net	16, 30.3	142,213,056	121,287,169	144,133,000	122,234,087
Total assets		6,540,760,298	4,009,538,096	6,606,500,429	4,039,502,279
Liabilities and owners' equity					
Liabilities					
Payables to Clearing House	17	1,476,895,005	184,820,673	1,476,895,005	184,820,673
Securities and derivatives business payables	18	2,114,091,837	1,190,385,531	2,114,091,837	1,190,385,531
Derivatives liabilities	10	35,759,293	-	35,759,293	-
Provisions for employee benefits	19	54,376,477	47,268,934	51,720,055	44,998,665
Accrued expenses	30.3	278,601,970	182,760,418	278,349,667	182,475,119
Income tax payable		42,487,634	23,403,142	42,487,632	23,403,142
Other payables	20	1,635,244	1,639,781	1,635,244	1,639,781
Other liabilities	21	35,215,476	33,310,101	34,524,946	32,663,452
Total liabilities		4,039,062,936	1,663,588,580	4,035,463,679	1,660,386,363

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

Finansia Syrus Securities Public Company Limited and its subsidiary

Statements of financial position (continued)

As at 31 December 2016 and 2015

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		31 December 2016	31 December 2015	31 December 2016	31 December 2015
Owners' equity					
Share capital					
Registered, issued and paid-up share capital					
581,403,025 ordinary shares of Baht 1.60 each	22	930,244,840	930,244,840	930,244,840	930,244,840
Share premium		620,892,885	620,892,885	620,892,885	620,892,885
Capital reserve for share-based payment transactions		322,946	322,946	322,946	322,946
Deficit as a result of change in holding percentage in a subsidiary		(251,580)	(251,580)	-	-
Retained earnings					
Appropriated - statutory reserve	23	74,193,345	60,818,183	74,193,345	60,818,183
Unappropriated		870,600,281	728,239,547	945,382,734	766,837,062
Other component of owners' equity					
Exchange differences on translation of financial statements in foreign currency		5,328,448	5,341,520	-	-
Equity attributable to equity holders of the Company		2,501,331,165	2,345,608,341	2,571,036,750	2,379,115,916
Non-controlling interests of the subsidiary		366,197	341,175	-	-
Total owners' equity		2,501,697,362	2,345,949,516	2,571,036,750	2,379,115,916
Total liabilities and owners' equity		6,540,760,298	4,009,538,096	6,606,500,429	4,039,502,279

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

Finasia Syrus Securities Public Company Limited and its subsidiary

Statements of comprehensive income

For the years ended 31 December 2016 and 2015

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2016	2015	2016	2015
Profit or loss:					
Revenues					
Brokerage fees	24, 30.2	1,443,402,617	1,414,617,239	1,443,402,617	1,414,617,239
Fees and services income	25	120,906,357	62,650,179	120,906,357	62,650,179
Gains on investments		131,050,857	95,571,279	131,050,857	95,571,279
Gains on derivatives		42,200,345	5,109,681	42,200,345	5,109,681
Share of losses from investments in an associate and a jointly-controlled entity under equity method	12.2	(34,436,354)	(29,318,280)	-	-
Interest and dividend income	30.2	55,598,209	64,915,778	55,598,209	64,915,778
Interest income on margin loans		77,257,955	57,873,687	77,257,955	57,873,687
Other income	30.2	19,694,288	7,606,214	23,263,166	11,206,214
Total revenues		1,855,674,274	1,679,025,777	1,893,679,506	1,711,944,057
Expenses					
Finance costs		27,111,517	30,788,994	27,111,517	30,788,994
Fees and service expenses		159,522,765	136,626,738	159,462,765	136,571,738
Operating expenses					
Personnel expenses	19, 26	983,750,978	943,875,436	947,698,152	910,639,715
Premises and equipment expenses	30.2	223,208,730	238,937,420	222,705,515	238,410,395
Directors' remuneration		10,560,000	8,280,000	10,560,000	8,280,000
Other expenses	30.2	144,154,755	136,409,848	185,456,634	176,173,774
Reversal of allowance for doubtful accounts		(300,000)	(240,000)	(300,000)	(240,000)
Total expenses		1,548,008,745	1,494,678,436	1,552,694,583	1,500,624,616
Profits before income tax expenses		307,665,529	184,347,341	340,984,923	211,319,441
Income tax expenses	15.2	(76,322,218)	(46,614,486)	(73,481,696)	(48,816,156)
Profits for the years		231,343,311	137,732,855	267,503,227	162,503,285
Other comprehensive income (loss):	27				
Items to be recognised in profit or loss in subsequent periods:					
Exchange gain (loss) on translations of financial statements in foreign currency - net of income taxes		(13,072)	5,213,726	-	-
Total items to be recognised in profit or loss in subsequent periods		(13,072)	5,213,726	-	-
Other comprehensive income (loss) for the years		(13,072)	5,213,726	-	-
Total comprehensive income for the years		231,330,239	142,946,581	267,503,227	162,503,285

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

Finansia Syrus Securities Public Company Limited and its subsidiary

Statements of comprehensive income (continued)

For the years ended 31 December 2016 and 2015

(Unit: Baht)

Note	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Profits for the years attributable to:				
Equity holders of the Company	231,318,289	137,847,396	267,503,227	162,503,285
Non-controlling interests of the subsidiary	25,022	(114,541)		
	<u>231,343,311</u>	<u>137,732,855</u>		
Total comprehensive income attributable to:				
Equity holders of the Company	231,305,217	143,061,122	267,503,227	162,503,285
Non-controlling interest of the subsidiary	25,022	(114,541)		
	<u>231,330,239</u>	<u>142,946,581</u>		
Earnings per share of equity holders of the Company:				
Basic earnings per share				
Profits for the years	28 0.40	0.25	0.46	0.30

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

Finansia Syrus Securities Public Company Limited and its subsidiary

Statements of cash flows

For the years ended 31 December 2016 and 2015

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2016	2015	2016	2015
Cash flows from operating activities					
Profits before income tax expenses		307,665,529	184,347,341	340,984,923	211,319,441
Adjustments to reconcile profits before income tax expenses to net cash provided by (paid for) operating activities:					
Depreciation and amortisation		45,949,591	60,466,985	45,949,591	60,466,985
Reversal of allowance for doubtful accounts		(300,000)	(240,000)	(300,000)	(240,000)
Loss on disposals/write-off of equipment and intangible assets		2,089,997	2,048,840	2,089,997	2,048,840
Share of losses from investments in an associate and a jointly-controlled entity under equity method	12.2	34,436,354	29,318,280	-	-
Losses on revaluation of investments		729,449	1,198,280	729,449	1,198,280
Unrealised gains on valuation of derivatives liabilities		(2,383,741)	(3,969,218)	(2,383,741)	(3,969,218)
Provisions for employee benefits		7,107,543	7,203,364	6,721,390	6,838,812
Interest and dividend income		(55,598,209)	(64,915,778)	(55,598,209)	(64,915,778)
Interest income on margin loans		(77,257,955)	(57,873,687)	(77,257,955)	(57,873,687)
Finance costs		26,954,465	30,565,571	26,954,465	30,565,571
Amortised interest expense on financial lease agreement		157,052	223,424	157,052	223,424
Proceeds on interest and dividend income		122,896,257	133,282,572	122,896,257	133,282,572
Cash paid on interest expenses		(26,757,046)	(29,309,557)	(26,757,046)	(29,309,557)
Cash paid on income tax expenses		(57,241,973)	(87,528,946)	(56,145,438)	(86,232,946)
Profits from operating activities before changes in operating assets and liabilities		328,447,313	204,817,471	328,040,735	203,402,739
(Increase) decrease in operating assets					
Receivables from Clearing House		233,524,121	(438,462,169)	233,524,121	(438,462,169)
Securities and derivatives business receivables		(2,417,200,219)	436,124,314	(2,417,200,219)	436,124,314
Trading investments		(73,218,633)	(431,478,428)	(73,218,633)	(431,478,428)
Other assets		(11,725,573)	5,087,324	(13,267,492)	2,871,781
Increase (decrease) in operating liabilities					
Payables to Clearing House		1,292,074,332	(227,582,176)	1,292,074,332	(227,582,176)
Securities and derivatives business payables		923,706,306	41,061,951	923,706,306	41,061,951
Derivatives liabilities		43,127,565	-	43,127,565	-
Provisions for employee benefits		-	(4,110,000)	-	(4,110,000)
Accrued expenses		95,743,365	(55,732,818)	95,776,361	(55,440,505)
Other payables		(4,537)	(161,061)	(4,537)	(161,061)
Other liabilities		2,699,245	(3,817,569)	2,655,363	(3,879,958)
Net cash provided by (used in) operating activities		417,173,285	(474,253,161)	415,213,902	(477,653,512)

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

Finansia Syrus Securities Public Company Limited and its subsidiary

Statements of cash flows (continued)

For the years ended 31 December 2016 and 2015

(Unit: Baht)

Note	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Cash flows from investing activities				
Cash paid for investments in an associate and a jointly-controlled entity	-	(15,501,998)	-	(15,501,998)
Cash paid for investment in a subsidiary	-	-	-	(5,000,000)
Proceeds on disposals of equipment	1,950,435	717,117	1,950,435	717,117
Cash paid for purchases of equipment	(12,890,164)	(11,482,054)	(12,890,164)	(11,482,054)
Cash paid for purchases of intangible assets	(7,340,268)	(17,127,490)	(7,340,268)	(17,127,490)
Net cash used in investing activities	(18,279,997)	(43,394,425)	(18,279,997)	(48,394,425)
Cash flows from financing activities				
Cash paid for liabilities under finance lease agreement	(1,148,340)	(1,148,340)	(1,148,340)	(1,148,340)
Dividends paid	(75,582,393)	(93,509,355)	(75,582,393)	(93,509,355)
Net cash used in financing activities	(76,730,733)	(94,657,695)	(76,730,733)	(94,657,695)
Net increase (decrease) in cash and cash equivalents	322,162,555	(612,305,281)	320,203,172	(620,705,632)
Cash and cash equivalents as at 1 January	383,752,048	996,057,329	370,679,251	991,384,883
Cash and cash equivalents as at 31 December	705,914,603	383,752,048	690,882,423	370,679,251
Supplemental cash flows information				
Non-cash items:				
Purchases of equipment and intangible assets on credit	395,907	297,720	395,907	297,720
Issuance of ordinary shares of the Company for settlement of investment in a jointly-controlled entity	-	100,000,100	-	100,000,100
Write-off bad debt	-	39,945	-	39,945

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

Finansia Syrus Securities Public Company Limited and its subsidiary

Statements of changes in owners' equity

For the years ended 31 December 2016 and 2015

(Unit: Baht)

		Consolidated financial statements									
		Equity attributable to equity holders of the Company					Other component of owners' equity				
Note		Issued and paid-up share capital	Share premium	Capital reserve for share-based payment transactions	Deficit as a result of change in holding percentage in a subsidiary		Retained earnings - Appropriated - statutory reserve	Unappropriated	Total equity attributable to equity holders of the Company	Non-controlling interest of the subsidiary	Total owners' equity
					holding	percentage					
	Balance as at 1 January 2015	880,088,052	571,049,573	322,946	-	-	52,693,019	692,026,670	127,794	204,136	2,196,512,190
	Profits (losses) for the year	-	-	-	-	-	-	137,847,396	-	(114,541)	137,732,855
	Other comprehensive income for the year	-	-	-	-	-	-	-	5,213,726	-	5,213,726
	Total comprehensive income (loss) for the year	-	-	-	-	-	-	137,847,396	5,213,726	(114,541)	142,946,581
29	Dividend paid	-	-	-	-	-	-	(93,509,355)	-	-	(93,509,355)
	Investment in a subsidiary during the year	-	-	-	(251,580)	-	-	-	(251,580)	251,580	-
	Issuance of additional ordinary shares to settle for investments in a jointly-controlled entity	50,556,788	49,843,312	-	-	-	-	(8,125,164)	100,000,100	-	100,000,100
23	Appropriated to statutory reserve	-	-	-	-	-	8,125,164	-	-	-	-
	Balance as at 31 December 2015	930,244,840	620,892,885	322,946	(251,580)	-	60,818,183	728,239,547	5,341,520	341,175	2,345,949,516
	Balance as at 1 January 2016	930,244,840	620,892,885	322,946	(251,580)	-	60,818,183	728,239,547	5,341,520	341,175	2,345,949,516
	Profits for the year	-	-	-	-	-	-	231,318,289	-	25,022	231,343,311
	Other comprehensive loss for the year	-	-	-	-	-	-	-	(13,072)	-	(13,072)
	Total comprehensive income (loss) for the year	-	-	-	-	-	-	231,318,289	(13,072)	25,022	231,330,239
29	Dividend paid	-	-	-	-	-	-	(75,582,393)	-	-	(75,582,393)
23	Appropriated to statutory reserve	-	-	-	-	-	13,375,162	(13,375,162)	-	-	-
	Balance as at 31 December 2016	930,244,840	620,892,885	322,946	(251,580)	-	74,193,345	870,600,281	5,328,448	366,197	2,501,697,362

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

Finasia Syrus Securities Public Company Limited and its subsidiary
Statements of changes in owners' equity (continued)
For the years ended 31 December 2016 and 2015

(Unit: Baht)

		Separate financial statements				
	Note	Issued and paid-up share capital	Share premium	Capital reserve for share-based payment transactions	Retained earnings	
					Appropriated - statutory reserve	Unappropriated
						Total owners' equity
Balance as at 1 January 2015		880,088,052	571,049,573	322,946	52,693,019	705,968,296
Profits for the year		-	-	-	-	162,503,285
Other comprehensive income for the year		-	-	-	-	-
Total comprehensive income for the year		-	-	-	-	-
Dividend paid	29	-	-	-	-	-
Issuance of additional ordinary shares to settle for investments in a jointly - controlled entity		50,156,788	49,843,312	-	-	-
Appropriated to statutory reserve	23	-	-	-	8,125,164	(8,125,164)
Balance as at 31 December 2015		930,244,840	620,892,885	322,946	60,818,183	766,837,062
Balance as at 1 January 2016		930,244,840	620,892,885	322,946	60,818,183	766,837,062
Profits for the year		-	-	-	-	267,503,227
Other comprehensive income for the year		-	-	-	-	-
Total comprehensive income for the year		-	-	-	-	-
Dividend paid	29	-	-	-	-	-
Appropriated to statutory reserve	23	-	-	-	13,375,162	(13,375,162)
Balance as at 31 December 2016		930,244,840	620,892,885	322,946	74,193,345	945,382,734

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

Finansia Syrus Securities Public Company Limited and its subsidiary
Notes to financial statements
For the years ended 31 December 2016 and 2015

1. Corporate information

Finansia Syrus Securities Public Company Limited ("the Company") is a publicly limited company incorporated under Thai laws and domiciled in Thailand whereby as at 31 December 2016 and 2015, its major shareholders are Finansia Public Company Limited and Industrial and Commercial Bank of China (Thai) Public Company Limited, which hold shares in the Company at the rates of 29.29% and 22.29%, respectively, of the Company's paid-up share capital. The Company's registered address and head office are located at No. 999/9, 18th and 25th floors of The Offices at Centralworld, Rama 1 Road, Pathumwan Sub-district, Pathumwan District, Bangkok.

The Company has been operating its businesses in Thailand and undertaken business licenses as follows:

1. Securities brokerage
2. Securities trading
3. Investment advisory
4. Securities underwriting
5. Financial advisory
6. Derivatives brokerage
7. Securities borrowing and lending

As at 31 December 2016 and 2015, the Company has 34 branches and 35 branches, respectively.

2. Basis for preparation of financial statements

2.1 Basis for preparation of financial statements

The financial statements have been prepared in accordance with Thai Financial Reporting Standards enunciated under the Accounting Profession Act B.E. 2547 and in conjunction with the Notifications of the Office of the Securities and Exchange Commission and the presentation of the financial statements has been made in compliance with the stipulations of the Notification of the Office of the Securities and Exchange Commission relating to the format of the financial statements of securities companies No. Sor Thor/Kor/Nor. 53/2553 dated 15 December 2010.

The financial statements have been prepared on a historical cost basis except where otherwise disclosed in Note 4 to the financial statement regarding a summary of significant accounting policies.

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

2.2 Basis of consolidation

- (a) These consolidated financial statements include the financial statements of the Company and the following subsidiary:

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			31 December 2016	31 December 2015
			%	%
FSS International Investment Advisory Securities Company Limited	Advisory	Thailand	96.25	96.25

- (b) The Company is deemed to have control over an investee or a subsidiary if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns.
- (c) Subsidiary is fully consolidated as from the date of acquisition, being the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases.
- (d) The financial statements of the subsidiary are prepared using the same significant accounting policies as those of the Company.
- (e) Material balances and transactions between the Company and its subsidiary have been eliminated from the consolidated financial statements.
- (f) Non-controlling interests represent the portion of profit or loss and net assets of the subsidiary that are not held by the Company and are presented separately in the consolidated profit or loss and within owners' equity in the consolidated statement of financial position.
- (g) The net assets in the financial statements of an overseas associate are translated into Baht using the exchange rate prevailing at the end of the reporting periods. Profit or loss of the associate is translated using a monthly average exchange rate. The resulting differences are shown under the caption of "Exchange differences on translations of financial statements in foreign currency" and presented as a part of other component of owners' equity in the statements of financial position.

2.3 Separate financial statements

The Company has prepared its separate financial statements, which present investments in a subsidiary, an associate and a jointly-controlled entity under the cost method.

3. New financial reporting standards

3.1 Financial reporting standards that became effective in the current year

During the year, the Company and its subsidiary have adopted the revised (revised 2015) and new financial reporting standards and accounting treatment guidance issued by the Federation of Accounting Professions which become effective for fiscal years beginning on or after 1 January 2016. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards, with most of the changes directed towards revision of wording and terminology, and provision of interpretations and accounting guidance to users of standards. The adoption of these financial reporting standards does not have any significant impact on the Company's and its subsidiary's financial statements.

3.2 Financial reporting standard that will become effective in the future

During the current year, the Federation of Accounting Professions issued a number of the revised financial reporting standards and interpretations (revised 2016) and new accounting treatment guidance which is effective for fiscal years beginning on or after 1 January 2017. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards revision of wording and terminology, and provision of interpretations and accounting guidance to users of standards.

The management of the Company and its subsidiary believes that the revised and new financial reporting standards and interpretations and new accounting treatment guidance will not have any significant impact on the financial statements when they are initially applied. However, one standard involves changes to key principles, which are summarised below.

TAS 27 (revised 2016) Separate Financial Statements

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

This standard will not have any significant impact on the Company's and its subsidiary's financial statements because the management has decided to continue accounting for such investments under the cost method in the separate financial statements.

4. Summary of significant accounting policies

4.1 Revenue recognition

(a) Brokerage fees

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

(b) Fees and service income

Fees and service income are recognised as revenue, taking into account the stage of completion, which is measured based on service performed to date as a percentage of total service to be performed. Revenue is recognised when it is probable that the amount will be collected.

(c) Gain (loss) on securities and derivatives

Gain (loss) on securities and derivatives are recognised as revenue or expense on the transaction dates.

(d) Interest and dividend on investments

Interest on investments is recognised as revenue as it accrues based on the effective rate method. Dividend from securities is recognised as revenue when the right to receive the dividend is established.

(e) Interest on margin loans

Interest income is recognised as it accrues based on the effective rate method, except that there is uncertainty as to the collectability of loans and interest, the Company ceases accrual.

The following cases are considered as uncertainty of collectability of loans and interest.

- (1) Receivables from general debtors, which are not fully collateralised.
- (2) Installment loans with repayments scheduled less frequently than every three months and for which principal or interest is overdue longer than three months.
- (3) Installment loans with repayments scheduled longer than every three months, unless there is clear evidence and a high degree of certainty that full repayment will be received.
- (4) Problem financial institutions.
- (5) Other receivables from which interest payment is overdue for three months or more.

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

4.2 Expenses recognition

(a) Interest on borrowings

Interest on borrowings is charged as expense on an accrual basis.

(b) Fees and service expenses

Fees and service expenses are recognised as expenses on an accrual basis.

4.3 Recognition and derecognition of customers' assets

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

4.4 Cash and cash equivalents

Cash and cash equivalents consist of cash on hand, all bank deposit accounts with an original maturity less than 3 months, promissory notes and term notes with an original maturity less than 3 months and exclude deposits used as collateral.

4.5 Deposits with financial institutions

Deposits with financial institutions include fixed deposits, bills of exchange, fixed deposit and promissory notes issued by financial institutions with an original maturity of longer than 3 months or those with an original maturity of 3 months or less, but the Company intends to hold them in the same form, or those subject to withdrawal restrictions.

4.6 Receivables from/payables to Clearing House

Receivables from Clearing House comprise the net receivable from Thailand Clearing House (TCH) for settlement of equity securities trading through the Stock Exchange of Thailand, and net receivables from TCH from derivatives trading, including cash collateral pledged with TCH for derivatives trading transactions and receivable from overseas securities companies in respect of overseas securities trades settle through those companies.

Payables to Clearing House comprise the net payable to Thailand Clearing House (TCH) for settlement of equity securities trading through the Stock Exchange of Thailand, and net payable for derivatives trading transactions and payable from overseas securities companies in respect of overseas securities trades settle through those companies.

4.7 Securities borrowing and lending

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

4.8 Securities and derivatives business receivables/payables

Securities and derivatives business receivables are the balances of securities business receivables and derivatives business receivables and including accrued interest receivables after deducting allowance for doubtful accounts. Securities business receivables comprise receivables on cash accounts, credit balance receivables for which the securities purchased are used as collateral and other receivables (such as overdue in cash accounts and securities receivables which are subject to legal proceedings, are undergoing restructuring or are being settled in installments).

Securities and derivatives business payables are the obligations of the Company in respect of its securities and derivatives business with outside parties, such as the net payable balances of cash accounts, securities delivery obligations as a result of short sales.

4.9 Allowance for doubtful accounts

The Company has provided an allowance for doubtful accounts based on a review of each debtor’s repayment capability, taking into consideration the risk of recovery and the value of the collateral. An allowance will be set aside for doubtful accounts that their collaterals are not fully covered and/or debtors can not be recovered in full. Such debt classifications and allowances are made in accordance with the following criteria.

- (a) Debts classified as bad debts are defined as follows:
 - (1) Debts which the Company has made effort to follow up, but could not collect repayment. The Company has written them off in accordance with tax law.
 - (2) Debts on which the Company has forgiven.
- (b) Doubtful debt is defined as the uncollateralised portion of the debt which meets the following criteria:
 - (1) Debtors in general, problem financial institutions, and other debtors which have the value of the underlying collateral less than the debts.
 - (2) Installment loans with repayments scheduled no longer than three months for each installment, which principal or interest is overdue by three months or more.

- (3) Installment loans with repayments scheduled longer than three months for each installment, unless there is clear evidence and high degree of certainty that full is recovered.
- (c) Sub-standard debt is defined as the collateralised portion of debts, which meet the criteria in (b).
- Bad debts will be written off when identified. Full allowance of the debt balance will be set aside for debts classified as doubtful. These conditions are complied with the guidelines stipulated by the Office of the Securities and Exchange Commission.

4.10 Investments

Trading investments are stated at fair value. Changes in the fair value of these investments are recorded in profit or loss.

The Company classifies investments in non-marketable equity securities as general investments, which are stated at cost net of allowance for impairment loss (if any).

The fair value of marketable securities is based on the latest bid price of the last working day of the reporting period. The fair value of investment units is determined based on their net asset value at the end of the reporting period.

Impairment loss (if any) is recognised in profit or loss.

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

Purchase and sales of investments are recorded on trade date. On disposal of an investment, the difference between net disposal proceeds and the cost of the investment is recognised as revenue or expense in profit or loss. The weighted average method is used for computation of the cost of investment.

4.11 Investments in a subsidiary, an associate and a jointly-controlled entity

Consolidated financial statements

Investments in an associate and a jointly-controlled entity are accounted for in the consolidated financial statements using the equity method.

Separate financial statements

Investments in a subsidiary, an associate and a jointly-controlled entity are stated in the separate financial statements at cost net of allowance for impairment loss (if any).

4.12 Equipment and depreciation

Equipment is stated at cost less accumulated depreciation and allowance for impairment (if any).

Depreciation of equipment is calculated by reference to their cost on the straight-line method over the following estimated useful lives:

Office equipment	5 years
Furniture and fixtures	5 years
Motor vehicles	5 years

No depreciation is provided for equipment under installation.

Depreciation is included in profit or loss.

An item of equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on disposal of an asset is included in profit or loss when the asset is derecognised.

4.13 Intangible assets and amortisation

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

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

Intangible assets with finite useful lives are amortised on a straight line method over the estimated period of their economic benefits as follows.

Computer softwares	5 years
Futures Exchange membership fee	10 years
Retail broking business acquisition cost	2 years

No amortisation is provided for computer softwares under development.

4.14 Impairment of assets

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

4.15 Employee benefits

Short-term employee benefits

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

Post-employment benefits

Defined contribution plan

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

Defined benefit plan

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

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

Actuarial gains and losses arising from the defined benefit plan are recognised in other comprehensive income or loss and as a part of retained earnings.

4.16 Provisions for liabilities

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

4.17 Long-term leases

Leases of equipment which transfer substantially all the risks and rewards of ownership to the Company and its subsidiary, as the leases, are classified as finance leases. Finance leases are capitalised at the lower of the fair value of the leased assets and the present value of the minimum lease payments. The outstanding rental obligations, net of finance charges, are included in other long-term payables, while the interest element is charged to profit or loss over the lease period. The equipment acquired under finance leases is depreciated over the lower of the useful life of the asset or lease periods.

Leases of equipment which do not transfer substantially all the risks and rewards of ownership to the Company and its subsidiary as the leases, are classified as operating leases. Operating lease payments are recognised as an expense in profit or loss on a straight line basis over the lease term. When an operating lease is terminated before the lease period has expired, any payment required to be made to the lessor by way of penalty is recognised as an expense in the period in which termination takes place.

4.18 Foreign currencies

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

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

Gains and losses on exchange are included in profit or loss.

4.19 Income taxes

Income tax expenses represent the sum of corporate income taxes currently payable and deferred income taxes.

Current income taxes

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

Deferred income taxes

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

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

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

The Company and its subsidiary record deferred income taxes directly to owners' equity if the taxes relate to items that are recorded directly to owners' equity.

4.20 Related party transactions

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

They also include associated companies and individuals or enterprises which directly or indirectly own a voting interest in the Company and its subsidiary that give them significant influence over the Company and its subsidiary, key management personnel, directors and officers with authority in the planning and direction of the Company and its subsidiary's operations, together with closed family members of such persons and companies which are controlled or influenced by them, whether directly or indirectly.

4.21 Derivatives

Forward exchange contracts

Forward exchange contracts are initially recognised as off-balance transactions on the date on which derivative contracts are entered into. Subsequently gains (losses) from changes in the fair value of derivatives is included in profit or loss. The fair value of forward foreign currency contracts is determined based on an average rate of buying or selling for the remaining period of each contract.

Futures contracts

The Company initially recognises the fair value of future contracts as derivatives assets or liabilities and will recognise any subsequent gains or losses resulting from changes in the fair value of the future contracts in profit or loss. The fair value of marketable future contracts being calculated with reference to the last bid/offer prices quoted on Thailand Futures Exchange Public Company Limited on the last working day of the year.

Derivative warrants

The Company initially recognises the fair value of derivative warrants as derivatives liabilities and will subsequently recognise unrealised gains or losses resulting from changes in the fair values of derivative warrants in profit or loss. The fair value of marketable derivative warrants being calculated with reference to the last offer price quoted on the Stock Exchange of Thailand on the last working day of the year.

4.22 Fair value measurement

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

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

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

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

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

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

5. Significant accounting judgements and estimates

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

5.1 Recognition and derecognition of assets and liabilities

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

5.2 Fair value of financial instruments

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

5.3 Allowance for doubtful accounts

Allowances for doubtful accounts on securities and derivatives business receivables are intended to adjust the values of receivables for probable credit losses. The management uses the SEC's regulations regarding the provision of allowance for doubtful accounts and judgement to establish reserves for estimated losses for each debtor when there is any doubt about the debtor's capability to repay the debt. The allowances for doubtful accounts are determined through a combination of specific reviews, probability of default and the value of the securities used as collateral.

5.4 Allowance for impairment on investments

The Company and its subsidiary treat investments in equity securities as impaired when there has been a significant or prolonged decline in the fair value below their cost or where other objective evidence of impairment exists. The determination of what is "significant" or "prolonged" requires judgement of the management.

5.5 Equipment and depreciation

In determining depreciation of equipment, the management is required to make estimates of the useful lives and residual values of equipment and to review estimated useful lives and residual values when there are any changes.

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

5.6 Intangible assets

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

5.7 Deferred tax assets

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

5.8 Provisions for employee benefits

Provisions for employee benefits are determined based on actuarial techniques. Such determination is made based on various assumptions, including discount rate, future salary incremental rate, mortality rate and staff turnover rate.

5.9 Leases

In determining whether a lease is to be classified as an operating lease or finance lease, the management is required to use judgement regarding whether or not significant risk and rewards of ownership of the leased asset has been transferred to the Company and its subsidiary, taking into consideration terms and conditions of the arrangement.

5.10 Litigation

The Company and its subsidiary have contingent liabilities as a result of litigation whereby the management have used judgement to assess the outcome of the litigation cases. In case where the management believe that losses will not be incurred, no contingent liabilities will be recorded for such cases.

6. Cash and cash equivalents

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	31 December 2016	31 December 2015	31 December 2016	31 December 2015
Cash on hand	417,000	437,000	417,000	437,000
Deposits at banks				
Saving accounts	1,003,272,940	512,233,451	1,003,272,940	512,233,451
Current accounts	195,903,532	109,449,490	180,871,352	96,376,693
Fixed deposits and note receivables with an original maturity period of less than 3 months	300,000,000	703,000,000	300,000,000	703,000,000
Total cash and cash equivalents	1,499,593,472	1,325,119,941	1,484,561,292	1,312,047,144
Less: Deposits for customers' account	(793,678,869)	(941,367,893)	(793,678,869)	(941,367,893)
Cash and cash equivalents - net	705,914,603	383,752,048	690,882,423	370,679,251

7. Deposits at financial institutions

(Unit: Baht)

	Consolidated and separate financial statements	
	31 December 2016	31 December 2015
Fixed deposits with an original maturity period of longer than 3 months but less than 1 year	2,601,258,885	1,701,247,839
Less: Fixed deposits for customers' account	(2,601,258,885)	(1,701,247,839)
Deposits at financial institutions - net	-	-

8. Receivables from Clearing House

(Unit: Baht)

	Consolidated and separate financial statements	
	31 December 2016	31 December 2015
Receivables from Clearing House	291,789,297	528,925,450
Receivables from overseas securities companies	39,383,028	40,759,279
Total receivables from Clearing House	331,172,325	569,684,729
Less: Receivables from Clearing House for customers' account	(68,152,307)	(66,618,370)
Receivables from Clearing House - net	263,020,018	503,066,359

9. Securities and derivatives business receivables

(Unit: Baht)

Consolidated and separate financial statements		
	31 December 2016	31 December 2015
Securities business receivables		
Cash accounts	3,068,977,356	764,559,004
Credit balance accounts	1,342,841,478	1,236,683,895
Securities borrowing and lending receivables		
Collateral receivables	15,624,093	12,766,053
Securities borrowing receivables	16,182,700	9,932,973
Other receivables	70,416,493	70,716,493
Total securities business receivables	4,514,042,120	2,094,658,418
Add: Accrued interest receivables	7,299,043	5,970,558
Less: Allowance for doubtful accounts	(69,849,426)	(70,149,426)
Securities business receivables - net	4,451,491,737	2,030,479,550
Derivatives business receivables		
Derivatives business receivables	1,293,596	3,477,078
Securities and derivatives business receivables - net	4,452,785,333	2,033,956,628

9.1 Non-accrued securities business receivables

As at 31 December 2016 and 2015, the Company has securities business receivables (included accrued interest receivables) of Baht 70 million and Baht 71 million, respectively, on which the Company has set aside allowances for doubtful accounts of Baht 70 million and Baht 70 million, respectively.

9.2 Classification of securities business receivables

As at 31 December 2016 and 2015, the Company has classified securities business receivables in accordance with the Office of the Securities and Exchange Commission's Notification regarding accounting for non-performing debts of securities companies as follows:

Consolidated and separate financial statements						
31 December 2016			31 December 2015			
Securities business receivables and accrued interest receivables	Allowance for doubtful accounts	Net securities business receivables after allowance for doubtful accounts	Securities business receivables and accrued interest receivables	Allowance for doubtful accounts	Net securities business receivables after allowance for doubtful accounts	
Pass	4,451	-	4,451	2,030	-	2,030
Sub-standard debts	-	-	-	1	-	1
Doubtful debts	70	(70)	-	70	(70)	-
Securities business receivables - net	4,521	(70)	4,451	2,101	(70)	2,031

9.3 Allowance for doubtful accounts

(Unit: Baht)

	Consolidated and separate financial statements	
	For the year ended 31 December	
	2016	2015
Balances - beginning of the years	70,149,426	70,429,371
Reversal of allowance for doubtful accounts	(300,000)	(240,000)
Bad debts written off	-	(39,945)
Balances - end of the years	69,849,426	70,149,426

10. Derivatives assets and derivatives liabilities

(Unit: Baht)

Type of derivatives held for trading	Consolidated and separate financial statements			
	Fair value		Notional amount	
	2016	2015	2016	2015
Assets				
Futures contracts ⁽¹⁾	-	-	173,325,548	-
Forward exchange contracts	1,537,688	-	571,190,814	-
	1,537,688	-		
Liabilities				
Derivative warrants - call	33,630,100	-	1,024,709,799	-
Forward exchange contracts	2,129,193	-	721,778,379	-
	35,759,293	-		

As at 31 December 2016, the futures contracts have short-term maturity period. Delivery method of the futures contracts is cash settlement between the price of the futures contracts and the price of the underlying assets to those futures contracts on the settlement dates. Therefore, real exposure would be such price difference.

Forward exchange contracts have a short-term maturity period and delivery method is cash settlement between contract buying/selling rates and buying/selling rates as quoted by the Bank of Thailand on the contract maturity dates. Therefore, real exposure would be such price difference.

Delivery method of the derivatives warrants is cash settlement between the close price of the underlying asset as quoted on the last trading date and the exercise price.

11. Investments

(Unit: Baht)

	Consolidated and separate financial statements			
	31 December 2016		31 December 2015	
	Cost	Fair value	Cost	Fair value
Trading investments				
Equity securities	366,724,293	365,578,003	43,224,300	41,262,400
Investment units	150,000,000	150,158,027	400,000,000	401,703,086
Total	516,724,293	515,736,030	443,224,300	442,965,486
Less: Revaluation allowance	(988,263)		(258,814)	
Trading investments - net	515,736,030		442,965,486	
General investments				
Equity securities	19,952,465		20,233,825	
Less: Allowance for impairment	(17,110,377)		(17,110,377)	
General investments - net	2,842,088		3,123,448	
Investments - net	518,578,118		446,088,934	

12. Investments in a subsidiary, an associate and a jointly-controlled entity

12.1 Details of investments in a subsidiary, an associate and a jointly-controlled entity

Investments in a subsidiary, an associate and a jointly-controlled entity as at 31 December 2016 and 2015 were as follows:

Consolidated financial statements									
Company's name	Nature of business	Country of incorporation	Currency	Issued and paid-up share capital		Percentage of shareholding		Investment value under equity method	
				31 December	31 December	31 December	31 December	31 December	31 December
				2016	2015	2016	2015	2016	2015
				Thousand units	Thousand units	%	%	Thousand Baht	Thousand Baht
Associate									
SBI Royal Securities Plc.	Securities	Cambodia	Cambodian Riel (KHR)	63,960,000	63,960,000	20.01	20.01	111,582	99,648
Total Investments in an associate								111,582	99,648
Jointly-controlled entity									
SBI Thai Online Co., Ltd.	Securities	Thailand	Baht	722,222	722,222	45.00	45.00	248,709	295,096
Total Investment in a jointly-controlled entity								248,709	295,096
Total investments in an associate and a jointly-controlled entity								360,291	394,744

Company's name	Nature of business	Country of incorporation	Currency	Separate financial statements					
				Issued and paid-up share capital		Percentage of shareholding		Investment value under cost method	
				31	31	31	31	31	31
				December	December	December	December	December	December
				2016	2015	2016	2015	2016	2015
				Thousand units	Thousand units	%	%	Thousand Baht	Thousand Baht
Subsidiary									
FSS International Investment Advisory Securities Co., Ltd.	Advisory	Thailand	Baht	8,000	8,000	96.25	96.25	7,700	7,700
Total Investment in a subsidiary								7,700	7,700
Associate									
SBI Royal Securities Plc.	Securities	Cambodia	Cambodian Riel (KHR)	63,960,000	63,960,000	20.01	20.01	105,462	105,462
Total Investments in an associate								105,462	105,462
Jointly-controlled entity									
SBI Thai Online Co., Ltd.	Securities	Thailand	Baht	722,222	722,222	45.00	45.00	325,000	325,000
Total Investment in a jointly-controlled entity								225,000	325,000
Total investments in a subsidiary, an associate and a jointly-controlled entity								438,162	438,162

12.2 Investments in an associate and a jointly-controlled entity

12.2.1 Share of profit or loss and dividend income

During the years ended 31 December 2016 and 2015, the Company recognised its share of comprehensive income (loss) from investments in an associate and a jointly-controlled entity in the consolidated financial statements and dividend as revenue in the separate financial statements as follows:

Company's name	Consolidated financial statements				Separate financial statements	
	Shares of gain (loss) from investments in an associate and a jointly-controlled entity for the years ended 31		Shares of other comprehensive gain (loss) from investments in an associate and a jointly-controlled entity for the year ended		Dividend received during the years ended 31 December	
	December		31 December			
	2016	2015	2016	2015	2016	2015
Associate						
SBI Royal Securities Plc.	11,951	(1,655)	(13)	-	-	-
Jointly-controlled entity						
SBI Thai Online Co., Ltd.	(46,387)	(27,663)	-	-	-	-
Total	(34,436)	(29,318)	(13)	-	-	-

During the years ended 31 December 2016 and 2015, the Company recognised shares of losses from the associate and the jointly-controlled entity under equity method based on financial information as prepared by their management, which have yet been audited by their auditors.

12.2.2 Summarised financial information about material joint ventures

Summarised information from statements of financial position (Unit: Million Baht)

	Associate		Jointly-controlled entity	
	SBI Royal Securities Plc.		SBI Thai Online Co., Ltd.	
	31	31	31	31
	December	December	December	December
	2016	2015	2016	2015
Cash and cash equivalents	380	320	132	413
Other current assets	26	16	324	49
Non-current assets	38	37	368	336
Current liabilities	(17)	(6)	(272)	(144)
Net assets	427	367	552	654
Shareholding percentage	20.01%	20.01%	45.00%	45.00%
The Company's equity interest in the investees' net assets	85	74	248	295
Goodwill	25	25	-	-
Total investment values	110	99	248	295
Carrying values of investments in an associate and a jointly-controlled entity (under equity method)	111	100	248	295

Summarised information from statements of comprehensive income (loss)

(Unit: Million Baht)

	Associate		Jointly-controlled entity	
	SBI Royal Securities Plc.		SBI Thai Online Co., Ltd.	
	For the years ended 31 December			
	2016	2015	2016	2015
Revenues	81	13	52	8
Income (losses) for the years	60	(8)	(102)	(64)
Other comprehensive income (loss) for the years	-	-	-	-
Total comprehensive income (losses) for the years	60	(8)	(102)	(64)

13. Equipment

(Unit: Baht)

	Consolidated and separate financial statements				
	Office equipment	Furniture and fixtures	Motor vehicles	Equipment under installation	Total
Cost					
1 January 2015	237,219,844	205,000,229	15,222,804	203,792	457,646,669
Additions	5,105,684	2,532,566	-	3,117,063	10,755,313
Disposals/write-off	(4,331,922)	(10,380,262)	(642,000)	-	(15,354,184)
Transfers in (out)	50,048	2,332,507	-	(2,382,555)	-
31 December 2015	238,043,654	199,485,040	14,580,804	938,300	453,047,798
Additions	4,953,471	3,142,507	-	4,881,173	12,977,151
Disposals/write-off	(1,836,361)	(18,271,050)	-	-	(20,107,411)
Transfers in (out)	2,483,621	2,056,821	-	(4,540,442)	-
31 December 2016	243,644,385	186,413,318	14,580,804	1,279,031	445,917,538
Accumulated depreciation					
1 January 2015	184,606,266	156,701,189	7,423,783	-	348,731,238
Depreciation for the year	23,040,623	21,103,500	1,797,369	-	45,941,492
Accumulated depreciation on disposals/write-off	(4,044,877)	(8,420,061)	(625,289)	-	(13,090,227)
31 December 2015	203,602,012	169,384,628	8,595,863	-	381,582,503
Depreciation for the year	18,197,685	14,969,654	1,749,000	-	34,916,339
Accumulated depreciation on disposals/write-off	(589,941)	(15,477,039)	-	-	(16,066,980)
31 December 2016	221,209,756	168,877,243	10,344,863	-	400,431,862
Net book value					
31 December 2015	34,441,642	30,100,412	5,984,941	938,300	71,465,295
31 December 2016	22,434,629	17,536,075	4,235,941	1,279,031	45,485,676
Depreciation for the years ended					
31 December 2015					45,941,492
31 December 2016					34,916,339

As at 31 December 2016 and 2015, certain equipment items have been fully depreciated but are still in use. The original costs, before deducting accumulated depreciation and allowance for impairment loss, of these assets amounted to approximately Baht 328 million and Baht 243 million, respectively.

As at 31 December 2016 and 2015, motor vehicles of the Company having net book value of Baht 4 million and Baht 6 million, respectively, were under finance lease agreements.

14. Intangible assets

(Unit: Baht)

	Consolidated and separate financial statements				Total
	Future Exchange membership fee	Retail brokerage business acquisition cost	Computer softwares	Computer softwares under development	
Cost					
1 January 2015	5,000,000	6,384,000	102,293,224	9,054,429	122,731,653
Additions	-	-	9,651,437	7,476,053	17,127,490
Write-off	-	-	-	(502,000)	(502,000)
Transfers in (out)	-	-	7,712,502	(7,712,502)	-
31 December 2015	5,000,000	6,384,000	119,657,163	8,315,980	139,357,143
Additions	-	-	3,458,872	3,892,597	7,351,469
Write-off	-	-	(22,313)	-	(22,313)
Transfer in (out)	-	-	3,559,371	(3,559,371)	-
31 December 2016	5,000,000	6,384,000	126,653,093	8,649,206	146,686,299
Accumulated amortisation					
1 January 2015	3,414,026	6,384,000	76,535,019	-	86,333,045
Amortisation for the year	499,726	-	14,025,767	-	14,525,493
31 December 2015	3,913,752	6,384,000	90,560,786	-	100,858,538
Amortisation for the year	499,726	-	10,533,526	-	11,033,252
Write-off	-	-	(22,312)	-	(22,312)
31 December 2016	4,413,478	6,384,000	101,072,000	-	111,869,478
Net book value					
31 December 2015	1,086,248	-	29,096,377	8,315,980	38,498,605
31 December 2016	586,522	-	25,581,093	8,649,206	34,816,821
Amortisation for the years ended					
31 December 2015					14,525,493
31 December 2016					11,033,252

As at 31 December 2016 and 2015, certain computer software items have been fully amortised but are still in use. The original costs, before deducting accumulated amortisation, of these assets amounted to Baht 82 million and Baht 75 million, respectively.

15. Deferred tax assets and income tax expenses

15.1 Deferred tax assets

Deferred tax assets consisted of tax effects on each type of the following temporary differences:

(Unit: Baht)

	Consolidated financial statements			
			Income tax revenue (expenses) reported in	
			the statements of comprehensive income	
	31 December	31 December	For the years ended 31 December	
	2016	2015	2016	2015
Deferred tax assets arose from:				
Allowance for impairment loss on investments	3,422,075	3,422,075	-	-
Share of losses from investments in an associate	(1,223,988)	1,162,853	(2,386,841)	1,162,853
Provisions for long-term employee benefits	10,586,519	9,165,011	1,421,508	711,040
Unrealised gain on revaluation of investments	(1,072,939)	(894,961)	(177,978)	(894,961)
Others	4,405,914	3,823,982	581,932	2,056,929
Total deferred tax assets - net	16,117,581	16,678,960	(561,379)	3,035,861
Recognised as income tax revenue (expenses):				
- In profit or loss			(564,647)	4,371,240
- In other comprehensive income or loss			3,268	(1,335,379)
- Directly against retained earnings			-	-
Total			(561,379)	3,035,861

(Unit: Baht)

	Separate financial statements			
			Income tax revenue (expenses) reported in	
			the statements of comprehensive income	
	31 December	31 December	For the years ended 31 December	
	2016	2015	2016	2015
Deferred tax assets arose from:				
Allowance for impairment loss on investments	3,422,075	3,422,075	-	-
Provisions for long-term employee benefits	10,344,011	8,999,733	1,344,278	545,762
Unrealised gain on changes in value of investments	(1,072,939)	(894,961)	(177,978)	(894,961)
Others	4,405,914	3,823,982	581,932	2,056,929
Total deferred tax assets	17,099,061	15,350,829	1,748,232	1,707,730
Recognised as income tax revenue (expenses):				
- In profit or loss			1,748,232	1,707,730
- Directly against retained earnings			-	-
Total			1,748,232	1,707,730

15.2 Income taxes

Income tax expenses for the years ended 31 December 2016 and 2015 are made up as follows:

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	For the years ended		For the years ended	
	31 December		31 December	
	2016	2015	2016	2015
Current income taxes				
Corporate income tax charge	(75,757,571)	(50,985,726)	(75,229,928)	(50,523,886)
Deferred income taxes				
Relating to origination and reversal of temporary differences	(564,647)	4,371,240	1,748,232	1,707,730
Income tax expenses reported in profit or loss	<u>(76,322,218)</u>	<u>(46,614,486)</u>	<u>(73,481,696)</u>	<u>(48,816,156)</u>

Reconciliations between income tax expenses and the product of accounting profits for the years ended 31 December 2016 and 2015 and the applicable tax rate are as follows:

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	For the years ended		For the years ended	
	31 December		31 December	
	2016	2015	2016	2015
Accounting profits before income tax expenses	307,665,529	184,347,341	340,984,923	211,319,441
Applicable tax rates	20%	20%	20%	20%
Amounts of income taxes at the applicable tax rates	(61,533,106)	(36,869,468)	(68,196,985)	(42,263,888)
Net tax effects on:				
Revenue or expenses that are not taxable or not deductible in determining taxable profits	(6,193,675)	(5,866,586)	(5,966,655)	(5,855,783)
Temporary differences on which deferred tax assets are not recognised in prior years but recognised in current year	-	2,259,504	-	-
Unused tax losses on which deferred tax assets were not recognised but utilised in the current year	-	91,108	-	-
Shares of losses on investments in a jointly-controlled entity, on which deferred tax assets are not recognised	(9,277,381)	(5,532,559)	-	-
Others	681,944	(696,485)	681,944	(696,485)
Income tax expenses reported in profit or loss	<u>(76,322,218)</u>	<u>(46,614,486)</u>	<u>(73,481,696)</u>	<u>(48,816,156)</u>

16. Other assets

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	31 December	31 December	31 December	31 December
	2016	2015	2016	2015
Interest receivables	14,402,290	5,770,868	14,402,290	5,770,868
Prepaid expenses	22,427,933	17,123,355	22,175,046	16,874,395
Deposits	19,578,671	20,119,782	19,578,671	20,119,782
Contribution to the compensation fund for clearing and securities delivery system	68,749,342	60,563,782	68,749,342	60,563,782
Asset for protecting the clearing system	5,000,000	5,000,000	5,000,000	5,000,000
Fee receivables	2,663,857	3,380,922	2,663,587	3,380,922
Advances paid	3,717,738	3,373,015	3,717,738	3,373,015
Loans to employees	1,504,875	1,422,273	1,501,876	1,422,274
Withholding tax	840,357	-	-	-
Other receivable - related party	-	2,618,862	4,268,455	5,638,934
Others	6,184,346	4,770,663	4,932,348	2,946,468
Total	145,069,409	124,143,522	146,989,353	125,090,440
Less: Allowance for doubtful accounts/ allowance for impairment	(2,856,353)	(2,856,353)	(2,856,353)	(2,856,353)
Other assets - net	142,213,056	121,287,169	144,133,000	122,234,087

As at 31 December 2016 and 2015, loans to employees are subject to interest at the rates between 3.40% to 3.50% per annum and between 3.40% to 3.72% per annum, respectively.

17. Payables to Clearing House

(Unit: Baht)

	Consolidated and separate financial statements	
	31 December 2016	31 December 2015
Payables to Clearing House	1,469,766,696	179,926,074
Payables to overseas securities companies	7,128,309	4,894,599
Total payables to Clearing House	1,476,895,005	184,820,673

18. Securities and derivatives business payables

(Unit: Baht)

	Consolidated and separate financial statements	
	31 December 2016	31 December 2015
Securities business payables		
Cash accounts payable	2,079,881,925	1,147,063,240
Collateral payables	15,624,093	12,766,053
Securities borrowing and lending payables	16,182,700	27,367,973
Total securities business payable	2,111,688,718	1,187,197,266
Derivatives business payables		
Derivatives business payables	2,403,119	3,188,265
Total securities and derivatives business payables	2,114,091,837	1,190,385,531

19. Provisions for employee benefits

Provisions for employee benefits under a defined benefit plan are as follows:

(Unit: Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	For the years ended		For the years ended	
	31 December		31 December	
	2016	2015	2016	2015
Defined benefit obligation at the beginning of the years	47,268,934	44,175,570	44,998,665	42,269,853
Current service costs	5,881,790	6,062,080	5,563,744	5,754,699
Interest costs	1,225,753	1,141,284	1,157,646	1,084,113
Actuarial (gain) loss arising from:				
Demographic assumption changes	-	-	-	-
Financial assumption changes	-	-	-	-
Other changes	-	-	-	-
Employee benefits paid during the years	-	(4,110,000)	-	(4,110,000)
Decrease from the transfer of staff to subsidiary	-	-	-	-
Defined benefit obligation at the end of the years	54,376,477	47,268,934	51,720,055	44,998,665

Long-term employee benefits expenses included in the profit or loss were as follows:

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	For the years ended 31 December		For the years ended 31 December	
	2016	2015	2016	2015
Current service cost	5,881,790	6,062,080	5,563,744	5,754,699
Interest cost	1,225,753	1,141,284	1,157,646	1,084,113
Total long-term employee benefit expenses	7,107,543	7,203,364	6,721,390	6,838,812

As at 31 December 2016, the Company and its subsidiary expect to pay Baht 5 million on long-term employee benefits over the next 1 year (the Company only: Baht 5 million).

As at 31 December 2016 and 2015, the Company's and its subsidiary's weighted average durations of the long-term employee benefit payments are 10 years and 10 years, respectively (the Company only: 10 years and 10 years, respectively).

Principal actuarial assumptions used in determining provisions for employee benefits were as follows:

(Unit: Baht)

	Consolidated and separate financial statements	
	31 December 2016	31 December 2015
	(% per annum)	(% per annum)
Discount rate	3.0	3.0
Future salary incremental rates	2.2 - 7.0	2.2 - 7.0
Employee turnover rates	0.0 - 33.0	0.0 - 33.0

The impacts of changes in significant assumptions that affect the present value of the defined benefit obligation (provisions for employee benefits) as at 31 December 2016 are summarised below:

	Consolidated financial statement			
	As at 31 December 2016			
		Provisions for employee benefits were		Provisions for employee benefits were
	Increase in assumption	increased (decreased) by	Decrease in assumption	increased (decreased) by
	% per annum	Million Baht	% per annum	Million Baht
Discount rate	1.0	(3.0)	1.0	3.4
Future salary incremental rate	1.0	4.4	1.0	(3.9)
Employee turnover rate	20.0	(6.7)	20.0	8.6

	Consolidated financial statement			
	As at 31 December 2015			
	Provisions for employee benefits were		Provisions for employee benefits were	
	Increase in assumption	increased (decreased) by	Decrease in assumption	increased (decreased) by
	% per annum	Million Baht	% per annum	Million Baht
Discount rate	1.0	(2.9)	1.0	3.3
Future salary incremental rate	1.0	3.7	1.0	(3.3)
Employee turnover rate	20.0	(5.7)	20.0	7.2

Separate financial statement				
As at 31 December 2016				
	Increase in assumption	Provisions for employee benefits were increased (decreased) by	Decrease in assumption	Provisions for employee benefits were increased (decreased) by
	% per annum	Million Baht	% per annum	Million Baht
Discount rate	1.0	(2.8)	1.0	3.1
Future salary increase rate	1.0	4.0	1.0	(3.7)
Employee turnover rate	20.0	(6.2)	20.0	7.9

Separate financial statement				
As at 31 December 2015				
	Increase in assumption	Provisions for employee benefits were increased (decreased) by	Decrease in assumption	Provisions for employee benefits were increased (decreased) by
	% per annum	Million Baht	% per annum	Million Baht
Discount rate	1.0	(2.7)	1.0	3.0
Future salary increase rate	1.0	3.4	1.0	(3.1)
Employee turnover rate	20.0	(5.2)	20.0	6.7

20. Other payables

Consolidated and separate financial statements		
	31 December 2016	31 December 2015
Other payable - CIMB Thai Bank Plc.	1,353,551	1,353,551
Other payable - related party	281,693	286,230
Total other payables	1,635,244	1,639,781

Other payable - CIMB Thai Bank Plc. is payable as a result of cash received from debtors under Loan Management Agency Agreement on behalf of the bank.

21. Other liabilities

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	31 December	31 December	31 December	31 December
	2016	2015	2016	2015
Withholding tax payable	11,127,659	12,203,078	10,687,233	11,806,062
Value added tax payable	7,066,777	6,656,030	6,816,673	6,406,397
Liabilities under finance lease agreements	1,711,971	2,703,259	1,711,971	2,703,259
Employee retention payables	3,412,366	2,912,366	3,412,366	2,912,366
Others	11,896,703	8,835,368	11,896,703	8,835,368
Total other liabilities	35,215,476	33,310,101	34,524,946	32,663,452

21.1 Liabilities under finance lease agreements

(Unit: Baht)

	Consolidated and separate financial statements	
	31 December 2016	31 December 2015
Liabilities under finance lease agreements	1,818,205	2,966,545
Less: Deferred interest expenses	(106,234)	(263,286)
Liabilities under finance lease agreements - net	1,711,971	2,703,259
Less: Current portion	(1,062,423)	(991,288)
Liabilities under finance lease agreements - net of current portion	649,548	1,711,971

The Company has entered into the finance lease agreements for lease of motor vehicles for use in its operation, whereby it is committed to pay fee on a monthly basis. The terms of the agreements are 4 years.

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

(Unit: Baht)

	Consolidated and separate financial statements		
	As at 31 December 2016		
	Less than 1 year	1 - 4 years	Total
Future minimum lease payments under the finance lease agreements	1,148,340	669,865	1,818,205
Less: Deferred interest expenses	(85,917)	(20,317)	(106,234)
Present value of future minimum lease payments under the finance lease agreements	1,062,423	649,548	1,711,971

(Unit: Baht)

	Consolidated and separate financial statements		
	As at 31 December 2015		
	Less than 1 year	1 - 4 years	Total
Future minimum lease payments under the finance lease agreements	1,148,340	1,818,205	2,966,545
Less: Deferred interest expenses	(157,052)	(106,234)	(263,286)
Present value of future minimum lease payments under the finance lease agreements	991,288	1,711,971	2,703,259

22. Share capital

Reconciliations of the Company's registered, issued and paid-up share capital for the years ended 31 December 2016 and 2015 are as follows:

	For the year ended 31 December 2016		For the year ended 31 December 2015	
	Number of shares	Amount (Baht)	Number of shares	Amount (Baht)
Registered share capital:				
Ordinary shares at beginning of the year	581,403,025	930,244,840	550,055,813	880,089,301
Registered the decrease in share capital	-	-	(781)	(1,249)
Registered the increase in share capital	-	-	31,347,993	50,156,788
Ordinary shares at end of the year	581,403,025	930,244,840	581,403,025	930,244,840
Issued and paid-up share capital:				
Ordinary shares at beginning of the year	581,403,025	930,244,840	550,055,032	880,088,052
Issuance of ordinary shares in settlement of investments in a jointly-controlled entity	-	-	31,347,993	50,156,788
Ordinary shares at end of the year	581,403,025	930,244,840	581,403,025	930,244,840

23. Statutory reserve

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

24. Brokerage fees

(Unit: Baht)

	Consolidated and separate financial statements	
	For the years ended 31 December	
	2016	2015
Brokerage fees from securities business	1,355,023,055	1,333,620,725
Brokerage fees from derivatives business	81,000,051	72,819,218
Other brokerage fees	7,379,511	8,177,296
Total	1,443,402,617	1,414,617,239

25. Fees and services income

(Unit: Baht)

	Consolidated and separate financial statements	
	For the years ended 31 December	
	2016	2015
Underwriting fees	80,395,767	42,767,675
Financial advisory fees	9,259,000	12,410,000
Borrowing and lending fees	2,629,696	877,114
Research fees	28,000,000	6,000,000
Others	621,894	595,390
Total	120,906,357	62,650,179

26. Provident fund

The Company, its subsidiary and their employees have jointly established provident fund in accordance with the Provident Fund Act B.E. 2530. The Company, its subsidiary and employees of each company contributed to the funds monthly at the rates of 5% to 10% of basic salary. The funds, which are managed by two asset management companies, will be paid to employees upon termination in accordance with the fund rules. The contributions for the year 2016 and 2015 were recognised as expenses as follow:

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	For the years ended 31 December		For the years ended 31 December	
	2016	2015	2016	2015
Contributions to provident funds	26,078,778	26,748,322	23,431,362	24,177,307

27. Components of other comprehensive income (loss)

Components of other comprehensive income (loss) for the years ended 31 December 2016 and 2015 comprised:

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	For the years ended 31 December		For the years ended 31 December	
	2016	2015	2016	2015
(a) Items to be recognised in profit or loss in subsequent periods:				
Exchange gain (loss) on translations of financial statements in foreign currency	(16,340)	6,549,105	-	-
Less: Income taxes	3,268	(1,335,379)	-	-
Exchange gains (loss) on translations of financial statements in foreign currency - net of income taxes	(13,072)	5,213,726	-	-
Other comprehensive income (loss) for the years	(13,072)	5,213,726	-	-

28. Earnings per share

Basic earnings per share for the year ended 31 December 2016 was calculated by dividing profit for the year (excluding other comprehensive income/loss) attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the year.

Basic earnings per share

Profits for the years attributable to equity holders
of the Company

Consolidated financial statements					
For the years ended 31 December					
Profits for the years		Weighted average number of ordinary shares		Earnings per shares	
2016	2015	2016	2015	2016	2015
Thousand Baht	Thousand Baht	Thousand shares	Thousand shares	Baht	Baht
231,318	137,847	581,403	550,222	0.40	0.25

Basic earnings per share

Profits for the years attributable to equity holders
of the Company

Separate financial statements					
For the years ended 31 December					
Profits for the years		Weighted average number of ordinary shares		Earnings per shares	
2016	2015	2016	2015	2016	2015
Thousand Baht	Thousand Baht	Thousand shares	Thousand shares	Baht	Baht
267,503	162,503	581,403	550,222	0.46	0.30

29. Dividends

Dividend declared during the year ended 31 December 2016 and 2015 are as follow:

Dividends	Approved by	Total dividends paid (Thousand Baht)	Dividend per share (Baht)
Dividend for 2014	Annual General Meeting of the shareholders on 27 April 2015	93,509	0.17
Dividend for 2015	Annual General Meeting of the shareholders on 27 April 2016	75,582	0.13

30. Related party transactions

30.1 The relationships

Name of related parties	Relationship
FSS International Investment Advisory Securities Company Limited	Subsidiary
SBI Royal Securities Plc.	Associate
SBI Thai Online Company Limited	Jointly-controlled entity
Industrial and Commercial Bank of China (Thai) Public Company Limited	Major shareholder of the Company (holds 22.29% as at 31 December 2016 and 2015)
Finansa Public Company Limited	Major shareholder of the Company (holds 29.29% as at 31 December 2016 and 2015)
Finansa Securities Company Limited	Having common director and being the major shareholder's subsidiary
True Universal Convergence Company Limited	Having common director until September 2016
True Vision Group Public Company Limited	Having common director

30.2 Significant transactions during the years

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

Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements		
	For the years ended 31 December		For the years ended 31 December		Transfer Pricing Policy
	2016	2015	2016	2015	
<u>Transactions with subsidiary</u>					
(eliminated from the consolidated financial statements)					
Other income	-	-	3,600	3,600	Contract value
Other expenses	-	-	45,600	43,200	Contract value
<u>Transactions with related parties</u>					
Directors and executive employees					
Brokerage fees	632	218	632	218	Market rate
Major shareholders					
Brokerage fees	117	-	117	-	Market rate
Interest income	6,773	6,483	6,773	6,483	Market rate
Other income	105	-	105	-	Contract value
Other expenses	400	1,373	400	1,373	Contract value/ As mutually agreed
Related companies and person					
Other income	10,820	5,865	10,820	5,865	Contract value
Rental and service expenses	5,333	7,087	5,333	7,087	As mutually agreed
Purchases ordinary shares of a company	-	100,000	-	100,000	Fair value

30.3 Outstanding balances

The balances of accounts as at 31 December 2016 and 2015 between the Company, its subsidiary and their related parties are as follows:

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	31 December 2016	31 December 2015	31 December 2016	31 December 2015
Cash collateral for derivatives trading⁽¹⁾				
Industrial and Commercial Bank of China (Thai) Public Company Limited	607	602	607	602
Deposits at financial institution for the Company's accounts⁽²⁾				
Industrial and Commercial Bank of China (Thai) Public Company Limited	1,630	1,293	1,630	1,293
Deposits at financial institution for customers' and employees' accounts⁽²⁾				
Industrial and Commercial Bank of China (Thai) Public Company Limited	870,000	353,000	870,000	353,000
Loans to employee⁽³⁾				
Executive employees	506	108	506	108
Other receivables⁽³⁾				
FSS International Investment Advisory Securities Company Limited	-	-	4,268	3,020
SBI Thai Online Company Limited	-	2,619	-	2,619
Finansa Securities Company Limited	-	2,000	-	2,000
Accrued interest receivables⁽³⁾				
Industrial and Commercial Bank of China (Thai) Public Company Limited	4,436	769	4,436	769
Accrued expenses				
Industrial and Commercial Bank of China (Thai) Public Company Limited	-	42	-	42
Directors and executive employees	171	57	171	57

⁽¹⁾ Included as a part of deposits for customers' account.

⁽²⁾ Included as a part of cash and cash equivalents and deposits at financial institutions.

⁽³⁾ Included as a part of other assets.

30.4 Movements of inter-company borrowings

During the year, movements of borrowings to related parties were as follows:

(Unit: Thousand Baht)

Loans to employees

Executive employees

Consolidated and separate financial statements			
Balance as at	During the year		Balance as at
1 January			31 December
2016	Increase	Decrease	2016
108	800	402	506

(Unit: Thousand Baht)

Loans to employees

Executive employees

Consolidated and separate financial statements			
Balance as at	During the year		Balance as at
1 January			31 December
2015	Increase	Decrease	2015
358	-	(250)	108

30.5 Directors' and key management's remunerations

During the years ended 31 December 2016 and 2015, the Company and its subsidiary had employee benefit expenses incurred for their directors and key management as below.

(Unit: Million Baht)

Short-term employee benefits

Long-term employee benefits

Total

Consolidated		Separate	
financial statements		financial statements	
For the years ended		For the years ended	
31 December		31 December	
2016	2015	2016	2015
174	160	165	150
9	10	8	9
183	170	173	159

31. Commitments and contingent liabilities

31.1 Commitments

31.1.1 The Company and its subsidiary have entered into several lease agreements in respect of the lease of office building space, motor vehicles and equipment which the terms of the agreements are generally between 1 and 5 years, and various service agreements which the terms of the agreements are generally between 1 and 3 years.

As at 31 December 2016 and 2015, future minimum lease and service payments required under these agreements were as follows.

(Unit: Million Baht)

Payable within	Consolidated financial statements	
	31 December 2016	31 December 2015
1 year	63	92
1 to 5 years	47	74

(Unit: Million Baht)

Payable within	Separate financial statements	
	31 December 2016	31 December 2015
1 year	63	92
1 to 5 years	47	73

31.1.2 As at 31 December 2016, the Company has commitments to pay the fees related to its securities business and securities borrowing and lending business to the Stock Exchange of Thailand, Thailand Securities Depository Company Limited and Thailand Clearing House Company Limited. These comprise a monthly fixed amount, a percentage of trading volume each month and/or a percentage of net settlements each month.

31.1.3 As at 31 December 2016, the Company has commitment to pay the fees related to its derivatives business to Thailand Futures Exchange Public Company Limited and Thailand Clearing House Company Limited. These comprise a monthly fixed amount and/or at the fixed payment for each purchase or sale of a futures contract transaction.

31.1.4 As at 31 December 2016, the Company has commitments to pay a fee to the Office of the Securities and Exchange Commission in relation to securities business licenses for securities brokerage at the rate of 0.001% of its trading volume. For commission received from securities trading, underwriting and others which the Company has licenses, the fee is charged at the rate of 1% per annum of income from the aforesaid activities.

31.2 Contingent liabilities

On 5 August 2013, the Company signed a Share Purchase and Sale Agreement to sell the ordinary shares of Apple Wealth Securities Public Company Limited (“Apple Wealth”) which is the former subsidiary. Under the above Share Purchase and Sale Agreement, the Company agreed to provide a guarantee to the buyer for the losses on outstanding litigation cases. The Company is still liable for losses that may arise from litigation cases brought against that company as follows:

(a) Litigation with a former executive of Apple Wealth Securities Public Company Limited

In 2009, a former executive of Apple Wealth sued Industrial and Commercial Bank of China (Thai) Public Company Limited (“the Bank”), a shareholder of the Company in a civil law case to claim for compensation of approximately Baht 117 million on infringing the contract. On 18 August 2011, the Court of First Instance dismissed the claim of the plaintiff. Subsequently, the former executive of Apple Wealth appealed the judgement of the Court of First Instance. On 18 July 2013, the Appeal Court upheld the decision of the Court of First Instance. On 26 November 2013, the former executive of Apple Wealth submitted a plea to the Supreme Court. Later on 17 March 2015, the Supreme Court upheld the decision of the Appeal Court to dismiss the plea, resulting in the Company having no responsibility for losses on such case.

In addition, on 28 August 2009 the Bank entered into an agreement with the Company, to guarantee that if the final judgements of the courts are against Apple Wealth in the above cases brought by the former executive of Apple Wealth, the Bank will pay the Company the amount that the courts order Apple Wealth to pay to the former executive of Apple Wealth.

On 5 October 2012, a former executive of Apple Wealth sued the Bank and Apple Wealth in a labour case, seeking damages of approximately Baht 52 million for unfair dismissal. Subsequently, on 18 February 2013, the Central Labor Court dismissed the case. However, the former executive of Apple Wealth exercised the right to appeal, and the Central Labor Court did not accept the former executive’s petition to appeal. Subsequently, on 10 April 2013, the former executive of Apple Wealth lodged an appeal with the Central Labour Court for not accepting his petition to appeal with the Central Labour Court. The Central Labour Court ordered to submit the case to the Supreme Court. On 15 August 2016, the Supreme Court dismissed the plea of the former executive of Apple Wealth, resulting in the case is being concluded and the Company having no responsibility for losses.

In addition, on 5 August 2013, the Company entered into Sale and Purchase Agreement to sell shares of Apple Wealth held by the Company to a group of individuals. Under the agreement, the Company guarantees to the buyer for losses on the outstanding litigation cases as above.

Consequently, as at 31 December 2016, the Company has no contingent liabilities from the cases brought by the former executive in both civil law case and labour case since the Supreme Court upheld the decisions to dismiss the pleas on such two cases, resulting in the cases are finalised.

(b) Litigation with a customer of Apple Wealth Securities Public Company Limited

In February 2010, Apple Wealth was sued by a customer, claiming compensation of approximately Baht 1.2 million for breach of an agreement. On 30 May 2012, the Court of First Instance judged that Apple Wealth was not in breach of agreement but that as employer, it was jointly liable in the amount of Baht 0.2 million, plus interest at 7.5 percent per annum counting from 19 February 2009. Subsequently, on 15 August 2012, Apple Wealth submitted an appeal against the Court of First Instance's judgement. On 24 January 2014, the Appeal Court upheld the decision of the Court of First Instance. Currently, it is being considered for approval of an appeal submission by the Supreme Court.

On 5 August 2013, the Company entered into Sale and Purchase Agreement to sell shares of Apple Wealth held by the Company. Under the agreement, the Company guarantees to the buyer for losses on the outstanding litigation cases as above.

(c) Litigation with a former employee

The Company was sued by a former employee for libel. The Court of First Instance dismissed the claim, the plaintiff then lodged an appeal with the Appeal Court. Subsequently, on 10 November 2015, the Appeal Court gave judgement not to accept the plaintiff's petition. Hence, this litigation case is considered final and the Company had no responsibility for losses on such case.

(d) Litigation with a customer and a former employee

The Company was sued by a customer as a joint plaintiff with a former employee for breaking a brokerage agreement. The case is in process of defining the dispute. Subsequently, on 28 September 2015, the customer requested a negotiation with the Company for compensation. The Company agreed and paid such compensation on 1 October 2015 and on 5 October 2015, the customer withdrew the accusation against the Company from the Court, resulting in this litigation case being concluded. Hence, the Company already recorded such amount in 2015 financial statements.

31.3 Guarantees

As at 31 December 2016 and 2015, there were outstanding bank guarantees of approximately Baht 0.1 million and Baht 0.1 million issued by banks on behalf of the Company in respect of certain performance bonds required in the normal course of business of the Company.

32. Segment information

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

For management purposes, the Company and its subsidiary are organised into business units based on their products and services and have 3 reportable segments as follows:

- Securities and derivatives brokerage segment, which provide service according to brokering, derivative brokering and securities borrowing and lending.
- Investment banking segment, which provide service according to underwriting, investment advisory and financial advisory.
- Proprietary trading segment, which provide service according to investment.

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

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

The following table presents information by operating segment for the years ended 31 December 2016 and 2015.

(Unit: Million Baht)

	Securities and derivatives brokerage segment		Investment banking segment		Proprietary trading segment		Elimination of inter-segment revenues		Consolidation	
	For the years ended 31 December		For the years ended 31 December		For the years ended 31 December		For the years ended 31 December		For the years ended 31 December	
	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
Revenues	1,628	1,516	86	52	104	64	(46)	(43)	1,772	1,589
Segment profit	451	332	50	26	17	3	(46)	(43)	472	318
Unallocated income and expenses:										
Interest income									50	65
Other incomes									33	22
Operating expenses									(247)	(221)
Income taxes									(77)	(46)
Profits attributable to equity holders of the Company									231	138

The following table presents segment assets classified by operating segments, as at 31 December 2016 and 2015:

(Unit: Million Baht)

Segment assets	Securities business segment	Investment banking segment	Proprietary trading segment	Total segments	Unallocated assets	Total
At 31 December 2016	4,496	-	1	4,497	2,044	6,541
At 31 December 2015	2,091	-	1	2,092	1,918	4,010

Geographic information

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

Major customers

During the years ended 31 December 2016 and 2015, the Company and its subsidiary do not have revenue generated from any customer more than 10 percent of the consolidated revenues.

33. Financial instruments

33.1 Financial risk management

The Company and its subsidiary's financial instruments, as defined under Thai Accounting Standard No.107 "Financial Instruments: Disclosure and Presentations", principally comprise cash and cash equivalents, deposits at financial institutions, investments, receivables from and payables to Clearing House, securities and derivatives business receivables and payables. The financial risks associated with these financial instruments and how they are managed is described below.

Credit risk

The Company and its subsidiary are exposed to credit risk primarily with respect to receivables from Clearing House, securities and derivatives business receivables, deposits at financial institutions, investments in debt securities and so on. The Company and its subsidiary manage the risk by adopting appropriate credit control policies and procedures and depositing and investing with creditable financial institutions and therefore do not expect to incur material financial losses. In addition, the Company does not have high concentration of credit risk since it has a large customer base.

The maximum exposure to credit risk is limited to the carrying amounts as follows:

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	31 December 2016	31 December 2015	31 December 2016	31 December 2015
Financial assets				
Cash and cash equivalents - deposits and note receivables with maturity of less than three months on behalf of the Company, its subsidiary, for customers and employees	1,499,176,472	1,324,682,941	1,484,144,292	1,311,610,144
Deposits at financial institutions - deposits and note receivables with an original maturity of longer than three months but not exceed one year on behalf of the Company, for customers	2,601,258,885	1,701,247,839	2,601,258,885	1,701,247,839
Receivables from Clearing House	263,020,018	503,066,359	263,020,018	503,066,359
Securities and derivatives business receivables - net	4,452,785,333	2,033,956,628	4,452,785,333	2,033,956,628
Other assets				
Interest receivable	14,402,290	5,770,868	14,402,290	5,770,868
Deposits	19,578,671	20,119,782	19,578,671	20,119,782
Fee receivables - net	2,663,857	3,180,922	2,663,857	3,180,922
Loans to employees	1,504,875	1,422,274	1,501,876	1,422,274
Other receivable - related party	-	2,618,862	4,268,455	5,638,934

Interest rate risk

The Company's and its subsidiary's exposure to interest rate risk relates primarily to their deposits at financial institutions, investments in debt securities, receivables to Clearing House, securities and derivative business receivables, payables to Clearing House, securities and derivative business payables. However, since most of the Company and its subsidiary's financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate, the interest rate risk is expected to be minimal.

Significant financial assets and liabilities as at 31 December 2016 and 2015 classified by type of interest rates are summarised in the table below, with those financial assets and liabilities that carry fixed interest rates further classified based on the maturity date, or the repricing date if this occurs before the maturity date.

(Unit: Million Baht)

Consolidated financial statement									
31 December 2016									
Outstanding balances of financial instruments									
	Fixed interest rate				Non-performing receivables	Non-interest bearing	Total	Interest rate (% p.a.)	
	Floating interest rate	Remaining period to the contractual						Floating	Fixed
		At call	Less than 1 year	1 - 5 years					
<u>Financial assets</u>									
Cash and cash equivalents	510	-	-	-	-	196	706	0.125 - 1.290	-
Receivables from Clearing House	-	-	-	-	-	263	263	-	-
Securities and derivatives business receivables - net	1,343	16	-	-	-	3,094	4,453	6.00	5.25
Derivatives assets	-	-	-	-	-	2	2	-	-
Investments - net	-	-	-	-	-	519	519	-	-
<u>Financial liabilities</u>									
Payables to Clearing House	-	-	-	-	-	1,477	1,477	-	-
Securities and derivatives business payables	-	16	-	-	-	2,098	2,114	0.80	3.25
Derivatives liabilities	-	-	-	-	-	36	36	-	-

(Unit: Million Baht)

Consolidated financial statement

31 December 2015

Outstanding balances of financial instruments

	Floating interest rate	Fixed interest rate			Non- performing receivables	Non- interest bearing	Total	Interest rate (%)	
		Remaining period to the contractual						p.a.)	
		At call	Less than 1 year	1 - 5 years				Floating	Fixed
<u>Financial assets</u>									
Cash and cash equivalents	274	-	-	-	-	110	384	0.125 - 0.375	-
Receivables from Clearing House	-	-	-	-	-	503	503	-	-
Securities and derivatives business receivables - net	1,237	10	-	-	1	786	2,034	6.25	5.25
Investments - net	-	-	-	-	-	446	446	-	-
<u>Financial liabilities</u>									
Payables to Clearing House	-	-	-	-	-	185	185	-	-
Securities and derivatives business payables	-	27	-	-	-	1,163	1,190	0.80	3.25

(Unit: Million Baht)

Separate financial statement

31 December 2016

Outstanding balances of financial instruments

	Floating interest rate	Fixed interest rate			Non- performing receivables	Non- interest bearing	Total	Interest rate (% p.a.)	
		Remaining period to the contractual						Floating	Fixed
		At call	Less than 1 year	1 - 5 years					
<u>Financial assets</u>									
Cash and cash equivalents	510	-	-	-	-	181	691	0.125 - 1.290	-
Receivables from Clearing									
House	-	-	-	-	-	263	263	-	-
Securities and derivatives									
business receivables -									
net	1,343	16	-	-	-	3,094	4,453	6.00	5.25
Derivatives assets	-	-	-	-	-	2	2	-	-
Investments - net	-	-	-	-	-	519	519	-	-
<u>Financial liabilities</u>									
Payables to Clearing House	-	-	-	-	-	1,477	1,477	-	-
Securities and derivatives									
business payables	-	16	-	-	-	2,098	2,114	0.80	3.25
Derivatives liabilities	-	-	-	-	-	36	36	-	-

Separate financial statement									
31 December 2015									
Outstanding balances of financial instruments									
	Fixed interest rate				Non-performing receivables	Non-interest bearing	Total	Interest rate (% p.a.)	
	Floating interest rate	Remaining period to the contractual						Floating	Fixed
		At call	Less than 1 year	1 - 5 years					
<u>Financial assets</u>									
Cash and cash equivalents	274	-	-	-	-	97	371	0.125 - 0.375	-
Receivables from Clearing House	-	-	-	-	-	503	503	-	-
Securities and derivatives business receivables - net	1,237	10	-	-	1	786	2,034	6.25	5.25
Investments - net	-	-	-	-	-	446	446	-	-
<u>Financial liabilities</u>									
Payables to Clearing House	-	-	-	-	-	185	185	-	-
Securities and derivatives business payables	-	27	-	-	-	1,163	1,190	0.80	3.25

Liquidity risk

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

The Company and its subsidiary manage liquidity risk through monitoring and planning of their cash flows, including the arrangement of credit facilities with financial institutions, in order to ensure that they will have sufficient funds for their operations.

As at 31 December 2016 and 2015, remaining periods to maturity of financial instruments, counted from the reporting period-end dates, are as follows:

(Unit: Million Baht)

Consolidated financial statement						
31 December 2016						
	At call	Within 1 year	1 - 5 years	No maturity	Non-performing receivables	Total
Financial assets						
Cash and cash equivalents	706	-	-	-	-	706
Receivables from Clearing House	-	263	-	-	-	263
Securities and derivatives business receivables - net	16	3,086	-	1,351	-	4,453
Derivatives assets	-	2	-	-	-	2
Investments - net	-	-	-	519	-	519
Financial liabilities						
Payables to Clearing House	-	1,477	-	-	-	1,477
Securities and derivatives business payables	16	2,098	-	-	-	2,114
Derivatives liabilities	-	36	-	-	-	36

(Unit: Million Baht)

Consolidated financial statement

31 December 2015

	At call	Within 1 year	1 - 5 years	No maturity	Non-performing receivables	Total
Financial assets						
Cash and cash equivalents	384	-	-	-	-	384
Receivables from Clearing House	-	503	-	-	-	503
Securities and derivatives business						
receivables - net	10	780	-	1,243	1	2,034
Investments - net	-	-	-	446	-	446
Financial liabilities						
Payables to Clearing House	-	185	-	-	-	185
Securities and derivatives business payables	27	1,163	-	-	-	1,190

(Unit: Million Baht)

Separate financial statement

31 December 2016

	At call	Within 1 year	1 - 5 years	No maturity	Non-performing receivables	Total
Financial assets						
Cash and cash equivalents	691	-	-	-	-	691
Receivables from Clearing House	-	263	-	-	-	263
Securities and derivatives business						
receivables - net	16	3,086	-	1,351	-	4,453
Derivatives assets	-	2	-	-	-	2
Investments - net	-	-	-	519	-	519
Financial liabilities						
Payables to Clearing House	-	1,477	-	-	-	1,477
Securities and derivatives business payables	16	2,098	-	-	-	2,114
Derivatives liabilities	-	36	-	-	-	36

(Unit: Million Baht)

Separate financial statement

31 December 2015

	At call	Within 1 year	1 - 5 years	No maturity	Non-performing receivables	Total
Financial assets						
Cash and cash equivalents	371	-	-	-	-	371
Receivables from Clearing House	-	503	-	-	-	503
Securities and derivatives business						
receivables - net	10	780	-	1,243	1	2,034
Investments - net	-	-	-	446	-	446
Financial liabilities						
Payables to Clearing House	-	185	-	-	-	185
Securities and derivatives business payables	27	1,163	-	-	-	1,190

Foreign exchange risk

The Company's exposure to foreign currency risk arises mainly from brokerage service for securities listed in stock exchange in overseas and revenue and expense transactions that are denominated in foreign currencies.

The significant balances of financial assets and liabilities denominated in foreign currencies as at 31 December 2016 and 2015 are summarised below:

Foreign currency	Financial assets		Financial liabilities		Average exchange rates	
	31 December	31 December	31 December	31 December	31 December	31 December
	2016	2015	2016	2015	2016	2015
(Unit: Million unit)						
(Baht per 1 foreign currency unit)						
Vietnamese dong	61,489	8,423.2	58,325	4,473.4	0.0016	0.0016
Hong Kong dollar	0.9	-	0.8	-	4.6637	4.6579
United States dollar	4.0	0.1	0.7	-	36.0025	36.0886
Laos kip	225.1	14.1	208.1	-	0.0044	0.0044
Singapore dollar	0.1	-	0.1	-	24.8010	25.5195
Cambodian riel	285.4	108.3	437.7	106.6	0.0089	0.0090
Japanese yen	0.3	-	0.3	-	0.3113	0.3028

In addition to the above, as of 31 December 2016, the Company also has forward contract notional amount of USD 36 million with exchange rate at 35.79-36.01 Baht per USD which will mature in 2017 (31 December 2015: Nil).

Market risk

The Company's exposure to market risk is the risk that volatility on the Stock Exchange of Thailand and The Thailand Futures Exchange will substantially reduce the value of its investments and collateral for securities and derivatives business receivables. However, the Company manages the market risk by analysing the market risk inherent in their various transactions, setting appropriate policies to manage such risk, and controlling risk to conform with policies.

34. Fair value of financial instruments

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

The methodology of fair value measurement depends upon the characteristics of the financial instrument. For those financial instruments which are regarded as being traded in an active market, fair value is determined by reference to the market price of the financial instrument. If however the appropriate quoted market price cannot be determined, the fair value is determined by using an appropriate valuation technique such as discounted cash flow.

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

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

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

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

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

As of 31 December 2016, the Company and its subsidiary had the financial assets and liabilities that were measured at fair value or their fair values are disclosed using different levels of inputs as follows:

(Unit: Million Baht)

	Consolidated and separate financial statements				
	31 December 2016				
	Fair value				
	Level 1	Level 2	Level 3	Total	Cost
Financial assets measured at fair value					
Derivatives assets					
Forward exchange contracts	-	2	-	2	2
Held for trade investments					
Equity securities	366	-	-	366	366
Investment units	-	150	-	150	150
Financial liabilities measured at fair value					
Derivatives liabilities					
Forward exchange contracts	-	2	-	2	2
Derivatives warrants	34	-	-	34	34

(Unit: Million Baht)

Consolidated and separate financial statements					
31 December 2015					
Fair value					
	Level 1	Level 2	Level 3	Total	Cost
Financial assets measured at fair value					
Held for trade investments					
Equity securities	41	-	-	41	41
Investment units	-	402	-	402	402

(Unit: Million Baht)

Consolidated financial statement					
31 December 2016					
Fair value					
	Level 1	Level 2	Level 3	Total	Cost
Financial assets for which fair values are disclosed					
Cash and cash equivalents	705	-	-	705	705
Receivable from Clearing House	-	263	-	263	263
Securities and derivatives business					
receivables - net	-	4,453	-	4,453	4,453
General investments - net	-	-	3	3	3
Financial liabilities for which fair values are disclosed					
Payable to Clearing House	-	1,477	-	1,477	1,477
Securities and derivatives business					
payables	-	2,114	-	2,114	2,114

(Unit: Million Baht)

Consolidated financial statement

31 December 2015

Fair value

	Level 1	Level 2	Level 3	Total	Cost
Financial assets for which fair values are disclosed					
Cash and cash equivalents	384	-	-	384	384
Receivable from Clearing House	-	503	-	503	503
Securities and derivatives business receivables - net	-	2,034	-	2,034	2,034
General investments - net	-	-	3	3	3
Financial liabilities for which fair values are disclosed					
Payable to Clearing House	-	185	-	185	185
Securities and derivatives business payables	-	1,190	-	1,190	1,190

(Unit: Million Baht)

Separate financial statement

31 December 2016

Fair value

	Level 1	Level 2	Level 3	Total	Cost
Financial assets for which fair values are disclosed					
Cash and cash equivalents	691	-	-	691	691
Receivable from Clearing House	-	263	-	263	263
Securities and derivatives business receivables - net	-	4,453	-	4,453	4,453
General investments - net	-	-	3	3	3
Financial liabilities for which fair values are disclosed					
Payable to Clearing House	-	1,477	-	1,477	1,477
Securities and derivatives business payables	-	2,114	-	2,114	2,114

(Unit: Million Baht)

Separate financial statement					
31 December 2015					
Fair value					
	Level 1	Level 2	Level 3	Total	Cost
Financial assets for which fair values are disclosed					
Cash and cash equivalents	371	-	-	371	371
Receivable from Clearing House	-	503	-	503	503
Securities and derivatives business receivables - net	-	2,034	-	2,034	2,034
General investments - net	-	-	3	3	3
Financial liabilities for which fair values are disclosed					
Payable to Clearing House	-	185	-	185	185
Securities and derivatives business payables	-	1,190	-	1,190	1,190

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

- The fair value of marketable equity securities is derived from market price. The fair value of non-marketable equity securities is determined using net asset value per share of the investee company, except investment units which are not listed on the Stock Exchange of Thailand, is determined using the net asset value per unit announced by fund managers.
- Financial assets and liabilities, which have short-term maturity periods or bear interest at rates close to market interest rates, including cash and cash equivalents, receivables from Clearing House, securities and derivatives business receivables, payables to Clearing Houses, and securities and derivative business payables, their fair values approximate their carrying values.
- The fair value of derivatives has been determined by using a valuation model technique. Most of the inputs used for the valuation are observable in the relevant market, such as spot rates of foreign currencies and forward exchange rates.

35. Capital management

The primary objectives of the Company's capital management are to maintain the Company's ability to continue as a going concern, to have an appropriate financial structure and to maintain net liquid capital in accordance with the rules laid down by the Office of the Securities and Exchange Commission.

36. Event after the reporting period

On 21 February 2017, a meeting of the Board of Directors of the Company has a resolution to propose the dividend payment from profit for 2016 at Baht 0.13 per share. This dividend will be proposed for consideration and approval in the Annual General Meeting of the Company's shareholder, which will be held on 25 April 2017.

37. Approval of financial statements

These financial statements were authorised for issue by the Company's Board of Directors on 21 February 2017.

MANAGEMENT DISCUSSION AND ANALYSIS

1. Business Overview and Significant Change in Global Market

At the end of 2016, SET index closed at 1,542.94 points, increasing 19.79 percent from year-ended 2015, having been affected by both internal factors such as the growing of Thai economy resulting from the expanding of tourism industry, public investment and constitutional referendum, and external factors such as negative interest rate policy of Bank of Japan, economic stimulus package of European Central Bank (ECB), signaling from FED to slow down raise of interest rate and EU referendum result of Brexit. Consequently, foreign investors were net buyers with a value of Baht 77.93 billion, coincidentally similar to other stock markets in the region such as Korea, Taiwan, Philippines and etc. In addition, while moving in the same direction as other regional exchanges, comparatively the SET Index provided better returns than the MSCI Frontier Markets Indexes the MSCI Emerging Market index.

The average daily securities trading value of SET and mai in 2016 was Baht 52.53 billion, increasing 18.6 percent from 2015. SET's market capitalization at the end of 2016 stood at Baht 15.08 trillion, increasing 22.8 percent from the year-end 2015, while mai's was at Baht 425.36 billion, increasing 31.5% from the previous year. The forward P/E ratios of SET and mai at the end of 2016 were 15.98 and 26.30 times respectively. In addition, the dividend yield of SET decrease to 3.04% while mai's increase to 1.24%. Compared to year-ended 2015, the most growing market sectors are Energy and Argo & Food Industry while the least growing market sectors are Property & Construction, Consumer products and Technology.

Securities Trading

In 2016, SET's trading value increased from the previous year. The total trading value of SET and mai was Baht 52.53 billion, increasing 18.6 percent from 2015. In Quarter 4/2016, the average trading value totaled Baht 55.08 billion, increasing 34.2 percent compared to Quarter 4/2015

In Q4/2016, SET was positively affected by result of the OPEC meeting on 30 November 2016 to reduce production capacity. As the result, the crude oil prices surged and funds from LTF/RMF strengthen the market.

Domestic retail investors continued to play an important role in trading even though in 2016 the ratio shrank slightly to 53.81 percent from 59.21 percent in 2015, while the ratio of foreign investors increased to 25.57 percent from the previous year's 22.20 percent. For Quarter 4/2016, domestic retail investors accounted for 54.71 percent of trading, increased slightly from 53.12 percent in the previous quarter, while the ratio of foreign investor was 25.49 percent, decreased from 26.21 percent in Q3/2016.

Derivatives

In 2016, Thailand Futures Exchange market had average daily trading volume of 285,198 contracts, increasing 42.75 percent from 2015 due to high trading volume of Single Stock Futures, 10 Baht Gold Futures and SET50 Index options. For Quarter 4/2016, the average daily trading volume on TFEX was 301,006 contracts, down 18.78 percent from the previous quarter.

2. Results of Operations

Revenue

In 2016, the Company's total revenue comprising of securities brokerage commissions, fees and services, gain from capital investment, derivative warrants, share of losses from investments in an associate and jointly-controlled entity under equity method, interest and dividend, interest from margin loans and others. The major source of income was securities brokerage commissions accounted for 77.78 percent of total revenue.

In 2016, the Company's total revenue was Baht 1,856 million, increasing from the same period in 2015 in which the Company's total revenue was Baht 1,679 million due to increase in brokerage commission increased by Baht 29 million from Baht 1,415 million in 2015 to Baht 1,443 million in 2016 in accordance with the increase of total trading value of the exchange. Moreover, fees and services income increased by Baht 58 million from Baht 63 million in 2015 to Baht 121 million in 2016 due to increase in investment banking business as a result of the economic improvement. Moreover, income from derivatives increased by Baht 37 million to Baht 42 million in 2016 as the result of the launch of new product which has been well accepted from the investors.

Income Structure of Company based on Consolidated Financial Statements as of 2015 – 2016

Items	2015		2016	
	Baht Million	%	Baht Million	%
Income				
Brokerage Commissions	1,414.62	84.25	1,443.40	77.78
Fees and services	62.65	3.73	120.91	6.52
Gain on investments	95.57	5.69	131.05	7.06
Loss on derivatives	5.11	0.30	42.20	2.27
Share of Losses from investments in an associate and a jointly controlled entity under equity method	(29.32)	(1.75)	(34.44)	(1.86)

Items	2015		2016	
	Baht Million	%	Baht Million	%
Interest and dividend income	64.92	3.87	55.60	3.00
Interest income on margin loans	57.87	3.45	77.26	4.16
Gain on sale of a subsidiary	-	-	-	-
Other income	7.61	0.45	19.69	1.06
Total Income	1,679.03	100.00	1,855.67	100.00

Brokerage Commission

Income Structure of Company's Brokerage Commission Based on Consolidated Financial Statements as of 2015 - 2016

Items	2015		2016	
	Baht Million	%	Baht Million	%
Brokerage commission from securities business	1,333.62	94.27	1,355.02	93.88
Brokerage commission from derivatives business	72.82	5.15	81.00	5.61
Other brokerage commission	8.18	0.58	7.38	0.51
Total	1,414.62	100.00	1,443.40	100.00

In 2016, the Company had brokerage commission of Baht 1,443 million, increasing Baht 29 million from 2015 in which the brokerage commission was Baht 1,355 million. The reasons of the increase in commission was due to average daily trading value of market increased from Baht 44,302 million to Baht 52,526 million in 2016. The brokerage commission from derivatives trading increased by Baht 8 million from Baht 73 million in 2015 to Baht 81 million in 2016 due to an increase of trading value as mentioned above.

Fees and Services

Income Structure of Fee and Services based on Consolidated Financial Statement as of 2015 - 2016

Items	2015		2016	
	Baht Million	%	Baht Million	%
Underwriting	42.77	68.26	80.40	66.49
Financial Advisory	12.41	19.81	9.26	7.66
Borrowing / Lending securities	0.87	1.40	2.63	2.18
Securities research fees	6.00	9.58	28.00	23.16
Others	0.60	0.95	0.62	0.51
Total	62.65	100.00	120.91	100.00

In 2016, the Company received revenues from providing investment advisory and underwriting service amounted to Baht 90 million, increased by 104 percent from 2015. The revenues from investment advisory and underwriting service were Baht 9 million and Baht 80 million respectively. Even through less capital fund-raising through equity instrument of listed companies from the previous year. In 2016, there were 21 newly listed companies of which 10 companies listed in SET and 11 companies listed in mai while in 2015, there were 33 newly listed companies and participated in 16 IPO underwritings in 2016. Moreover, the revenue from borrowing and lending of securities amounted to Baht 2.6 million, increased from Baht 0.9 million from 2015. Moreover, securities research fees increased significantly due to high demand of investment from foreign investors. In 2016, foreign investor had net buyer position of Baht 78 billion.

Other revenues excluding brokerage commission, fees and services income

The Company's other revenue excluding brokerage commission, fees and services were gain and loss from investments, profit and loss on derivative trading, share of losses from investments in an associate and jointly-controlled entity under equity method, interest and dividend, interest from margin loans and other incomes.

In 2016, the Company received other revenues, excluding brokerage commissions and fees and services amounted to Baht 291 million while the Company's other revenue was Baht 202 million in 2015, increased by Baht 89 million or equivalent to 44.41 percent. This is because of gains on investments and derivatives increased by Baht 72 million from the previous year as the result of new product launched.

Expenses

Structure of Company's Expenses based on Consolidated Financial Statements as of 2015 – 2016

Items	2015		2016	
	Baht Million	Baht Million	Baht Million	%
Expenses				
Financial costs	30.79	30.79	27.11	1.75
Fees and services	136.63	136.63	159.53	10.31
Operating expenses				
Personnel expenses and directors' remuneration	952.16	952.16	994.31	64.23
Expense for building, premise and equipment	238.93	238.93	223.21	14.42
Other expenses	136.41	136.41	144.15	9.31
Total Operating expenses	1,327.50	1,327.50	1,548.31	100.02
Reversal allowance of doubtful debt	(0.24)	(0.22)	(0.30)	(0.02)
Impairment loss on investment	-	-	-	-
Total Expenses	1,494.68	1,494.68	1,548.01	100.00

In 2016, the Company had total expenses of Baht 1,548 million increased from 2015 by Baht 53 million. The proportions of expenses for staff and directors' remuneration, premises and equipment and fees and services accounted for 64.23 percent, 14.42 percent and 10.31 percent respectively. The Company's expenses for staff and directors' remuneration was Baht 994 million increased from 2015 by Baht 42 million due to increase in Personnel expenses and directors' remuneration and in accordance with the Company's trading volume. Fees and services expenses amounted to Baht 160 million increased from 2015 by Baht 23 million. Moreover, the Company's other expenses was Baht 144 million increased from 201 by Baht 8 million.

Net profit

In 2016, the Company's operating result was Baht 231 million increased from Baht 138 million in 2015 due to the increase of total revenue from Baht 1,679 million in 2015 to Baht 1,856 million in 2016, or increased by 11 percent. The major reason for the increase of net profit was from the increase of brokerage commission, fees and services, gains on investments, gain (loss) on derivatives and interest income from margin loans. The Company's overall expenses increased from Baht 1,495 million in 2015 to Baht 1,548 million or increased by 4 percent resulting from the increase of staff expenses. The rate of increase of total expenses was less than the increasing rate of total revenue which caused the significantly increase the net profit margin of 2016. Moreover, the total revenue was mainly contributed by increase of fees and services income, gains on investments. Also, new derivative products were well accepted by investors and became highest growth of revenue proportion and the Company has controlled the cost by reducing leased space of head office.

Return on Equity (ROE) in 2014, 2015, 2016 was at 11.04 percent, 6.07 percent and 9.54% respectively. After analysis, it was found that the Company's ROE in 2016 increased by 3.47% from 2015 because the Company's net profit margin increased from 8.07 percent in 2015 to 12.24 percent in 2016. In addition, the factors affecting ROE which should be taken into consideration was the Company's assets turnover as it reduced from 0.42 times in 2015 to 0.36 times in 2016. However, financial leverage increased from 1.79 times in 2015 to 2.17 times in 2016 due to the increase of securities and derivatives business payables.

3. Asset Management Ability

Assets

As at December 31st, 2016, the Company's total assets was at Baht 6,541 million which mainly comprised of securities and derivatives business receivables-net which changed in accordance with total trading value within the last 3 business days before the end of each accounting period. This item was approximately 68 percent of total assets as at December 31st, 2016. Another important asset was cash and cash equivalents which was approximately 11 percent of the total assets on the same day.

Securities and Derivatives Business Receivables

As of December 31st, 2016, the Company had securities and derivatives business receivables-net amounted to Baht 4,453 million increased from 2015 at the amount of Baht 2,034 million in accordance with the trading volume traded in SET and TFEX. As of December 31st, 2016, the securities and derivatives business receivables-net were as follows:

Receivables from cash accounts amounted to Baht 3,069 million or equivalent to 69 percent of securities and derivatives business receivables-net, increased from end of 2015 by 38 percent due to the value of securities trading within 3 days before the end of 2016 which was more than that of the value of securities trading within 3 days before the end of 2015.

Credit balance accounts amounted to Baht 1,343 million or equivalent to 30 percent of securities and derivatives business receivables-net, increased from end of 2015 which was Baht 1,237 million.

Receivable from securities borrowing and lending as at December 31st, 2016 amounted to Baht 16 million increased from 2015 at Baht 10 million.

Collateral receivables and other receivables as at December 31st, 2016 amounted to Baht 86 million.

Receivables from derivatives business as at December 31st, 2016 amounted to Baht 1.3 million decreased from 2015 at Baht 3.5 million.

At the end of 2016, the Company set its securities receivables according to SEC and SET Announcement in order to categorize the accounts on sub-standard debts. The normal debt was at the amount of Baht 4,451 million, while there was Baht 70 million of doubtful debts was already fully reserved. The Company has a policy to select the quality clients and follow up clients to settle all transactions on time. Additionally, the Company strictly complies with SEC Notification to categorize accounts for sub-standard debts to avoid doubtful debts.

Investments

As at December 31st, 2016, the Company had investment in securities at the net value of Baht 519 million. The majority were trading investments equity (listed securities) which as at such date, total net value was Baht 516 million, equivalent to 99 percent of the net investment in securities.

Investment in Subsidiary, Associate and Joint Venture

As at December 31st, 2016, the Company invested in FSS International Investment Advisory Securities Co., Ltd (the Subsidiary) totaling of Baht 7.70 million, equivalent to 96.25 percent of paid-up shares; SBI Royal Securities Plc. (Associate) totaling Baht 105.46 million, equivalent to 20.01 percent of paid-up shares and also SBI Thai Online Securities Co., Ltd. (Jointly-Controlled Entity) totaling of Baht 325.00 million, equivalent to 45.00 percent of paid-up shares.

Receivables from Thai Clearing House

As at December 31st, 2016, the Company had receivables from Thai Clearing house amounted to Baht 263 million, reduced from the amount on December 31st, 2015, at Baht 503 million.

Equipment

As at December 31st, 2016, the Company had equipment-net amounted to Baht 45 million reduced from Baht 71 million at the end of 2015. The majority of equipment investment was fixtures equipment.

Other Assets

The company had other assets which were net intangible assets, deferred tax assets and other net assets in which net book value as at December 31st, 2016, was at the amount of Baht 193 million compare to Baht 176 million as at end of 2015.

4. Liquidity and Sufficiency of Capital

Liquidity

In 2016, the Company's net cash flow from operating activities was Baht 417 million which mainly resulted from the increase of securities and derivatives business receivables by Baht 2,417 million which vary in accordance with market condition and the average daily trading value increased 19% from the previous year.

In 2016, the Company's net cash flow from investment activities was Baht 18 million which mainly resulted from the purchase of equipment.

In 2016, the Company's net cash flow from financing activities was Baht 77 million due to dividend payment.

In considering the Company's liquidity, an additional issue is ability to meet its Net Capital Requirement (NCR), to be in line with SEC's regulation. During the past 2 years (2015-2016), the Company was able to maintain its NCR above 7 percent which was the minimum net capital requirement from the SEC. it demonstrates that the Company had sufficient liquidity for operating business. The Company NCR on last trading day was 112.01 percent in 2015 and 46.99 percent in 2016. The ratio of net capital requirement will be changed depending on various factors such as securities trading volume and underwriting of securities.

Source of Funds

As at December 31st, 2016, the Company's source of funds derived from shareholder's equity at all amount. The Company's liabilities was Baht 4,039 million and shareholder's equity was at Baht 2,502 million which had debt to equity ratio as at December 31st, 2014- 2016, equivalent to 0.88 times, 0.71 times, 1.61 times respectively. The majority of debt came from securities and derivatives business payables in which its movement was in proportion to trading volume within 3 days before the end of each accounting period. To consider debt to shareholder's equity ratio as at December 31st, 2014 - 2016, excluding securities and derivatives business payables, the Company had shareholder's equity ratio equaled to 0.36 times, 0.20 times and 0.77 times respectively.

5. Factors or Situation Affecting Financial Status of the Company's Operation

The Company's operation relied on many factors such as economic condition, money market situation, investor sentiment, political issue or disturbance both local and international. Liberalization of commission rate also had an impact. These factors affecting local and foreign investor's sentiments might affect financial status and operations.

Risk from change in prices of securities that the Company invested affected profit and loss on its investment. The Company, therefore, set a clear investment policy and regulation to use as guideline to prevent settlement risks and trading errors. The Company has implemented risk control and management measures for proprietary trading and considers new business activities to diversify its source of revenue.

6. Research and Development (R&D)

The Company realizes the importance of research and development by modernizing technology in order to response the need of customers and enhances the quality of operations. The expenditure of research and development are as follows:

Year	Amount (Baht)
2014	1,916,750
2015	7,099,550
2016	1,924,674

Auditor Remuneration

1. Audit Fee

The financial statements of Finansia Syrus Securities Public Company Limited and its subsidiary for the year-ended as at December 31st, 2016 were audited by EY Office Limited. The audit fees are detailed as follows:

Finansia Syrus Securities Public Company Limited	1,350,000 Baht
FSS International Investment Advisory Securities Company Limited	370,000 Baht

2. Non-Audit Fee

- None -

RELATED TRANSACTIONS

During 2016, there were related transactions as follows;

Related Parties	Relationship	Details of Transaction	Value 2016
1. Directors and Management	As of December 31 st , 2016	<u>Brokerage fees</u>	0.63
	- <u>Directors</u>	<u>Accrued expenses</u>	0.17
	1. Mr. Chatchaval Jiaravanon	<ul style="list-style-type: none"> In 2016, Director 1, 3, 4, 5, and 7 have securities trading account with the Company and 1 Director (7) have total trading value of Baht 294.48 million. 	
	2. Mr. Varah Sucharitakul		
	3. Mr. Chuangchai Nawongs		
	4. Mr. Somphop Keerasuntonpong		
	5. Mrs. Pornpring Suksantisuwan		
	6. Mr. Som Pisarnsopon		
	7. Pol.Lt.Gen. Visanu Prasattongsoth		
	8. Mr. Phaiboon Siripanoosatien		
	9. Mr. Kittisak Bencharit		
	- <u>Management</u>	<ul style="list-style-type: none"> In 2016, Management 1, 2, 3, 4, 5, 6, 13 and 14 have securities trading account with the Company and 1 Management (13) has total trading value of Baht 4.45 million. (The Company charges directors and management with normal minimum rate according to SET.) 	
	1. Mr. Kuntra Ladavalaya Na Ayudya		
	2. Mr. Chatchai Chumsiri		
	3. Mr. Chaiyaporn Dhammapeera		
	4. Mr. Pothorn Chuemvarachart		
	5. Mr. Somchai Kaewjaroenpisan		
	6. Mrs. Vilai Phongpreecha		
	7. Ms. Kanoknapat Sithivaraporn		
	8. Mr. Supat Apiratimai		
	9. Mr. Pannatat Smitthisakda		
	10. Mrs. Nusara Rooncharoen		
	11. Mrs. Wimon Lovichit		
	12. Mr. Richard Edmond Markarian		
	13. Ms. Jareerat Fuengfuskul		
	14. Mr. Kosit Thammatada		
	15. Mr. Warawoot Benjaputtarug		

Related Parties	Relationship	Details of Transaction	Value 2016
2. The Company top 10 major shareholders	As of December 31 st , 2016	<u>Fee received</u>	
	- <u>Top 10 major shareholders</u>	• In 2016, Shareholders 1, 2, 3, 4, 6, 7 and 10 have securities trading account with the Company.	0.39
	1. Finansia Public Company Limited		
	2. ICBC (Thai) Plc.		
	3. Ms. Chayuda Jiaravanon		
	4. Mr. Chaval Jiaravanon		
	5. Thai NVDR Co., Ltd.		
	6. Mr. Anucha Sihanatkathakul		
	7. Mrs. Suporn Wattanavekin	(The Company charges directors and management with normal minimum rate according to SET.)	
	8. Mr. Thawatchai Suebwonglee		
3. True Vision Group Co., Ltd.	9. Mr. Paitoon Manasilp		
	10. Mrs. Kesara Manasilp		
	As of December 31 st , 2016, have common director.	<u>Other income</u>	0.11
		<u>Service fees</u>	
		• The Company uses Cable TV satellite service from True Vision Group Co., Ltd.	0.68
4. Management		<u>Accrued expense</u>	
		<u>Loan</u>	0.51
		•The Company offers loan to management and employee.	
		<u>Interest Income</u>	0.18
		• The Interest rate that the Company offering to the employee was an average of 2% per annum for fix 12-month deposit.	
		• In 2016, Interest rate was 3.40 per annum.	

Related Parties	Relationship	Details of Transaction	Value 2016
5. FSS International Investment Advisory Securities Co., Ltd.	As of December 31 st , 2016 It was the Company's subsidiary.	<u>Other Receivables</u>	4.27
		• from other receivables	
		<u>Income from service fees</u>	3.60
6. SBI Thai Online Securities Company Limited	As of December 31 st , 2016 It was the Company's Joint Venture.	<u>Other expenses</u>	45.60
		• from Agreement	
		<u>Other Receivables</u>	-
7. ICBC (Thai) Plc.	As of December 31 st , 2016 It was a major shareholder of the Company.	• from other receivables	
		<u>Other incomes</u>	7.26
		<u>Deposit</u>	871.63
		• The Company has current account and promissory note with the Bank.	
		<u>Margin pledged for derivative trading</u>	0.61
		<u>Accrued interestreceivables</u>	4.44
		• from promissory note	
		<u>Interest incomes</u>	6.78
		• from promissory note	
		<u>Interest expenses</u>	-
		• MLR interest rate = 6.5 per annum	
		<u>Rental and service payment</u>	0.40
		• Branch Office Rental Fee in which the rental rate is upon Agreement and refers from the market price.	
		<u>Other accrued expenses</u>	-

Related Parties	Relationship	Details of Transaction	V a l u e 2016
8. Finansia Securities Co., Ltd..	As of December 31 st , 2016 It was the Company's subsidiary of the major shareholder of the Company.	<u>Other Receivables</u> • from other receivables <u>Other incomes</u>	- 3.56

MAJOR EVENTS IN 2016

- On 16 February 2016, the Company commenced trading of Derivative Warrants No. 24 in SET for the first time
- On 8 April 2016, the Company received a plaque of honor with the employment of the elders from Minister of Social Development and Human Security.
- On 27 April 2016, the 2016 Annual General Meeting of Shareholders approved the resolution, by a majority vote for the allocation of the Net Profit of the year 2015 by appropriating 5 percent of the Net Profit as the legal reserve in the amount of Baht 8,125,164 and then paid the dividend from the Net Profit of the year 2015 to shareholders whose name listed in registration on the Record Date and the Company fixed the Book-closing Date on March 4, 2016 to collect the list of shareholders as specified in section 225 of the Securities and Exchange Act. The dividend was paid on May 13, 2016.
- On 28 October 2016, FSS launched mobile application “FSS iSMART”. It provides stock trader a smart phone application which is mainly focused on being a quantitative technical tool which assists in decision making.
- As at 31 December 2016, the Company had issued and paid-up share capital of Baht 930,244,840 divided to 581,403,205 ordinary shares at par value of Baht 1.60 each

RISK FACTORS

1. Exposure to Volatility of the Market

The main revenue of the Company received from the trading brokerage fee. This relates to the economic, money market and capital market conditions, SET trading volume as well as the confidence of Thai and foreign investors. The Company's performance depends on many factors; such as political and economic situations which are over the Company's control. If there are the fluctuations of such situations, it will affect trading volume and revenue from brokerage which is the main revenue of the Company.

The Company's consolidated revenue from brokerage fees in 2016, 2015 and 2014 were Baht 1,355.02 million, Baht 1,333.62 million and Baht 1,388.47 million respectively. The Company's revenue from brokerage fees from 2016, 2015 and 2014 were Baht 1,355.02 million, Baht 1,333.62 million and Baht 1,388.47 million respectively.

To minimize the risk of being solely reliance of the revenue on brokerage fees, the Company has policy to increase activities on other products and services; such as Investment Banking, Derivatives, SBL, Selling Agent and Global Trading as well as engage in any new financial products to offer to clients.

2. Competition within the Industry

Brokerage business is a highly competitive business because of the nature of the product which is homogeneous and number of competitors. Currently, there are 39 brokers in the industry. Moreover, after January 1st, 2012, commission rate will be liberalized and this could activate severe price competition. If the Company did not maintain the quality of servicers, the Company might lose the market share.

To support the impact from the competitors, the Company strengthened the business and supported the liberalized commission rate. Moreover, the Company improved the quality services and continuously improved our employees to be more knowledgeable. The Company also developed IT system and extended the business to better serve the clients to gain more revenue.

3. Client Concentration

In 2016, 2015 and 2014, the total trading value from top 10 clients was Baht 413,008 million, Baht 391,033 million, and Baht 280,476 million, equivalent to 32.75 percent, 35.00 percent and 26.31 percent of total trading value of the Company. The absence of this group of clients will affect the Company's revenue.

The Company sees the risk in client concentration and seeks to handle such risk by expanding retails, institutional clients in both domestic and foreign countries. As at the end of 2016, 2015 and 2014, the Company had the total of 65,057 accounts, 57,136 accounts and 52,778 accounts respectively. The Company continues seeking to increase its clients both domestic and foreign institutional clients.

4. Underwriting Risk

Even though underwriting business is another source of income for the Company and a channel to keep and expand clientele, the Company has to take the risk in the event that the underwriting shares are not fully subscribed. The Company may face loss if the balance, absorbed by the Company, is traded at the price below the IPO price, and such loss may affect the Company liquidity. Such risk is subject to factors like market volatility and investor opinion on the share price.

To avoid such risk, the Company will ensure that the IPO price is appropriate and suitable. The Company must inspect and conduct a thorough examination on the company in which the Company will underwrite based on the owner's need and money market sentiment before agreeing to offer underwriting service. The Company Executive Committee will evaluate the risk before the Company commit to any underwriting service; of which the Company has never been affected by such risk. Furthermore, the Company always maintains NCR at a higher level than the 7 percent required by SEC. As of December 31st, 2016, the Company's NCR stood at 46.99 percent.

5. Risk from Default Payment

The Company reduced default risk by only selecting clients with financial stability. Furthermore, the Company has strict risk management policy and assesses client credit line according to Association of Thai Securities Companies. Credit limit review is taken seriously to ensure that the trading limit is appropriate and suitable for the clients' financial status. In case of default, the Company has stipulate measure to handle the case. Normally, clients are required to pledge collateral with the Company; the collateral can be forced sell to pay off debt immediately. Together with SET regulation, it enforces clients to deposit cash as collateral with the Company in an amount with no less than 20 percent of the credit line.

Furthermore, the Company has offered more margin loan service to clients. However, the Company has clear credit assessment with strict control and monitoring procedure to follow. The Company produces lists of securities and initial margin rate and reviews regularly. In addition, the Company has procedure to control collateral in margin account, once the value of asset is lower than required level, margin call or force sell will be enforced.

As of December 31st, 2016, the Company has total receivables and accrued interest of Baht 4,521 million and doubtful debt of Baht 70 million, equivalent to 1.55 percent. The Company has set full provision for the aforementioned amount. Currently, the Company is carrying out a law suit with those categorized in doubtful debt and will write off the amount when clients fail to repay debt.

6. Reliance on Human Resources

The securities business relies highly on experienced employees especially in the field of marketing, investment banking and research which are the professions highly desired. The resignation from such employees could affect the Company's performance.

To minimize such risk and effect, the Company has policy to develop and educate every level and profession so replacement is easy when needed. Furthermore, Association of Thai Securities Companies sets the allowance on compensation given to investment consultants to help controlling the movement of such profession. The Company has also developed a clear policy where investment consultants will be properly compensated in terms of salary, bonus and welfare; as well as good caring environment at a well maintained workplace. The Company encourages good team work, bonding among co-worker, as well as offers opportunity for career growth.

7. Risk from System Failure

IT system is another important element to brokerage business, any error or failure of the system could directly affect the Company's performance and creditability. The system that the Company uses now is Intelligent Integrated Brokerage Application (IIBS) with important components of the system as follows; a Real-Time trading system called Front Office Integrated System (IFIS) and SBL system which is integrated into both Front and Back Office. As for the internet trading system for the clients, the Company offers the system called iTrade. The system enables clients to place order via online for both domestic and foreign markets. The Securities Back-Office Automation System (SBA) is a system handling settlement between the clients and Thailand Clearing House; as well as process and manage various information such as credit limit and report on NCR ratio. While Oracle Finance is used to manage accounting and finance related information, Front Office Integrated Derivatives System (IFISD) and SBAd are used for real-time derivatives trading and to process back office data.

All systems are constantly upgraded to increase efficiency to be faster and more accurate on data processing and have higher capacity. The Company has prepared backup system in terms of data storage, power system and security system. Data backup processor is located at the head office, and secondary site at 47/553-4, 47/557-8, 8th Floor, Bangkok Land Building, Popular Road, Pakkret, Nontaburi 11120. The secondary backup system is able to replace the main system in case of failure or malfunction. The utilization rate of the Company's main system is at 50 percent which could still process a lot more amount of data. As for Derivatives, the Company uses Click Trade trading systems from TFEX and from Settrade as backup systems. In addition, the Company also strictly complies with SEC in terms of code of conduct and Information Technology Security policy.

For provincial branches, the Company has installed computer with MPLS line to enable faster data travelling between head office and branches while the backup circuit will shift in when there is a system failure. The Company has also installed backup power system in case of any power system failure.

Furthermore, the Company runs a monthly testing on overall systems, especially on power system besides regular inspection from vendors every 3 months.

With continuous development on our IT system, careful selection and good information management and excellent customer service, system failure risk shall be avoided.

8. Risk Associated with Operating a Business under Regulated Environment

As securities trading business operates under regulation of SEC, SET and Anti-Money Laundering Office (AMLO), any changes in rules and regulations could affect the Company's performance. Moreover, the Company could face some risks in breaching code of conduct for services such as investment banking and broking. Such breaches could affect the Company's reputation and/or face suspension of investment consultant or penalty which could affect the Company's performance.

However, the Company has strict internal audit and compliance policy to control and monitor all employees. Any amendment on rules and regulation will be updated and announced to all employees and related parties at all time.

9. Risk of Derivatives Business

The volatility of SET Index in 2016 was caused by both internal and external factors, such as arising of interest rate from US Central Bank (FED) and China's economic slowdown affecting the environment of investment of the country. Also, the decrease in commodity prices, such as gold and oil, affected the trader of related derivatives.

Due to the high risk by nature of derivatives and complexity, the Company has strict risk management procedures and set sufficient amount of margin to be placed as collateral and clear procedure on margin call and position closing by checking Intraday Force status at 12.30 P.M. every working day together with training and educational program for employees.

For SSF Block Trade, apart from strict risk management procedures above, the Company required investors to sign in a memorandum attached to the account opening agreement before initiate transactions to acknowledge terms and conditions. Moreover, the Company sets policies to restrict the risk of this business transaction.

10. Risk of Securities Borrowing and Lending Business

Investors mainly uses borrowing and lending of stocks as tool for hedging and seek for return in volatile market. The Company manages the possible risks that may arise from customer transactions by requiring borrower's deposit collateral, the value of which must be maintained at the minimum set level. If the value of the deposit collateral drops below a given level, the Company has the right to call additional collateral from the borrowers.

11. Risks on DW Business

11.1 Risks on Derivative Warrants

- The risk on price fluctuations of Derivative Warrantss

The prices of DW's change rapidly and the true theoretical price are difficult to calculate due to depending on many factors. This makes DW's a low-cost but high-yield financial product where investors also make sustain substantial losses if the price move in the opposite direction from their expectations. The losses will be limited to the amount of the purchase of DW's. Therefore, to invest in such products, the investors should study and understand before investing in DW. The factors that affect the price of the DW's are as follows;

1) Demand and supply of DW's

DW's price may rise or fall sharply depending on the demand of buying and selling (Demand and supply) the DW at that moment.

2) Prices of the underlying securities or underlying stock index (when other factors are constant)

- When the prices of the underlying securities or underlying securities index rise, the price of the Call Warrant will increase accordingly, while price of the Put Warrant will drop.
- When the prices of the underlying securities or underlying stock index drop, the price of the Call Warrant will drop accordingly, while price of the Put Warrant will increase.

3) Exercise price (when other factors are constant)

- When the exercise price rises, the price of Call Warrant will drop, while price of the Put Warrant will increase.
- When the exercise price drops, the price of Call Warrant will increase, while price of the Put Warrant will drop.

4) Fluctuation in the prices of the underlying securities or underlying stock index (when other factors are constant)

- When the fluctuation of the price of underlying securities or underlying securities index rise, the price of the Call Warrant and Put Warrant may rise as well.
- When the fluctuation of the price of underlying securities or underlying securities index drop, the price of the Call Warrant and Put Warrant may drop as well.

5) Expiration date of the DW (when other factors are constant)

- When the expiration date of the DW comes up, the price of the Call Warrant and Put Warrant will decline.

6) Interest Rate (when other factors are constant)

- When interest rate rise, the price of the Call Warrant will increase while the price of the Put Warrant will decline.
- When interest rate decline, the price of the Call Warrant will decline while the price of the Put Warrant will increase.

7) Dividend yield of the underlying securities (when other factors are constant)

- When dividend yield increase, The price of Call Warrant will drop while the price of Put Warrant may rise.
- When dividend rate drop, The price of Call Warrant will rise while the price of Put Warrant may drop.

- Liquidity Risks

Each DW series that trade in the stock market may have liquidity risks because of the small amount of each series compare to securities traded in the market. In addition, the liquidity of the DW may reduce when trading of the underlying securities drop.

However, the Market Maker will send buying and selling orders to stabilize the prices and volumes in accordance with the terms of the Rights that investors can trade DW when they need. Investors should study and consider the information from a 69-Full / Short and also terms of Rights carefully before investing.

11.2 Risks from the underlying securities or underlying stock index

- The Company that issued the underlying securities grant privileges to the existing shareholders

The Company may adjust the rights for investors by varying the Exercise Price and /or Exercise ratio for Derivative Warrants which the underlying assets are in form of shares by calculating a formula specified in the Terms and Conditions. The issuer of the underlying securities (the underlying company) may give privileges to existing shareholders. These include:

- 1) Allocation of new shares to existing shareholders of the Company (the issuer of the underlying securities)
- 2) The stock dividend of the underlying company
- 3) The dividend of the underlying company
- 4) Stock split or reverse stock split of the underlying company

- Suspension or cessation of trading of the underlying securities or cessation of calculating the underlying securities index

In the event that the underlying securities are either suspended or cease trading due to announcement of Suspension (SP) or Halt (H) signs, DW's of such underlying securities will also be suspended as well and investors will not be able to trade the DW's during that period. In the event securities index ceases to calculate the related DW's will be affected as well including the underlying products which are the underlying

assets which have been ceased the calculation of the underlying. It will affect the DW as well.

- The delisting of underlying securities from listed securities in the SET

In the event of delisting of underlying securities from the SET before the maturity date of the DW, the Company will move up the maturity date of DW to be sooner. Therefore, the remaining life of the DW will decline rapidly and may cause the price of DW to drop sharply as well.

- Liquidation of the underlying company

In case of the shareholders of the underlying company approved the resolution for dissolution or appointed the liquidator or court order to dissolve the company or appoint a liquidator, the Call Warrants that have not been exercised, will be cancelled and cannot be exercised. Such DW's will be cancelled at the date of the Shareholders' Meeting that approved the Company's resolution or by the date specified by the court. In that case, prices of DW's may decline drastically. In case of Put DW's, the issuer will announce the fair price of the underlying securities to holders within fifty (50) days after the meeting of shareholders of the Company has approved the dissolution resolution, or appointed a liquidator, or the court has ordered the dissolution of the Company. "Fair Price" means the price supplied by an Independent Financial Advisor which is licensed by SEC. The fair price must be calculated no more than fifty (50) days prior to the issuer announcing the fair price which is deemed to be the underlying price. The issuer must pay the different part of Net Cash Settlement Amount (if any) to the holders of DW's by paying to the bank account of the holders of the DW's or by cheque made payable to holders of the the DW that are listed on the share register at the Automatic Exercise Date and sent by registered mail within nine (9) days from the date that the fair price has been announced.

In the case of DW's with underlying stock index, the Company does not adjust the multiplier index and / or exercise price, unless the issuer deems that there are reasonable grounds which have significant impact on the holders of DW's. The Company will determine the appropriate method of adjusting the multiplier index and / or exercise price fairly as well as to set the date for the adjustment of multiplier index and / or exercise price and its effective date without decreasing the rights of DW holders. The Company will notify DW holders according to the regulations of the SET and other entities involved.

11.3 Risks of failure in the settlement and delivery

The event of settlement failure refers to events that are beyond the control of the issuer of DW and not due to the fault of the issuer. This results in the issuer unable to settle with the holders of DW in exercising their rights. This includes (but is not limited) to the following events:

- (1) War or riots in the country or abroad or any other causes which results in unable DW's or the underlying securities unable to trade the stock market as normal.
- (2) SET suspend trading of the underlying securities, for whatever any reason.
- (3) Due to laws or orders of relevant authorities with the impact on the trading of DW and / or adversely affect the underlying securities that cannot find the underlying price.

11.4 Risks of delivering securities or payment cash for difference with the Company's obligations (Credit Risk)

DW's are securities derivatives without assets collateral, so the risk of investors who invest in DW's depends on the reliability of the underlying issuer and guarantor of repayment. If the underlying issuer or guarantor of the debt cannot pay for the debt or default, the investors will have the same status as unsecured creditors of the issuer or guarantor of the underlying debt, regardless of the return of the underlying securities or index. There is a risk that investors will not get a repayment in whether in full amount or partial. Investors will have no rights to claim any of the terms of the issuer of the underlying securities or indexes.

Investors should study the information and qualifications of issuers and study factors of risk associated with the operations of the issuer, financial status, performance in the recent years and credit rating. The issuer has been rated by Fitch Ratings (Thailand) Limited at BBB + (on October 17th, 2016), which is a requirement of the SEC for issuance of DW's. Investors can find out more from 69-dw-full / short 56-1 Draft terms of rights, including the events of default and the consequences of default under section 1 of the Terms and Conditions before investing.

12. Risk from having major Shareholder exceeding 25% shareholding

Finansa Public Company Limited is the major shareholder holding 29.29 percent of the total paid-up shares. The Shareholder is able to control the resolution of the important agenda of Annual General Meeting or the resolutions which legally require three-quarter of the shareholders attending the Meeting. Consequently, other shareholders have risk in terms of having not enough votes to ask for the verification or balance the vote. However, the 3 independent directors from 9 directors acting as the Company's Audit Committee are responsible for checking and recommending the Company to operate in a correct and transparent manner.

GOOD CORPORATE GOVERNANCE

Corporate Governance policy

The Company is aware and emphasizes on the importance of Good Corporate Governance with a transparent, efficient and accountable management system in order to ensure the trusts of shareholders, investors, stakeholders and related parties. The Company also adheres to Good Corporate Governance principles as set by SEC and SET as follows:

1. The Rights of Shareholders

The Company promotes importance of shareholders rights and discloses Company's information prior to Shareholders Meetings within legal criteria.

In convening the Annual General Meeting of shareholders on April 27th, 2016 at Silver 1 Room, Grand Mercure Fortune, Bangkok, the Company provided convenience to all shareholders attending the Meeting by arranging at a location close to public transportation and provide all shareholders the date, time, venue, proposed agenda, proxy forms and relevant information on matters requiring decision well in advance.

In the previous AGM, the Company has taken the following measures;

1.1 The Company ensured all shareholders were informed of the regulations and procedures governing shareholder meetings and has sufficient information on issues to be decided in each agenda prior to the shareholders meeting.

1.2 The Company encouraged all shareholders to participate and vote in the meetings for the following agendas:

- a. Appointing or removing directors and/or electing new directors in replacement of those who retire by rotation, by allowing shareholders to exercise their votes on an individual basis.
- b. Setting the remunerations of directors in both the amount and payment criteria.
- c. Appointing the auditors and their audit fees.
- d. Considering the payment of dividends.
- e. Enabling the shareholders who cannot attend the meeting to vote on the company's agenda via proxy or appointing an independent director as their proxy.

1.3 The Company provided all shareholders equal opportunities to ask questions and comment.

1.4 The Company provided the shareholders the rights to propose any agenda and to nominate directors in advance through the SET's portal and Company's website at www.fnsyrus.com.

1.5 The Company assigned Thailand Securities Depository Co., Ltd. (TSD), its securities registrar, to mail the meeting notice and the meeting invitation letters not later than seven days before the date set for the meeting to all shareholders whose name appears in the register of shareholders in accordance to the Public Companies Act.

1.6 The Company posted invitation letter on its website at least 21 days prior to the meeting date as well as its Annual Report.

From the above, the Company has stored information for reference as followings;

Details	Source in www.fnsyrus.com
1) Rights of the shareholders	Corporate Governance Policy of the Company
2) The information of each agenda	Invitation to the Annual General Meeting
3) The right to ask questions to the meeting	Minutes of the Annual General Meeting
4) The list of Board of Directors	

2. Equitable Treatment of Shareholders

2.1 Equitable Treatment

Shareholders, who cannot vote in person, are able to vote by proxy. To facilitate shareholders unable to attend a meeting, the Company provides the proxy forms attached to the notice of the meeting sending to all shareholders.

Shareholders, who cannot attend the meeting, are recommended to delegate their votes to any independent directors in attendance.

2.2 Protection of Minor Shareholders

Shareholders are able to propose to add agenda and/or nominate directors prior to the shareholders meeting date.

2.3 Protection against Abuse of Inside Information

The Company has set procedures to prevent the directors and executives from using confidential information for illegal insider trading activities, whether or not such act is done for his own or another person's benefit, as follows:

Executives, who have access to accounting information and financial statement, which is non-public information, are prohibited to purchase or sell company's securities during the designated time period until that information has become public. Directors are prohibited to purchase or sell company's securities starting from the day they receive quarterly/monthly financial statements to the date of public disclosure.

Directors and/or executives with access to material non-public information regarding non-listed companies are prohibited to purchase or sell securities which are listed in the Securities Exchange within three working days from the day those companies are offered to the public.

During the last year, directors and executives have strictly followed the procedures so, there was no evidence of purchase or sell securities during prohibited periods.

3. The Role of Stakeholders

The Company realizes and encourages active cooperation between the Company and all groups of stakeholder. It also recognizes the importance of transparency by disclosing information in an appropriate manner to stakeholders to promote cooperation or open opportunity for participation to all stakeholders.

Stakeholder engagement guidelines are summarized below;

3.1 Shareholders

The Company not only conducts our business for a satisfactory and benefits of our shareholders in the long run, but we also ensure that all important information relevant to the Company is disclosed to our shareholders correctly and accurately. Every shareholder has the right to vote, except any shareholder who has a special interest in a resolution cannot vote on such resolution unless it is a resolution for appointing the directors.

3.2 Employees

The Company ensures that all employees are treated fairly by providing safe environment, welfare and other privileges to its employees.

The Company encourages its employees to participate in training courses/seminars to foster knowledge and enhance their work-related skills.

The Company emphasizes teamwork in our company and strives to build a positive attitude towards the Company or collaborative institution.

3.3 Customers

The Company always places customer services in the first priority, and with commitment to provide fair treatment to all customers.

The Company attaches importance to disclose important information of the Company so that customers are generally and adequately informed.

The Company realizes the importance of our customers' personal information. Therefore, the Company has non-disclosure policy so we do not disclose any of the customers' personal information to other customers or related parties. The Company also provides our customers with data protection system prohibiting the disclosure or misuse of customers' personal information; in this way, customers can be assured that the Company has a proper personal information security for the customers.

3.4 Business Partners/Creditors

The Company deals fairly with its business partners and creditors within the commercial terms agreed between the parties. Furthermore, the Company does not accept or offer undue interests to such parties.

3.5 Competitors

The Company recognizes the existence of competitors to generate healthy competition under regulatory framework.

The Company has no policy to destroy competitors. Rather, we improve our business performances on the basis that we are able to compete effectively against our competitors.

The Company treats our competitors within international commercial and legal practices. The Company does not acquire or infringe on trade secrets of competitors by improper means. Consequently, during past year, FSS strictly abided by the ethical business standards and had no pending lawsuits with our competitors.

3.6 Communities and Societies

FSS sponsors various activities in order to provide appropriate support to communities and to create social responsibilities for employees such as providing relief to the underprivileged or disaster victims by donating money or materials to charitable organizations on multiple occasions. We also organize investment seminars to students or general investors.

3.7 Environment

FSS realizes the importance of environmental protection, so we constantly enhance environmental consciousness of our employees by influencing them to participate in energy-saving activities within the Company such as turning off unnecessary lights, using environmentally friendly equipment, utilizing paperless operations and reusing paper for unimportant documents.

3.8 Whistleblower System

The Company assigns Compliance Department to receive tip-off or complaints from customers or shareholders through following channels:

Send documents to Compliance Center, Finansia Syrus Securities (PCL) 18th, 25th Floor, The Offices at Central World, 999/9 Rama I Road, Pathumwan, Bangkok 10330.

Call at 0-2658-9001-8 or fax at 0-2658-9009

Contact via e-mail at compliance@fnsyus.com

Send notice to FSS's website.

4. Disclosure and Transparency

The Company emphasizes the accurate disclosure of important information, both financial and non-financial, as well as other relevant information to indicate its transparency in the matters as specified in the regulations of the SET and SEC as follows:

4.1 Annual Statements (Form 56-1), and Annual Reports

The Company submits Annual Statements (Form 56-1) and an Annual Reports to the SET and SEC. The Company files the original reports to SEC and send copies to the SET via online system.

4.2 Financial Reports and Financial Conflicts of Interest Information

The Company discloses financial reports and issues with conflicts of interest via the following channels:

Submit any financial reports or information through SET Community Portal System (SCP) to SET and SEC.

Advertise in newspapers.

Post in conspicuous places where FSS has its principle or branch offices.

Inform through the Company's website.

5. Responsibilities of the Board of Directors

5.1 Independence of Directors

a) Independent Directors

The Company clearly segregates its independent directors from management by allowing them to freely express their opinions within the scope of their responsibilities and not to be under the influence of any person or group nor any circumstances causing them to be unable to express their straight opinions.

b) Roles of the Board

All members of the board are well aware of their roles and responsibilities by performing their duties prudently and honestly as the representatives of shareholders in managing the Company.

5.2 Suitability of Directors

a) Qualifications of Board of Directors

The Company has set clear qualification for the nominations of directors which are skills, experiences and expertises.

b) Time Dedication

In 2016, all directors dedicated their time in order to attend all board meetings at a designated date and time. In other words, the directors almost always participate in Board meetings to give comments, which shall later be recorded in the meeting minutes.

5.3 Transparency in the Selection of Directors

For the sake of transparency, the Company has notified shareholders on the Company's website in advance that they may nominate qualified candidate(s) to be considered for election as a director of the Company, so that they can have independence directors who are suitable for the positions. Moreover, the shareholders are able to re-appoint directors retiring by rotation.

5.4 Efficiencies of the Board of Directors

a) Determinants of policies

As the shareholders expect return on their investments from the Company's operations, the Board of Directors plays an important role in setting strategic directions and significant policies such as targets, budgets and various strategies, together with the management team.

b) Subcommittees

The Company has appointed sub-committees to act on behalf of Board of Directors to manage specific issues as deem appropriate in order to enhance management efficiencies. The Board monitors the results of each committee and/or assigned persons to ensure that their objectives are carried out

During 2016, the Board appointed ten sub-committees, namely the Audit, Remuneration, Executive, Enterprise Risk Management, Management, Investment, Damage Examination, Complaint Consideration, Information Technology Security and Purchase committees.

c) Board of Directors Meetings

In 2016, the Company scheduled the number of board and audit committee meetings as follows:

(1) Board of Directors

Board of Directors held board meetings once a month (or twelve meetings per year). Details about directors' meetings are summarized as follows:

Board of Directors	Attendance
1. Mr. Chatchaval Jiaravanon	9/12
2. Mr. Varah Sucharitakul	9/12
3. Mr. Chuangchai Nawongs	12/12
4. Mr. Somphop Keerasuntonpong	7/12
5. Mrs. Pornpring Suksantisuwan	10/12
6. Mr. Som Pisarnsopon	8/12
7. Pol.Lt.Gen. Visanu Prasattongsoth	12/12
8. Mr. Phaiboon Siripanoosatien	12/12
9. Mr. Kittisak Bencharit	12/12

Notes: It is recognized that directors may be unable to attend some meetings due to conflicts with other commitments or other unforeseen circumstances. Ms. Phatra Kanchanapraphat acted as secretary of the Board of Directors.

(2) Audit committees

Audit committees held meetings once a month totaling 12 times. Details about audit committee meetings are summarized as follows:

Audit committees	Attendance
1. Pol.Lt.Gen. Visanu Prasattongsoth	12/12
2. Mr. Phai boon Siripanoosathien	12/12
3. Mr. Kittisak Bencharit	12/12

Ms. Nongnual Ngamthamanit acted as caretaker secretary of Audit Committee due to the resignation of Ms. Nawarat Santikul which was effective on 16 November 2016.

Internal Information Control

The Company established measures to prevent directors and executives from using internal information for one's own benefit or others.

1. Executives, who have access to accounting information and financial statement, which is non-public information, are prohibited to purchase or sell company's securities during the designated time period until that information has become public. Directors are prohibited to purchase or sell company's securities starting from the day they receive quarterly/monthly financial statement to the date of public disclosure.

2. Directors and/or executives with access to material non-public information regarding non-listed companies are prohibited to purchase or sell securities which are listed in the Stock Exchange within three working days from the day those companies are offered to the public.

Overall, in the event that a rule violation is proven, the Company will pass judgement and determine the punishment in compliance with the rules and procedures stipulated by the Company's regulations.

During the last year, the Company's directors and executives have strictly followed the procedures, so there was no evidence of purchase or sell of securities during the prohibited periods.

Development of Directors and Top Executives

The Company is aware of the importance of necessity for its directors and executives to underlie training courses hosted by the Thai Institute of Director (IOD) and/or other training courses specified in the criteria of the Securities and Exchange Commission (SEC). The purpose of training courses is for directors and executives to carry out their duties efficiently and in compliance with good corporate governance.

The Company has applied membership for all directors with the Thai institute of Directors (IOD) in order to improve their knowledge and receive newsletters to update them. When the Company receives training course notifications and relevant documents from IOD, the Company will quickly notify the directors. The development trainings attended by each director were summarized as follows:

Board of Directors	Training Courses							
	DCP*	DAP*	ACP*	AACP*	FND*	SFE*	HRP*	CGI*
1. Mr. Chatchaval Jiaravanon	-	2008	-	-	-	-	-	2016
2. Mr. Varah Sucharitakul	2002	-	-	-	-	-	-	2016
3. Mr. Chuangchai Nawongs	-	2004	-	-	-	-	-	2015
4. Mr. Somphop Keerasuntonpong	-	2004	-	-	-	-	-	2015
5. Mrs. Pornpring Suksantisuwan	2008	2005	-	-	-	-	-	2015
6. Mr. Som Pisarnsopon	-	-	-	-	-	-	-	-
7. Pol.Lt.Gen. Visanu Prasattongsoth	-	2004	2005	2015	2005	-	-	2015
8. Mr. Phaiboon Siripanoosatien	2008	-	2009	-	-	2013	2013	2015
9. Mr. Kittisak Bencharit	2006	-	2010	2015	-	-	-	2014

Remark:

DCP = Director Certification Program

DAP = Director Accreditation Program

ACP = Audit Committee and Continuing Development Program

AACP = Audit Committee and Continuing Development Program (Audit Committee Program)

FND = Finance for Non finance Director Program

SFE = Successful Formulation & Execution of Strategy

HRP = How to Develop a Risk Management Plan

CGI = Corporate Government for Capital Market Intermediaries

SHAREHOLDER'S STRUCTURE AND MANAGEMENT

The Management Structure of the Company consists of Board of Directors and 10 sub-committees including Audit Committee, Remuneration Committee, Executive Committee, Risk Management Committee, Management Committee, Investment Committee, Damage Examination Committee, Complaint Consideration Committee, Information Technology Security Committee and purchase committee.

Board of Directors

As of December 31st, 2016, the Board of Directors consisted of 9 directors of which 3 of them acted as Independent Directors as follows:

1. Mr. Chatchaval Jiaravanon

Position	<ul style="list-style-type: none"> Chairman of the Board, Finasia Syrus Securities Plc.
Age	<ul style="list-style-type: none"> 54 years
Educational Background/Credentials	<ul style="list-style-type: none"> Bachelor's degree of Business Administration, University of Southern California, USA Director Accreditation Program (DAP) 71/2008, Executive Course (9), Capital Market Academy The Stock Exchange of Thailand
Other Current Position	<ul style="list-style-type: none"> Director (Authorized), Finasia Syrus Securities Plc. Director, True Visions Group Co., Ltd. Director and Member of the Audit Committee, Ticon Industrail Connection Plc. Director, Aeon Thanasinsap (Thailand) Plc. Managing Director & Chief Executive Officer, Telecom Holding Co., Ltd. Director, SVI Plc. Director, True Corporation Plc.
No. of Director Position	<ul style="list-style-type: none"> Listed Company 5 Companies Non-Listed Company 2 Companies
Experience	<ul style="list-style-type: none"> Director, True Vision Co., Ltd. Chairman, ACL Securities Co., Ltd. Chairman, Metro Star Property Plc.
% of Shareholding as of December 31 st , 2016	<ul style="list-style-type: none"> None

2. Mr. Varah Sucharitakul

Position	<ul style="list-style-type: none"> Deputy Chairman of the Board, Finansia Syrus Securities Plc.
Age	<ul style="list-style-type: none"> 52 years
Educational Background/Credentials	<ul style="list-style-type: none"> Master of Business Administration, University of New Hampshire, USA Director Certification Program (DCP) 21/2002, Corporate Governance for Capital Market Intermediaries (CGI) 17/2016,
Other Current Position	<ul style="list-style-type: none"> Director, SBI Royal Securities Plc. Phnom Penh, Cambodia Chairman, SBI Thai Online Securities Co.,Ltd. Executive Director, Finansia Securities Co.,Ltd. Director, Finansia Capital Co.,Ltd Executive Director,Finansa Plc.
No. of Director Position	<ul style="list-style-type: none"> Listed Company 2 Companies Non-Listed Company 4 Companies
Experience	<ul style="list-style-type: none"> Chairman of Executive Committee, Finansia Syrus Securities Plc. Executive Director, Thai International Plc. Director, Zoning Commission,Department of Public Work and Town&Country Planning Excutive Director, Finansia Securities Co.,Ltd.
% of Shareholding as of December 31 st , 2016	<ul style="list-style-type: none"> None

3. Mr. Chuangchai Nawongs

Position	<ul style="list-style-type: none"> Director, Finansia Syrus Securities Plc.
Age	<ul style="list-style-type: none"> 55 years
Educational Background/Credentials	<ul style="list-style-type: none"> Master of Business Administration, Bangkok University Director Accreditation Program (DAP) 23/2004 Corporate Governance for Capital Market Intermediaries (CGI) 2/2015, Thai Institute of Director(IOD)

Other Current Position	<ul style="list-style-type: none"> Chief Executive Officer, Finansia Syrus Securities Plc. Director (Authorized), Finansia Syrus Securities Plc. Director, SBI Royal Securities Plc., Phnom Penh, Cambodia Director, FSS International Investment Advisory Securities Co., Ltd.
No. of Director Position	<ul style="list-style-type: none"> Listed Company 1 Company Non-Listed Company 2 Companies
Experience	<ul style="list-style-type: none"> Director, ACL Securities Co., Ltd. Chief Executive, Finansia Securities Co., Ltd.
% of Shareholding as of December 31 st , 2016	<ul style="list-style-type: none"> None

4. Mr. Somphop Keerasuntonpong

Position	<ul style="list-style-type: none"> Director, Finansia Syrus Securities Plc.
Age	<ul style="list-style-type: none"> 49 years
Educational Background/Credentials	<ul style="list-style-type: none"> MBA General Administration, Pittsburg State University, USA Director Accreditation Program (DAP)16/2004 Corporate Governance for Capital Market Intermediaries (CGI) 3/2015, Executive Course (9), Capital Market Academy The Stock Exchange of Thailand
Other Current Position	<ul style="list-style-type: none"> Director (Authorized), Finansia Syrus Securities Plc.
No. of Director Position	<ul style="list-style-type: none"> Listed Company 1 Company Non-Listed Company – Company
Experience	<ul style="list-style-type: none"> President, Syrus Securities Plc.
% of Shareholding as of December 31 st , 2016	<ul style="list-style-type: none"> None

5. Mrs. Pornpring Suksantisuwan

Position	<ul style="list-style-type: none"> Director, Finansia Syrus Securities Plc.
Age	<ul style="list-style-type: none"> 59 years
Educational Background/Credentials	<ul style="list-style-type: none"> Master of Business Administration, American University of Human Sciences Bachelor of Accountancy, Chulalongkorn University Director Accreditation Program (DAP) 48/2005 Director Certification Program (DCP) 105/2008 Corporate Governance for Capital Market Intermediaries (CGI) Class 2/2015, Executive Course (7), Capital Market Academy The Stock Exchange of Thailand
Other Current Position	<ul style="list-style-type: none"> Director (Authorized), Finansia Syrus Securities Plc. Director (Authorized), SBI Thai Online Securities Co., Ltd. Director (Authorized), FSS International Investment Advisory Securities Co., Ltd. Sub-committee of Securities Investor Protection Fund, Securities Investor Protection Fund or SIPF Sub-committee of Derivatives Investor Protection Fund, Derivatives Investor Protection Fund or DIPF
No. of Director Position	<ul style="list-style-type: none"> Listed Company 1 Company Non-Listed Company 2 Companies
Experience	<ul style="list-style-type: none"> Director and Chief Executive Officer, ACL Securities Co., Ltd. Director, SBI Royal Securities Plc., Phnom Penh, Cambodia
% of Shareholding as of December 31 st , 2016	<ul style="list-style-type: none"> None

6. Mr. Som Pisarnsopon

Position	<ul style="list-style-type: none"> Director, Finansia Syrus Securities Plc.
Age	<ul style="list-style-type: none"> 52 years
Educational Background/Credentials	<ul style="list-style-type: none"> MS, Industrial Administration, Carnegie-Mellon University, USA
Other Current Position	<ul style="list-style-type: none"> Director, ICBC (Thai) Leasing Company Limited Executive Vice President, Finance & Strategy Division, Industrial and Commercial Bank of China (Thai) Public Company Limited
No. of Director Position	<ul style="list-style-type: none"> Listed Company 1 Company Non-Listed Company 2 Companies
Experience	<ul style="list-style-type: none"> Senior Vice President, Finance & Strategy Division Industrial and Commercial Bank of China (Thai) Public Company Limited Senior Vice President, Strategy and Planning Department, Industrial and Commercial Bank of China (Thai) Public Company Limited Director, ACL Securities Company Limited
% of Shareholding as of December 31 st , 2016	<ul style="list-style-type: none"> None

7. Pol.Lt.Gen. Visanu Prasattongsoth

Position	<ul style="list-style-type: none"> Independent Director, Finansia Syrus Securities Plc.
Age	<ul style="list-style-type: none"> 54 years
Educational Background/Credentials	<ul style="list-style-type: none"> Master of Business Administration, University of San Francisco, USA Master of Political Science, Sukhothai Thammathirat Open University Director Accreditation Program (DAP) 11/2004 Audit Committee Program (ACP) 7/2005 Financial Statement for Director (FND) 19/2005 Advanced Audit Committee Program (AACP) 21/2015 Corporate Governance for Capital Market Intermediaries (CGI) 3/2015

Other Current Position	<ul style="list-style-type: none"> Chairman of the Audit Committee, Finansia Syrus Securities Plc. Independent Director, SBI Thai Online Securities Co., Ltd. Commissioner, Office of Human Resources, The Royal Thai Police Director, Krungthep Thanakom Co., Ltd Director, Thai Co Poly Industry Co., Ltd Director, Bangkok Airways Plc.
No. of Director Position	<ul style="list-style-type: none"> Listed Company 2 Companies Non-Listed Company 2 Companies Government Sector 2 Sectors
Experience	<ul style="list-style-type: none"> Commissioner, Office of Information and Communication Technology Deputy Senior Inspector General, Office of Inspector General, The Royal Thai Police Deputy Commissioner, Office of Human Resources, The Royal Thai Police Deputy Commissioner, Immigration Office, The Royal Thai Police Director and Chairman of the Audit Committee, ACL Securities Co., Ltd Commander, Immigration Division 2, The Royal Thai Police
% of Shareholding as of December 31 st , 2016	<ul style="list-style-type: none"> 3,655,614 shares or 0.63% of paid up shares (unchanged)

8. Mr. Phaiboon Siripanoosatien

Position	<ul style="list-style-type: none"> Independent Director and Audit Committee, Finansia Syrus Securities Plc.
Age	<ul style="list-style-type: none"> 54 years
Educational Background/Credentials	<ul style="list-style-type: none"> Master of Political Science, Sukhothai Thammathirat Open University Director Certificate Program (DCP) 105/2008 Audit Committee Program (ACP) 28/2009 Successful Formulation Executive of Strategy (SFE)13/2011 How to Develop a Risk Management Plan (HRP) 4/2013 Corporate Governance for Capital Market Intermediaries (CGI) 5/2015,

Other Current Position	<ul style="list-style-type: none"> ▪ Director, Provincial Electricity Authority ▪ Executive Director, GEO-Informatics and Space Technology Development Agency (Public Organization) Ministry of science and Technology
No. of Director Position	<ul style="list-style-type: none"> ▪ Listed Company 1 Company ▪ Non-Listed Company - Company ▪ Government Sector 2 Sectors
Experience	<ul style="list-style-type: none"> ▪ Executive Director, Office of SMEs Promotion (OSMEP), Ministry of Industry ▪ Director and Audit Committee, ACL Securities Co., Ltd. ▪ Director, Government Savings Bank ▪ Director, Electricity Generating Plc. ▪ Director, Trinity Plus Co., Ltd. ▪ None
% of Shareholding as of December 31 st , 2016	

9. Mr. Kittisak Bencharit

Position	<ul style="list-style-type: none"> ▪ Independent Director and Audit Committee, Finansia Syrus Securities Plc.
Age	<ul style="list-style-type: none"> ▪ 67 years
Educational Background/Credentials	<ul style="list-style-type: none"> ▪ Bachelor of Economics, University of Wisconsin, USA ▪ Director Certificate Program (DCP) 70/2006 ▪ Audit Committee Program (ACP) 32/2010 ▪ Corporate Governance for Capital Market Intermediaries (CGI) 0/2014 ▪ Advanced Audit Committee Program (AACP) 19/2015
Other Current Position	<ul style="list-style-type: none"> ▪ Audit Committee, Finansia Syrus Securities Plc. ▪ Independent Director and Audit Committee, Thonburi Medical Centre Plc. ▪ Independent Director and Audit Committee, Exotic Food Plc.

No. of Director Position	<ul style="list-style-type: none"> ■ Advisor of CEO and Directors, Premier Fission Capital Co.,Ltd. ■ Advisor of CEO and Directors, Premier Enterprise Plc. ■ Listed Company 4 Companies ■ Non-Listed Company 1 Company
Experience	<ul style="list-style-type: none"> ■ Director and Audit Committee, ACL Securities Co.,Ltd.
% of Shareholding as of December 31 st , 2016	<ul style="list-style-type: none"> ■ None

Authorized Directors

The authorized directors consist of Mr. Somphop Keerasuntonpong, Mrs. Pornpring Suksantisuwan, Mr. Chuangchai Nawongs and Mr. Chatchaval Jiaravanon, of which 2 of 4 co-sign with company seal.

Scope of Duties and Responsibilities of the Board of Directors

1. To manage the Company in accordance to laws, objectives, the article of association of the Company and the resolutions of the shareholders' meetings with honesty, integrity and business ethics and care for the best interests of the Company and the shareholders;

2. To set policies, goals and directions for the Company's business plan and budget to govern the administration of the Directors Committee to be in accordance with policy as well as to ensure that the Company has efficient and effective internal control system and determination;

3. To appoint directors to become member of the Director Committee, the appointed directors shall be responsible for the Company's administration as deemed by the Board of Directors; to appoint one director as Chairman of Executive Committee, and another one as Chief Executive Officer. In addition, the Board of Directors shall assign any director/directors or any person to perform a task on behalf of the Board of Directors.

4. To be responsible for the preparation of balance sheet and profit and loss statement as of the end of the accounting period for the Company and to ensure that such reports are accurate and reflect the true status of the Company as well as are in compliance with the general accepted accounting principle which shall be audited by the Company's auditor in order to propose to the shareholders' meeting for consideration and approval;

5. To emphasize on the importance of investor relation and ensure that the Company discloses appropriate and sufficient amount of information in accordance to the SET rules and regulations;

6. To appoint other person as deemed appropriate to manage the Company under the guidance of Board of Directors or President, such authorization given can be revoked or altered at all time. However, such authorization shall not be granted to those who have conflict of interest or could gain interest on the Company or subsidiaries. Such person will be appointed by Board of Directors with presence of independent directors.

7. To study and approve the proposal prepared by the Executive Committee for Shareholders' meeting on issues; such as capital increase, capital decrease, issuance of debenture, sales or disposition of some or entire part of the Company, purchase or acquire some or entire part of other entities, the alteration of the memorandum of association and the articles of association, and director's remuneration.

8. To consider and approve client's trading limit and operational expenses of the Company as specified by its approval authority, as well as trading limits that exceeds the approved authority of other committees and/or CEO. In cases of emergency and/or business necessity, a request for approval may be submitted to the related department for circulated approval and such approval are to be presented for acknowledgement to the Company's Board of Directors at the next meeting. However, in cases where the Company's Board of Directors has specified the operational framework and has approved operations in cases of urgency, it is required that such cases be ratified by the Company's Board of Directors at the next meeting.

The Company's structure of directors has been audited and balanced appropriately. The Board of Directors will appoint the Audit Committee consisting of at least 3 persons from the independent directors. These directors must be qualified by SET and the all rules and/or regulations of SET. At least 1 person of the Audit Committee must be knowledgeable and have experience in auditing the Company's financial statements.

Appointment of the Directors

Although there is no nomination committee to appoint any person to be the Company's directors, the Company has the policy to recruit and select individuals who can be beneficial to the Company's business. The Company has to consider several factors such as knowledge and experience related to business, etc. The criteria for the appointment and dismissal of directors are as follows;

1. The Company's Directors consists of at least 5 persons but no more than 11 persons, where by not less than half of the directors must reside in Thailand and all directors must be qualified in accordance with those stipulated in Public Company Act and the Securities and Exchange Act; however, the directors either are a shareholder or a non-shareholder of the Company;

2. The shareholders' meeting selects directors according to the guidelines as follows;

Each shareholder is entitled to 1 share for 1 vote.

Each shareholder may use all his/her votes to elect one or more than one person as directors but must allocate equal weight to such directors.

Individuals receiving the most votes equally the desired number shall become directors. In case there is a tie resulting in an excessive number of directors, the Chairman shall have the last vote.

3. In the Annual General Meeting, one-third of the directors must retire from the position. If the total number of directors is not divisible by 3, the number of directors that is nearest to one-third must resign. A lucky draw method is used to select the directors to resign during the first and second years after the listing. For the following period, the directors who have served the longest term must resign. Directors whose terms have ended may be re-elected.

4. The shareholders' meeting may pass resolution to request any director to resign prior to the end of his/her term with no less than 3 out of 4 votes from the total number of shareholders presenting and having the right to vote as long as the number of share is not less than half of the total number of shares of the shareholders presenting and having the right to vote.

5. In case of vacancy from retirement by rotation, the Board of Directors shall appoint a person who is qualified and not prohibited by the Public Company Act and the Securities and Exchange Act, to be the director during the next Board of Directors meeting, unless the remaining term of the previous director is less than 2 months, in which case the replacing director may only hold the position of directorship for a period that equals to the remaining term. The resolution of the Board of Directors shall consist of not less than 3 out of 4 votes of the other directors.

Determining the Tenure of Directors

The Company has a policy to determine the number of terms that a director may serve for as long as following; "The term of directors should not exceed three consecutive terms; however, a director having the right to be in the office longer than that shall be considered based on his/her performance and duties to the shareholders".

Company Secretary

Ms. Phatra Kanchanapraphat

Remark: appointed by BOD on October 1st, 2015 to Present

Educational Background/Credentials

- Master of Business Administration,
National Institute of Development Administration
- Financial Advisors Course,
Association of Thai Securities Companies
- Successful Formulation and Execution Strategy Cours
(SFE) 25/2015
- Company Secretary Program Course (CSP) 68/2016
- Board Reporting Program (BRP) 19/2016
- Effective Minute Taking (EMT) 34/2016
- Company Reporting Program (CRP) 14/2016
- Vice President, Corporate Finance Department,
ACL Securities Co., Ltd.

Experience

The Company's Board of Directors has approved and appointed Miss Phatra Kanchanapraphat to serve as Company Secretary. She is knowledgeable in business and finance and understands the legal criteria for registered companies because of her previous work experience. The Company's Board of Directors considers that she is the appropriate person to work effectively to the highest benefit of the Company in the role of Secretary.

Responsibilities of the Secretary

1. Establish and maintain the following documents;
 - Register of Directors
 - Board of Directors Meeting Invitation Letter, Minutes of the Board of Directors Meeting and the Company's Annual Report
 - Annual General Meeting Shareholders Invitation Letter and Minutes of Shareholders Meeting
2. Keep report of the directors and management's information
3. Perform any duties according to Capital Market Supervisory Board
4. Perform any tasks assigned by the Company

Audit Committee

As at December 31st, 2016 the Committee consists of 3 persons as follows;

Full Name	Position
1. Pol.Lt.Gen. Visanu Prasattongsoth	Independent Director and Chairman of Audit Committee
2. Mr. Phaiboon Siripanoosatien	Independent Director and Member of Audit Committee
3. Mr. Kittisak Bencharit	Independent Director and Member of Audit Committee

Mr. Phaiboon Siripanoosatien and Mr. Kittisak Bencharit are knowledgeable and experienced in auditing the Company's financial statements. Ms. Nongnual Ngamthamanit acted as caretaker secretary of Audit Committee due to the resignation of Ms. Nawarat Santikul which was effective on 16 November 2016.

Scope of duties and responsibilities of Audit Committee

1. To examine the Company's financial statements and certify that they are accurate and sufficient;
 2. To review efficiency and appropriateness of the Company's Internal Control System and Internal Audit;
 3. To review and ensure that the Company complies with the Securities Exchange Act, Thailand Futures Exchange and any other related notifications, rules and regulations.
 4. To consider, select, and nominate auditor as well as suggest the auditor remuneration scheme;
 5. To consider and ensure that sufficient and complete information is disclosed on the related transaction or any transaction that may cause conflict of interest;
 6. To verify the corporate governance report prepared by audit committee for annual report by the Chairman;
 7. To perform any duty as delegated by Board of Directors but agreed by Audit Committee.
- Appointment of the Audit Committee

Board of Directors will appoint the Audit Committee consisting of at least 3 persons appointed by the independent directors and they must be qualified by SEC, including all rules and/or regulations of SET. At least 1 person of the Audit Committee must be knowledgeable of the Company's financial statements.

Appointment of Independent Directors

Independent Director means a director who has no business involved to the management or has interest in other financial institutions that may affect their independent judgment. Their qualification must be qualified by the Capital Market Supervisory Board No. Tor. Jor. 28/2008. Re: Application for and Approval of Offer for Sale of Newly Issued Shares dated December 15th, 2008 as follows:

The Board of Directors shall consider the qualifications of the individuals for the position of the independent director by adhering to the criteria and considering prohibited characteristics of such person prior to presenting to the shareholder's meeting.

Criteria for the Selection of Independent Directors

1. The Company shall select independent directors who are fully qualified and not disqualified by the Public Company Act and the Securities Exchange Act, Thailand Futures Exchange, the notifications of SEC and/or any other related notifications, rules and regulations.

2. The Company shall recruit persons who have expertise, knowledgeable and experienced in various fields so that they are able to assist the Board of Directors on various issues.

Qualifications of Independent Directors

The independent directors must have the qualifications required by SEC as below.

1. The independent director must not hold the share exceeding 1 percent of the total shares with voting rights of the applicant, its parent company, subsidiary company, associate company, major shareholder or authorized person of the applicant, including shares held by related persons of the independent director;

2. The independent director must not be or used to be the executive director or used to be the director, employee, staff or advisor receiving salary or the authorized person of the applicant, its parent company, subsidiary company, associate company, same-level subsidiary company, juristic person who may create conflict of interests, unless he/she has no longer been in such a position for two years or more when submitting her/his request for permission to the Office of the Securities and Exchange Commission of Thailand.

3. The independent director has no relationship by blood or legal registration as father, mother, spouse, sibling and child, including spouse of child, executive, major shareholder, authorized person or person to be nominated as executive or authorized person of the applicant or its subsidiary company;

4. The independent director has no relationship in terms of business with the applicant, its parent company, subsidiary company, associate company or juristic person who may create conflict of interests that could interfere with their independent judgment as well as not be or used to be a shareholder, Director (not Independent Director) or executive of any person having a business relationship with the applicant, its parent company, subsidiary company, associate company, juristic person who may create conflict of interests unless the foregoing relationship has ended not less than 2 years prior to the date of filling an application with the office of the Securities and Exchange Commission of Thailand.

The term “Business relationship” according to Paragraph 1 includes any normal business transaction, rental or lease of immovable property, transaction relating to assets or services or granting or receiving of financial assistance through receiving or extending loans, guarantee, providing assets as collateral and any similar actions resulting in the applicant of 3 percent or more of the net tangible assets of the applicant or Baht 20 million or more which is lower. The amount of such indebtedness shall be calculated according to the method for calculation of value of connected transactions under the Notification of the Capital Market Supervisory Board governing rules on connected transaction. The consideration of such indebtedness shall include indebtedness occurred during the period of one year prior to the date on which the business relationship with the person commences;

5. The independent director must not be or used to be an auditor of the Company, its parent company, subsidiary company, associate company, juristic person who may create conflict of interests, shareholder, a Director who is not an Independent Director, management or a partner of the manager of the auditing office where the auditor of the Company, the parent company, subsidiary company, the affiliated companies or any juristic person who may create conflict of interests, excepting when the person has not been in such a position for two years or more before submitting his/her request for permission to the Office of the Securities and Exchange Commission of Thailand.

6. The independent director must not be or used to be a provider of any professional services including legal or financial advisors receiving service fee exceeding Baht 2 million per year from the applicant, its parent company, subsidiary company, associate company, or juristic person who may create conflict of interests in cases where the service provider is a juristic person. This extends to include major shareholders, a Director who is not an Independent Director, management, a partner and a manager of that professional service provider, except when the person has not been in that position for two years or more before submitting his/her request for permission to the Office of the Securities and Exchange Commission of Thailand.

7. The independent director must not be a director appointed as a representative of directors of the applicant, major shareholder or shareholder related to the major shareholder.

8. The independent director has no characteristics causing the inability to express independent opinions regarding to the applicant’s business operation.

In year 2016, the Company’s independent directors have met the requirements of SEC, without having any business relationship or providing professional services to the Company.

Remuneration Committee

As of December 31st, 2016, the Remuneration Committee consisted of 3 persons as follows;

Full Name	Position
1. Mr. Chatchaval Jiaravanon	Chairman of the Committee
2. Pol.Lt.Gen. Visanu Prasattongosoth	Member of the Committee
3. Mr. Varah Sucharitakul	Member of the Committee

Mr. Chuangchai Nawongs acts as secretary of the Remuneration Committee.

Scope of Duties and Responsibility of the Remuneration Committee

1. To establish policy regarding remuneration and other benefits that the Company shall pay to directors and management and propose such remuneration scheme to the Board of Directors.
2. To define fair and stipulate remuneration or payment scheme.
3. To consider or adjust the remuneration or payment increment, annual bonus of directors and executive management and propose to Board of Directors.

Executive Committee

As at December 31st, 2016, the Executive Committee consisted of 3 persons as follows;

Full Name	Position
1. Mr. Chuangchai Nawongs	Executive Chairman
2. Mr. Somphop Keerasuntonpong	Director
3. Mrs. Pornpring Suksantisuwan	Director

Mrs. Jareerat Fuengfuskul acts as the secretary of the Executive Committee

Scope of Duties and Responsibilities of the Executive Committee

1. To consider and establish the Company policy, strategy, goal, operating plan, business plan and annual budget before proposing to the Board of Directors;
2. To govern and ensure that Company operate according to its policies, goals, strategies and operating plans as well as annual budget approved by Board of Directors;
3. To approve the operating expense that is above the Company's approved annual budget or expense limit for management;
4. To approve based on the Company policy of any underwriting transaction or any transaction related Investment Banking service;
5. To appoint or assign any person(s) to perform any duty(s) on behalf of the Executive Committee as deemed appropriate, however, such appointment or assignment can be withdrawn and/or altered at any time;
6. To perform any duties as deemed appropriate by the Board of Directors;

However, such delegation of duties and responsibilities granted by the Executive Committee must not be the delegation or sub-delegation that would enable the Executive Committee and/or authorized person to approve any transactions that may create conflict of interests (according to SET rules and regulations) between the Executive Committee or authorized person. The delegation of duties and responsibilities must be related to transactions with clear stipulation.

Risk Management Committee

As of December 31st, 2016, the Risk Management Committee consisted of 7 persons as follows:

Full Name	Position
1. Mr. Chuangchai Nawongs	Chairman of the Committee
2. Mrs. Pornpring Suksantisuwan	Member of the Committee
3. Mrs. Wimon Lovichit	Member of the Committee
4. Ms. Kanokwan Preuksathamakovit	Member of the Committee
5. Mr. Akkayut Boonin	Member of the Committee
6. Mrs. Jareerat Fuengfuskul	Member of the Committee
6. Brokerage Management*	Member of the Committee

* Brokerage Management will be reselected every quarter after finishing the terms.

* Ms. Sakunkarn Odttiwes acts as the secretary of the Risk Management Committee.

Scope of Duties and Responsibilities of the Risk Management Committee

1. To consider and setup the risk management policy covering credit risk, market risk and operation risk and propose to the Board of Directors for approval.
2. To approve and comment on the relevant issue regarding the risk management policy and to follow up accordingly;
3. To approve the credit limit for trading, credit review and process the due diligence at client's credit risk;
4. To consider the solution for problems relating to the equity and derivative trading businesses;
5. To consider and list the marginable securities allowing to trade in credit balance account including to define the additional condition for trading in the high risk securities;
6. To consider actions against problem
7. To consider and proceed operations to be in line with regulators; SEC, SET, AMLO, TFEX, ASCO, etc.

Management Committee

As of December 31st, 2016, the Management Committee consisted of 19 persons as follows;

Full Name	Position
1. Mr. Chuangchai Nawongs	Chairman of the Committee
2. Mrs. Pornpring Suksantisuwan	Member of the Committee
3. Mr. Kuntra Ladavalaya Na Ayudhya	Member of the Committee
4. Mr. Chatchai Chumsiri	Member of the Committee
5. Mr. Chaipayorn Dhammapeera	Member of the Committee
6. Mr. Pothorn Choemvarachart	Member of the Committee
7. Mr. Somchai Keawjaroenpisan	Member of the Committee
8. Ms. Raveewan Chaiyakit	Member of the Committee
9. Mr. Pornthep Wattanakeesunthon	Member of the Committee
10. Ms. Kulkakanang Pornsatitpongse	Member of the Committee
11. Mrs. Vilai Phongpreecha	Member of the Committee
12. Mr. Somyot Kittisukcharoen	Member of the Committee
13. Ms. Kanoknapat Sithivaraporn	Member of the Committee
14. Mr. Supat Apiratimai	Member of the Committee
15. Mr. Mr. Pannatat Samitthisakda	Member of the Committee
16. Mrs. Nusara Rooncharoen	Member of the Committee
17. Mrs. Wimon Lovichit	Member of the Committee
18. Mrs. Duangsamorn Laplertsuk	Member of the Committee
19. Ms. Jitkaneung Saengcheewong	Member of the Committee

Ms. Pantuporn Mahangsa acts as the secretary of the Executive Committee.

Scope of Duties of Management Committee

1. To establish securities brokerage and derivatives policies, goals, marketing strategies and marketing plans in order to seek the approval from the Executive Committee;
2. To govern and ensure that each business unit operate according to the policies, goals, strategies and plans as well as annual budget approved by the Board of Directors;
3. To govern the investment consultants regarding the following issues:
 - 3.1 To perform duty in line with the marketing plans as approved by the Board of Directors;
 - 3.2 To follow the Company's policies precisely;
 - 3.3 To consider any issues stated by SET, SEC, TFEX and related agencies to find out the solution to prevent in the future together with developing the operation process

4. To provide the development of operation process in line with the marketing policy, the development of the Company's products and services to be more competitive in the industry level and perform any duty as delegated by the Executive Committee or the Board of Directors.

Investment Committee

As of December 31st, 2016, the Investment Committee consisted of 5 persons as follows:

Full Name	Position
1. Mr. Chuangchai Nawongs	Chairman of the Committee
2. Mrs. Pornpring Suksantisuwan	Member of the Committee
3. Mrs. Wimon Lovichit	Member of the Committee
4. Mrs. Jareerat Fuengfuskul	Member of the Committee
5. Ms. Kanokporn Khumsa-ang	Member of the Committee

Ms. Kanokporn Khumsa-ang acts as secretary of the Investment Committee.

Scope of Duties and Responsibilities of the Investment Committee

1. To set up the strategies and plans for both short-term and long-term investment for the Company;
2. To diversify risks in investments with appropriate investment proportion;
3. To limit loss from investments that might occur;
4. To report investment status to the Board of Directors to effectively monitor the Company's investment results;
5. To approve any action relating to the investments besides these above mentioned, except the limits to hold securities and losses.
6. To manage the cash of the Company and of the customers for the most optimal benefits in accordance with the announcements of the Government and the Company's policy related to such matters,
7. To consider and give approvals to policies, strategies, objectives and annual work plans of DW business transactions proposed by the Derivatives and Product Development,
8. To monitor and supervise the operations of those departments that are related to the DW business transactions enabling them to operate in accordance with the policies, strategies, objectives and work plans and, also, considering the results of operations,
9. To give an opinion on and approve the details and specific information of the DW that will be proposed for sales,
10. To observe any duties and responsibilities related to DW business transactions,
11. To appoint, assign or replace person(s) to perform any task in lieu of the Company's Board as appropriate.

Damage Examination Committee

As of December 31st, 2016, the Damage Examination Committee consisted of 4 persons as follows;

Full Name	Position
1. Mr. Chuangchai Nawongs	Chairman of the Committee
2. Ms. Jitkaneung Saengcheewong	Member of the Committee
3. Mrs. Wimon Lovichit	Member of the Committee
4. Ms. Nongnual Ngamthamanit	Member of the Committee

Ms. Nongnual Ngamthamanit acted as caretaker secretary of the Damage Examination Committee due to the resignation of Ms. Nawarat Santikul which was effective on 16 November 2016.

Scope of Duties and Responsibility of the Damage Examination Committee

The Company has ascribed the Damage Examination Committee authorities, duties and responsibilities to examine the trading error transaction and consider any amendment as necessary.

Customer's Complaints Consideration Committee

As of December 31st, 2016, the Customer's Complaints Consideration Committee consisted of 5 persons as follows;

Full Name	Position
1. Mr. Chuangchai Nawongs	Chairman of the Committee
2. Mrs. Wimon Lovichit	Member of the Committee
3. Ms. Nongnual Ngamthamanit	Member of the Committee
4. Ms. Jitkaneung Saengcheewong	Member of the Committee
5. Brokerage Management*	Member of the Committee

* Brokerage Management will be changed depending on to the customer's complaints.

Ms. Nongnual Ngamthamanit acted as caretaker secretary of Customer's Complaints Consideration Committee due to the resignation of Ms. Nawarat Santikul which was effective on 16 November 2016.

Scope of Duties and Responsibility of the Customer's Complaints Consideration Committee

The Company has ascribed the Compliance Department and Internal Audit Department to gather all necessary evidence to conclude the dispute and propose to the Damage Examination Committee.

Information Technology Security Committee

As of December 31st, 2016, the Information Technology Security Committee consisted of 3 persons as follows;

Full Name	Position
1. Mrs. Pornpring Suksantisuwan	Chairman of the Committee
2. Mrs. Wimon Lovichit	Member of the Committee
3. Ms. Nongnual Ngamthamanit	Member of the Committee

Mrs. Duangsamorn Laplertsuk acts as secretary of the Information Technology Security Committee.

Scope of Duties and Responsibility of the Information Technology Security Committee

1. To arrange and propose to the Board of Directors to approve policies and procedures relating to operational control and protection of IT security and also inform the information to the management and also all staff at all level to acknowledge and accept practice;
2. To revise and update policy as appropriated according to time and risk that might affect the stability of the Company's Information Technology.

Purchase committee.

As of December 31st, 2016, the purchase Committee consisted of 6 persons as follows;

Full Name	Position
1. Mrs. Pornpring Suksantisuwan	Chairman of the Committee
2. Mrs. Wimon Lovichit	Member of the Committee
3. Ms. Supatra Pattanakijgaroon	Member of the Committee
4. Mrs. Varinphat Dumrongyingsupap	Member of the Committee
5. Ms. Kaewjai Punthawanun	Member of the Committee
6. Mrs. Duangsamorn Laplertsuk	Member of the Committee

Ms. Supatra Pattanakijgaroon acts as secretary of the Information Technology Security Committee.

Scope of Duties and Responsibility of the Purchase Committee

To set policies and approve procedures of purchasing, leasing and inspecting the Company properties such as furniture, office equipment, vehicle, equipment/computer system, other investments and property insurance to be in accordance with internal control as follows;

1. To set approval limits according to type of assets and authority level and present to Board of Directors for approval.
2. To ensure that each department comply with the guidelines and procedures of the Company strictly.

3. To consider the proposals of dealers and vendors of products or services for the appropriateness and best interest of the Company.

Management

As of December 31st, 2016, the Management consisted of 17 persons as follows;

Full Name	Position
1. Mr. Chuangchai Nawongs	Chief Executive Officer and President
2. Mr. Somphop Keerasuntonpong	President
3. Mrs. Pornpring Suksantisuwan	President
4. Mr. Kuntra Ladavalya Na Ayudhya	Executive Director, Business Unit 1
5. Mr. Chatchai Chumsiri	Executive Director, Business Unit 2
6. Mr. Chaiyaporn Dhammapeera	Executive Director, Business Unit 3
7. Mr. Pothorn Choemvarachart	Executive Director, Business Unit 4
8. Mr. Somchai Kaewjaroenpisan	Executive Director, Business Unit 5
9. Mrs. Vilai Phongpreecha	Executive Director, Business Unit 7
10. Ms. Kanoknapat Sithivaraporn	Executive Director, Business Unit 8
11. Mr. Supat Apiratimai	Executive Director, Business Unit 9
12. Mr. Pannatat Samittisakda	Executive Director, Business Unit 10
13. Mrs. Nusara Rooncharoen	Executive Director, Business Unit 12
14. Mr. Richard Edmond Markarian	Executive Director, Business Unit – Foreign Institution
15. Mr. Warawoot Benjaputtarug	Executive Director, E-Business
16. Mr. Kosit Thammatada	Executive Director, E-Busienss
17. Mrs. Wimon Lovichit	Chief Operating Officer
18. Mrs. Jareerat Fuengfuskul	Chief Financial Officer

Biography of Mr. Chuangchai Nawongs, Mr. Somphop Keerasuntonpong, and Mrs. Pornpring Suksantisuwan are presented under “Board of Directors” section. The biographies of the remaining 15 executive directors are presented as follows:

1. Mr. Kuntra Ladavalya Na Ayudhya

Position	<ul style="list-style-type: none"> Executive Director - Business Unit 1, Finansia Syrus Securities Pcl.
Age	<ul style="list-style-type: none"> 48 years
Educational Background/Credentials	<ul style="list-style-type: none"> Master of Finance, University of La Verne, USA
Experience	<ul style="list-style-type: none"> Senior Executive Vice President, Syrus Securities Pcl.
% of Shareholding as of 31 December 2016	<ul style="list-style-type: none"> 205,185 shares or 0.04 % of paid up shares

2. Mr. Chatchai Chumsiri

Position	▪ Executive Director - Business Unit 2, Finansia Syrus Securities Pcl.
Age	▪ 56 years
Educational Background/Credentials	▪ Bachelor of Marketing, Bangkok University
Experience	▪ Senior Executive Vice President, Syrus Securities Pcl.
% of Shareholding as of 31 December 2016	▪ 25,029 shares or 0.004 % of paid up shares

3. Mr. Chaiyaporn Dhammapeera

Position	▪ Executive Director - Business Unit 3, Finansia Syrus Securities Pcl.
Age	▪ 56 years
Educational Background/Credentials	▪ Executive MBA Sasin, Chulalongkorn University ▪ Diploma in National Defence for the Joint State-Private Sector Course 2012, Thailand National Defence College, ▪ Advanced Certificate Course in Public Economics Managed for Executives ▪ Diploma of Capital Market Academy ▪ Diploma of Environmental Governance for Executive Officer
Experience	▪ Managing Director, Finansa Securities Co., Ltd.
% of Shareholding as of 31 December 2016	▪ None

4. Mr. Pothorn Choemvarachart

Position	▪ Executive Director - Business Unit 4, Finansia Syrus Securities Pcl.
Age	▪ 59 years
Educational Background/Credentials	▪ Master of Management and Human Relation, Abilene Christian University, Texas, USA
Experience	▪ Managing Director, Finansa Securities Co., Ltd.
% of Shareholding as of 31 December 2016	▪ None

5. Mr. Somchai Kaewjaroenpisan

Position	■ Executive Director - Business Unit 5, Finansia Syrus Securities Pcl.
Age	■ 53 years
Educational Background/Credentials	■ Master of Business Administration (Finance), Kasetsart University
Experience	■ Senior Executive Vice President, Finansia Syrus Securities Pcl. ■ Senior Executive Vice President, Finansa Securities Co., Ltd.
% of Shareholding as of 31 December 2016	■ None

6. Mrs. Vilai Phongpreecha

Position	■ Executive Director - Business Unit 7, Finansia Syrus Securities Pcl.
Age	■ 62 years
Educational Background/Credentials	■ Bachelor of Economics, Thammasat University ■ Director Certificate Program (DCP)100/2008, Thai Institute of Director (IOD)
Experience	■ Managing Director, ACL Securities Co., Ltd. ■ Senior Executive Vice President, ACL Securities Co., Ltd.
% of Shareholding as of 31 December 2016	■ 60,949 shares or 0.01 % of paid up shares

7. Ms. Kanoknapat Sithivaraporn

Position	■ Executive Director - Business Unit 8, Finansia Syrus Securities Pcl.
Age	■ 45 years
Educational Background/Credentials	■ Master of Business Administration (International Business), The George Washington University, Washington D.C, USA. ■ Executive Development Program (EDP) 8/2011, Thai Listed Companies Association

Experience

- Senior Executive Vice President, Finansia Syrus Securities Pcl.
- Executive Vice President Retail Sales Department, Far East Securities Co.,Ltd
- Asset Manager, Special Asset Management, Tisco Financial Pcl.
- None

% of Shareholding as of
31 December 2016

8. Mr. Supat Apiratimai

Position

- Executive Director - Business Unit 9, Finansia Syrus Securities Pcl.

Age

- 53 years

Educational Background/Credentials

- Bachelor of Accounting, Bangkok University

Experience

- Senior Executive Vice President, Finansia Syrus Securities Pcl.
- Executive Vice President, Siam City Securities Co., Ltd.

% of Shareholding as of
31 December 2016

- None

9. Mr. Pannatat Smitthisakda

Position

- Executive Director - Business Unit 10, Finansia Syrus Securities Pcl.

Age

- 52 years

Educational Background/Credentials

- Master of Public and Private Management, National Institute of Development Administration

Experience

- Assistant Managing Director, Globex Securities Co., Ltd.
- Senior Executive Vice President (Securities), KGI Securities (Thailand) Pcl.

% of Shareholding as of
31 December 2016

- None

10. Mrs. Nusara Rooncharoen

Position	■ Executive Director -Business Unit 12 Finansia Syrus Securities Pcl.
Age	■ 50 years
Educational Background/Credentials	■ Master of Business Administration, Siam University
Experience	■ Senior Executive Vice President, Finansia Syrus Securities Pcl. ■ Executive Vice President, Finansa Securities Pcl.
% of Shareholding as of 31 December 2016	■ None

11. Mr. Richard Edmond Markarian

Position	■ Executive Director - Foreign Institutional Distribution, Finansia Syrus Securities Pcl.
Age	■ 53 years
Educational Background/Credentials	■ Bachelor degree - Arts, History Columbia University, USA
Experience	■ Managing Director, ACL Securities Co.,Ltd. ■ Senior Executive Vice President, Thanachart Securities Pcl.
% of Shareholding as of 31 December 2016	■ None

12. Mr. Warawoot Benjaputtarug

Position	■ Executive Director, E-Business, Finansia Syrus Securities Pcl.
Age	■ 49 years
Educational Background/Credentials	■ Master of Business Economics, Kasetsart University
Experience	■ Managing Director, GT Wealth Management
% of Shareholding as of 31 December 2016	■ None

13. Mr. Kosit Thammatada

Position	■ Executive Director, E-Business, Finansia Syrus Securities Pcl.
Age	■ 45 years
Educational Background/Credentials	Bachelor Degree, Faculty of Science, King Mongkut's University of Technology Thonburi
Experience	■ Managing Director, AEC Securities Pcl. ■ Executive Vice President, Finansia Syrus Securities Pcl.
% of Shareholding as of 31 December 2016	■ None

14. Mrs. Wimon Lovichit

Position	■ Chief Operating Officer, Finansia Syrus Securities Pcl.
Age	■ 56 years
Educational Background/Credentials	■ Master of Business Administration, Thammasart University
Experience	■ Senior Executive Vice President-Compliance, Siam Commercial Bank Pcl. ■ Head of Compliance and Audit, SCB Securities Co.,Ltd.
% of Shareholding as of 31 December 2016	■ None

15. Mrs. Jareerat Fuengfuskul

Position	■ Chief Financial Officer, Finansia Syrus Securities Pcl.
Age	■ 47 years
Educational Background/Credentials	■ The Bachelor of Economics, Thammasat University
Experience	■ Consulting, Finansia Securities Pcl. ■ Executive Vice President, Finansia Securities Pcl.
% of Shareholding as of 31 December 2016	■ None

Scope of Duties of Management

1. To manage and control the Company performance to be in accordance with the Company's policies, goals, business plans, strategies and annual budget approved by Board of Directors and/or Executive Committee;
2. To issue or revoke rules, operating procedures and internal control system for the Company and any announcement to ensure that the Company is in compliance with the policies;
3. To consider and approve operating expenses according to authorization limit or annual budget approved by the Board of Directors;
4. To approve credit limit for any cash account according to the Company's policy;
5. To authorize any IT and office equipment purchase according to the Company's annual budget or less than Baht 3 million;
6. To authorize any office construction or repair with the amount not exceeding Baht 1 million for the part that exceeds annual budget;
7. To be involved with employee recruitment such as, selecting, recruiting, setting remuneration scheme, relocating, training, as well as laying off and setting severance package for employee at the position of Senior Assistance Vice President and below;
8. To appoint lawyer to handle any litigation that is related to the Company business;
9. To appoint or delegate any person (s) as seen fit to act on behalf and revoke or alter such authorization;
10. To perform any tasks as delegated by the Board of Directors or the Executive Committee.

However, such delegation of duties and responsibilities granted by the Chief Executive Officer must not be the delegation or sub-delegation that would enable the Chief Executive Officer and/or authorized person to approve any transactions that may create conflict of interests (according to SET rules and regulations) between the Chief Executive Officer or authorized person. The delegation of duties and responsibilities must be related to transactions with clear stipulation.

Management Successor Plan

The Company's Board of Directors have successor plan for Chief Executive Officer, President, and senior management level. Qualified candidates from inside or outside of the Company can be nominated for the position. The purpose is to avoid any error on the Company's operation by allowing the qualified person to act on behalf of Chief Executive Officer or President or Management who retire or are unable to perform their duties. The plans are as follows;

1. Management positions required to have management handover plan are Chief Executive Officer, President and Directors;
2. The Board of Directors shall consider and set the required knowledge and experience for each management position;

3. The Board of Directors shall determine the qualification of the person who will replace each management position;
4. The Board of Directors shall evaluate the performance and caliber of qualified person and compared with the required qualification and plan development plan;
5. The Board of Directors may delegate Chief Executive Officer and President to supervise the qualified person's training program;
6. The Board of Directors shall specify duty and responsibility of the qualified person with Senior Executive Vice President level and assigns him/her to attend Board of Directors Meeting to promote understanding, experience and preparation on a rotational basis;
7. The Board of Directors may discuss the results of training and development of the qualified person in the Board of Directors Meeting.

Positions of Directors, Management and Persons with Controlling Interests in Subsidiary, Associate, Joint Venture or Related Companies

Company Lists	Subsidiary	Associate	Joint Venture	Related Company					
Full Name	FSS International Investment Advisory Securities Co., Ltd	SBI Royal Securities Plc.	SBI Thai Online Securities Company Limited	Finansa Plc.	Finansa Securities Co., Ltd	ICBC (Thai) Leasing Company Limited	True Corporation Plc.	True Visions Group Co., Ltd	True Universal Convergence Co., Ltd
1. Mr. Chatchaval Jiaravanon							✓	✓	✓
2. Mr. Varah Sucharitakul		✓	✓✓	✓	✓				
3. Mr. Chuangchai Nawongs	✓	✓							
4. Mr. Somphop Keerasuntonpong									
5. Mrs. Pornpring Suksantisuwan	✓		✓						
6. Mr. Som Pisarnsophon						✓			
7. Pol.Lt.Gen. Visanu Prasattongsoth			x						
8. Mr. Phailoon Siripanoosathien									
9. Mr. Kittisak Bencharit									
10. Mr. Kuntra Ladavalaya Na Ayudhya									
11. Mr. Chatchai Chumsiri									
12. Mr. Chaiyaporn Dhammapeera									
13. Mr. Pothorn Choemvarachart									
14. Mr. Somchai Keavjaroenpisan									

Company Lists	Subsidiary	Associate	Joint Venture	Related Company					
Full Name	FSS International Investment Advisory Securities Co., Ltd	SBI Royal Securities Plc.	SBI Thai Online Securities Company Limited	Finansa Plc.	Finansa Securities Co., Ltd	ICBC (Thai) Leasing Company Limited	True Corporation Plc.	True Visions Group Co., Ltd	True Universal Convergence Co., Ltd
15. Mrs. Vilai Phongpreecha									
16. Ms. Kanoknapat Sithivaraporn									
17. Mr. Supat Apiratimai									
18. Mr. Pannatat Samittisakda									
19. Mrs. Nusara Rooncharoen									
20. Mr. Richard Edmond Markarian									
21. Mr. Warawoot Benjaputtarug									
22. Mr. Kosit Thammatada									
23. Mrs. Wimon Lovichit									
24. Mrs. Jareerat Fuengfuskul									

Remark: ✓✓ means Chairman of the Board ✓ means Directors X means Independent Director

Management Remuneration

Cash Remuneration

(1) Board of Directors and Audit Committee's Remuneration

Unit: Baht

Full Name	2015		2016	
	Meeting Allowance	Bonus	Meeting Allowance	Bonus
1. Mr. Chatchaval Jiaravanon	550,000	1,600,000	450,000	2,000,000
2. Mr. Varah Sucharitakul	270,000	1,200,000	270,000	1,500,000
3. Mr. Chuangchai Nawongs	-	-	-	-
4. Mr. Somphop Keerasuntonpong	-	-	-	-
5. Mrs. Pornpring Suksantisuwan	-	-	-	-
6. Mr. Zhigang Li*	90,000	-	-	-
7. Mr. Som Pisarnsophon*	20,000	-	160,000	500,000
8. Pol.Lt.Gen. Visanu Prasattongsoth	560,000	1,600,000	720,000	2,000,000
9. Mr. Phaiboon Siripanoosatien	390,000	800,000	480,000	1,000,000
10. Mr. Kittisak Bencharit	400,000	800,000	480,000	1,000,000
Total	2,280,000	6,000,000	2,560,000	8,000,000

* Appointed Mr. Som Pisarnsophon, effective from November 30th, 2015, to replace the resigned director, Mr. Zhigang Li, effective from November 6th, 2015.

(2) Management Remuneration

In 2016, the Company paid the remuneration including salary, bonus and other expenses to the Management with the amount of Baht 165,174,316

(3) Sub Committee's remuneration

There was no cash remuneration for the sub-committee such as, Audit Committee, Remuneration Committee, Executive Committee, Risk Management Committee, Management Committee, Investment Committee, Damage Examination Committee, Complaint Consideration Committee, Information Technology Security Committee and purchase committee.

Other Remunerations

(1) Directors' remuneration

- None -

(2) Management's remuneration

The Company has provident fund which the Company also paid 5-7 percent of the salary each month. In 2016, the Company paid the insurance in the amount of Baht 5,314,671

The Company also paid the insurance covering the damage from the management in the amount of Baht 580,111

Directors and Management shareholding report as of December 31st, 2016

No.	Full Name	Position	No. of Securities Held		
			Common Share		
			As at 31 Dec 2015	Increase/ Decrease	As at 31 Dec 2016
1.	Mr. Chatchaval Jiaravanon	Chairman	-	-	-
2.	Mr. Varah Sucharitakul	Deputy Chairman	-	-	-
3.	Mr. Chuangchai Nawongs	Director	-	-	-
4.	Mr. Somphop Keerasuntonpong	Director	-	-	-
5.	Mrs. Pornpring Suksantisuwan	Director	-	-	-
6.	Mr. Som Pisarnsopon	Director	-	-	-
7.	Pol.Lt.Gen. Visanu Prasattongosoth	Independent Director and Chairman of the Audit Committee	3,655,614	-	3,655,614
8.	Mr. Phaiboon Siripanoosatien	Independent Director and Chairman of the Audit Committee	-	-	-
9.	Mr. Kittisak Bencharit	Independent Director and Chairman of the Audit Committee	-	-	-
10.	Mr. Kuntra Ladavalaya Na Ayudhya	Executive Director	205,185	-	205,185
11.	Mr. Chatchai Chumsiri	Executive Director	25,029	-	25,029
12.	Mr. Chaipayorn Dhammapeera	Executive Director	-	-	-
13.	Mr. Pothorn Choemvarachart	Executive Director	-	-	-
14.	Mr. Somchai Kaewjaroenpisan	Executive Director	-	-	-
15.	Mrs. Vilai Phongpreecha	Executive Director	60,949	-	60,949
16.	Ms. Kanoknapat Sithivaraporn	Executive Director	-	-	-
17.	Mr. Supat Apiratimai	Executive Director	-	-	-
18.	Mr. Pannatat Samittisakda	Executive Director	-	-	-
19.	Mrs. Nusara Rooncharoen	Executive Director	-	-	-
20.	Mr. Richard Edmond Markarian	Executive Director	-	-	-
21.	Mr. Warawoot Benjaputtarug	Executive Director	-	-	-
22.	Mr. Kosit Thammatad	Executive Director	-	-	-
23.	Mrs. Wimon Lovichit	Chief Operation Officer	-	-	-
24.	Mrs. Jareerat Fuengfuskul	Chief Financial Officer	-	-	-

Top 10 Major Shareholders as of December 31, 2016

Name of Shareholder	Number of Share	%
1. Finansa Public Company Limited	170,269,978	29.29
2. ICBC (Thai) Public Company Limited	129,580,453	22.29
3. Ms. Chayuda Jiaravanon	33,691,611	5.79
4. Mr. Chaval Jiaravanon	33,691,611	5.79
5. Thai NVDR Company Limited	17,415,837	3.00
6. Mr. Anucha Sihanatkathakul	15,418,599	2.65
7. Mrs. Suporn Wattanavekin	15,071,944	2.59
8. Mr. Thawatchai Suebwonglee	10,282,199	1.77
9. Mr. Paitoon Manasilp	7,282,021	1.25
10 Mrs. Kesara Manasilp	6,625,034	1.14
Others	142,073,738	24.44
Total	581,403,025	100.00

Internal Control and Risk Management

The Company emphasizes on the importance of governance, monitoring and internal audit control in which the Company assesses business risk which regularly affect business operations, monitors and establish policies regarding risks from insider trading, conflict of interest and risks related to good corporate governance. The Company sets clear Management Structure, separate lines of responsibilities to create effective check and balances.

1. Comments from Audit Committee

The Company has Audit Committee to consider and revise adequacy of the internal control system to be appropriate to the changing environment. The Company assigns Internal Audit Department which is independent to audit and report directly to the Audit Committee.

The Audit Committee has revised the internal control system by considering from the monthly reports and Annual Summary of Examination as prepared by the Internal Audit Department to the Audit Committee in order to determine specific aspects of the internal control system. Moreover, the Audit Committee recommends the Internal Audit improvements and the internal control procedures emphasizing on separation of authority, the clear line of the authority and to monitor the continual improvement of any weakness from the results of examination. In addition, to solve any problem in a correct and timely manner to prevent any breach against the laws, rules and related regulations.

At the Board of Directors Meeting No.2/2017 of February 21st, 2017, the Audit Committee assessed the Internal Control System by asking questions of the management on the implementation of guidelines/recommendations to improve internal controls. In summary, in assessing FSS's internal control concerning the five areas which are (1) Organization and Environment (2) Risk Management (3) Control over Management (4) Information and Communication, and (5) Monitoring system.

The Audit Committee concluded that the Company's 5 major areas of Internal Control System including the internal control system related to major shareholders' transaction, management's transaction or any related persons were adequate. Apart from that, the other topics of the internal control system were adequate as well.

2. Head of the Company's Internal Audit and Compliance

Ms. Nawarat Santikul is the head of Internal Audit and Compliance responsible for controlling, monitoring and managing both Internal Audit and Compliance mentioned. The Audit Committee cited her in-depth knowledge understanding of business and experiences in related field as well. So, she was regarded as suitable for the position to achieve the Company's goals efficiently. However, Ms. Nawarat Santikul resigned with the effective date on November 16th, 2016. Therefore, during the recruitment of new head of Internal Audit and Compliance, the Company had appointed Ms. Nongnual Ngamthamanit as caretaker head of compliance, who experienced in compliance department and understanding the operation of the Company very well.

In this regard, the authority to appoint, discharge and transfer the Head of Internal Audit and Compliances under the Audit Committee and the Board of Directors.

DIVIDEND POLICY

The Company has policy to pay dividend in the ratio not less than 40 percent of net profit after deduction of every reserve stated in the Company's policy and dividend payment may be changed according to the Company investment plan or any necessary investment in the future.

Dividend Payment Data

Year	2014	2015	2016
Earning per share ¹	0.44	0.30	0.46
Dividend per share	0.3152088259 ²	0.17	0.13
Dividend payout ratio	35.52	38.37	46.51

Remark: 1: The Company Financial Statements

2: Dividend payment in form of ordinary shares and cash; (1) Company ordinary shares at the ratio of 5.64 existing shares for 1 unit or at value of Baht 0.28 per share; and (2) cash payment at rate of Baht 0.0315208826 per share.

SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

Company	Investment Value	% Held
FSS International Investment Advisory Securities Co., Ltd The Subsidiary was granted a license to provide investment advisory services and to be a Derivative Advisor Head Office : 12 th Floor, Unit 1210, Abdulrahim Place, 990 Rama IV Road, Silom, Bangrak, Bangkok, 10500 Tel. 0-2611-3500; Fax. 0-2611-3551	Baht 7.70 million	96.25%
SBI Royal Securities Plc. The Company operates securities business registered under Cambodian law. Head Office : Phnom Penh Tower, No.445, Preah Monivong Blvd, Sangkat Boeung Pralit, Khan 7 makara, Phnom Penh	Baht 105.46 million	20.01%
SBI Thai Online Securities Company Limited The Company operates securities business registered under Thai law. Head Office : 31 st Floor, Thai Summit Tower, 1768 New Petchaburi Road, Bangkok, Huay Kwang Bangkok 10310	Baht 325.00 million	45.00%

CORPORATE INFORMATION

The Company is a member of SET No. 24 and a member of the Thai Bond Dealing Center providing securities brokerage business

Head Office

Incorporate Number 0107547000079
18th, 25th Floor, The Offices at Central World
999/9 Rama I Road, Pathumwan, Bangkok 10330
Tel. 0-2658-9500 Fax. 0-2658-9110
Website: [http:// www.fnsyrus.com](http://www.fnsyrus.com)

Branches

As of December 31st, 2016 the Company has 34 branches consisting of:

Bangkok and its vicinity

1. Alma Link Office

9th, 14th, 15th Floor, Alma Link Building
25 Soi Chidlom, Ploenchit Road, Lumpini,
Pathumwan, Bangkok 10330
Tel: 0-2646-9999, Fax: 0-2646-9888

2. Amarin Office

20th Floor, Amarin Tower
496-502 Ploenchit Road, Lumpini, Pathumwan,
Bangkok 10330
Tel: 0-2660-5000, 0-2264-6000; Fax: 0-2660-5010

3. Central Pinklao 1 Branch

16th Floor, Room 21601/1, Central Tower A Pinklao
7/129-221 Baromratchachonanee Road, Arunamarin,
Bangkok Noi, Bangkok 10700
Tel: 0-2878-5999; Fax: 0-2878-5998

4. Bangkapi Branch

3rd Floor, Room A3 R02, N-Mark Building
3105 Ladprao Road, Klongchan, Bangkapi,
Bangkok 10240
Tel: 0-2378-4545; Fax: 0-2378-4544

5. Bang Na Branch

19th Floor, 589/105, Tower 1 Office Building
589 Moo 12, Bang Na Trad Road, Bang Na,
Bangkok 10260
Tel: 0-2740-7100; Fax: 0-2740-7199

6. Sindhorn 1 Branch

2nd Floor, Sindhorn Tower 1
130-132 Wireless Road, Lumpini, Pathumwan,
Bangkok 10330
Tel: 0-2690-4100; Fax: 0-2690-4101

7. Kian Gwan House II

18th Floor, Wireless Road, Lumpini, Pathumwan,
Bangkok, 10330
Tel: 0-2254-1717 Fax: 0-254-1718

8. Sindhorn 3 Branch

19th Floor, Sindhorn Tower 3
130-132 Witthayu Road, Lumpini, Pathumwan,
Bangkok 10330
Tel: 0-2263-2144; Fax: 0-2263-2145

9. Ladprao Branch

11th Floor, Unit 1106, Rasa Tower 2
555 Phaholyothin Road, Jatujak, Bangkok 10900
Tel: 0-2513-7477; Fax: 0-2513-7430

10. Prachachuen Branch

4th Floor, B Building
105/1, Tessaban Songkroh Road, Ladyao, Jatujak,
Bangkok 10900
Tel: 0-2580-9130; Fax: 0-2580-9138

11. Thai Summit Branch

2nd Floor, Thai Summit Tower
1768, New Petchaburi Road, Bangkapi,
Huay Kwang, Bangkok 10310
Tel: 0-2658-5388; Fax: 0-2658-5383, 0-2658-5384

12. Ratanatibets Branch

576, Ratanatibets Road,
Bang Krasor, Nonthaburi 11000
Tel: 0-2831-8300; Fax: 0-2831-8388, 0-2969-9117

13. Samut Sakhon Branch

813/30, Norasing Road, Mahachai, Samut Sakhon,
Samut Sakhon, 74000
Tel: 034-428-045; Fax: 034-428-044

14. Rangsit Branch

2, 2.5, 3 Floor, 1/832 Moo17 Soi Phaholyothin 60,
Phaholyothin Road, Kukod, Lamlookka,
Pathumthani 12130
Tel: 0-2993-8180; Fax: 0-2993-8179

15. Abdulrahim Place Branch

12th Floor, Abdulrahim Place Building, Room 1201
990, Rama IV Road, Silom, Bangrak, Bangkok 10500
Tel: 0-2611-3500; Fax: 0-2611-3551

Upcountry

1 .Khon Kaen 1 Branch

2nd floor, 311/16 Klang Muang Road, Nai Muang,
Khon Kaen 40000
Tel: 043-224-504; Fax: 043-224-506

2. Khon Kaen 3 Branch

311/1 Klang Muang Road, Nai Muang, Khon Kaen
40000
Tel: 043-322-755; Fax: 043-322-766

3. Hadyai 1 Branch

2nd Floor, 200/221,223 Juladis Hadyai Plaza Building,
Nipatuthit 3 Road,Hadyai, Songkla 90110
Tel: 074-353-330; Fax: 074-353-329

4. Hadyai 2 Branch

106 Prachathipat Road, Hadyai, Songkla 90110
Tel: 074-243-777; Fax: 074-244-955

5. Hadyai 3 Branch

2nd Floor, 200/222, 200/224 and 200/226 Juladis
Hadyai Plaza Building,
Nipatuthit 3 Road, Hadyai, Songkla 90110
Tel: 074-354-670; Fax: 074-354-677

6. Chiang Mai 1 Branch

308 Chiang Mai Land, Changklan Road, Changklan,
Muang Chiang Mai,
Chiang Mai 50100
Tel: 053-204-711; Fax: 053-235-880, 053-272-369

7. Chiang Mai 2 Branch

310 Chiang Mai Land, Changklan Road, Changklan,
Muang Chiang Mai, Chiang Mai 50100
Tel: 053-235-889, 053-204-909; Fax: 053-235-890,
053-204-910

8. Chiang Mai 3 Branch

1st Floor, Mali Place Building Room B1-1, B1-2
32/4 Moo2, Mali Place Building, Mae Hia,
Muang Chiang Mai, Chiang Mai 50100
Tel: 053-805-388; Fax: 053-805-390

9. Surat Thani Branch

173/83-84 Moo 1, Wat Pho-Bang Yai Road, Makham
Tia, Muang District, Surat Thani 84000
Tel: 077-222-595; Fax: 077-222-596

10. Nakorn Pathom Branch

28/16-17, Ying Pao Road, Sanam Chan, Muang
Nakorn Pathom, Nakorn Pathom 73000
Tel: 034-294-000; Fax: 034-294-098-99

11. Mae Sai Branch

119 Moo10, Mae Sai, Chiang Rai 57130
Tel: 053-640-599; Fax: 053-733-819

12. Online Phuket Branch

22/18 Luang Phor Wat Chalong Road,
Talad Yai, Muang Phuket, Phuket 83000
Tel: 076-210-499; Fax: 076-210-498

13. Trang Branch

59/28 Huayyod, Tubtieng, Muang Trang,
Trang 92000
Tel: 075-211-219; Fax: 075-212-400

14. Krabi Branch

223/20 Maharaj Road, Paknam, Muang Krabi,
Krabi 81000
Tel: 075-622-460; Fax: 075-622-464

15. Pattani Branch

300/69-70 Moo 4, Roo Samilea, Muang Pattani,
Pattani 94000
Tel: 073-350-140-4; Fax: 073-350-014

16. Chiang Rai Branch

353/15 Moo 4, Rimkok, Muang Chiang Rai,
Chiang Rai 57100
Tel: 053-750-120; Fax: 053-750-127

17. Udonthani Branch

197/29, 213/3, Udondusadee Road, Mak Khaeng,
Muang, Udonthani 41000
Tel: 042-245-589; Fax: 042-324-146

18. Nakhon Ratchasima Branch

7th Floor, The Mall Nakhon Ratchasima Office
Building, Room A3, 1242/2, Mitraphab Road,
Nai Muang, Nakhon Ratchasima 30000
Tel: 044-288-700; Fax: 044-393-732, 044-393-749

19. Sriracha Branch

G Floor, Tukcom Sriracha, 135/99 Sukhumvit Road,
Sriracha, Chonburi 20110
Tel: 038-772-777; Fax: 038-772-781

Share Capital**Registered:**

Baht 930,244,841 divided to 581,403,025 ordinary
shares at par value of Baht 1.60 each

Issued and fully paid:

Baht 930,244,841 divided to 581,403,025 ordinary
shares of Baht 1.60 each

Company Registrar

Thailand Securities Depository Co., Ltd.
1st Floor, The Stock Exchange of Thailand
93 Ratchadaphisek Road, Dindaeng,
Bangkok 10400, Thailand
Tel: 0-2009-9000; Fax: 0-2009-9991
Email: SETContactCenter@set.or.th
Website: <http://www.set.or.th/tsd>

Company's Auditor:

Ms. Ratana Jala, Certified Auditor Number 3734 and/or
Ms. Ratchada Yongsawadvanich, Certified Auditor
Number 4951 and/or
Ms.Somjai Khunpasut, Certified Auditor Number 4499
EY Office Limited
33rd Floor, Lake Rachaada Office Complex
193/136-137, New Ratchadaphisek Road, Klongtoey,
Bangkok 10110
Tel: 0-2264-0777; Fax: 0-2264-0789-90

FINANSIA SYRUS SECURITIES PUBLIC COMPANY LIMITED

999/9 The Offices at Central World

18th, 25th Floor, Rama 1 Road , Pathumwan, Bangkok 10330

Tel: 0 2658 9500 Fax. 0 2658 9110

www.fnsyrus.com