

ALWAYS A STEP AHEAD

**WE ARE STRENGTHENING OUR ONLINE-TRADING
PLATFORM BY INCREASING THE USE OF CUTTING-EDGE
TECHNOLOGIES**



Finansia HERO, We're cooperating with Kiwoom Securities, the number 1 online broker in Korea to make your investment journeys seamless- now and in the future.

Trade Confidently with **FINANSIA** **HERO**

Leading trading system, perfect for investors, was developed by Finansia Syrus PLC, together with no.1 online securities company in Korea to solve every question and problem of investors, making finding stocks and sending orders as easy as pie!

Finansia HERO will help you trade without having to keep an eye on your phone all the time.

The end of trading problem!



Download Application



1

What stocks to trade today?

"HERO Real-time Pick" tells stocks to trade instantly with buy, profit, sell points automatically, and cut loss in real-time.

2

What to do when acquired shares that don't meet my expectations?

Scan featured stocks by yourself, meet your real-time needs with DIY Conditional Search

3

Buy stocks and fear loss!

Increase trading confidence by testing the accuracy of the backtools using Backtest.

4

Not good at reading graph! But want to know the point of buying/selling

Know the cost of most people's stock price to see support/resistance, build a trading framework with Volume by Price

5

Want to make a profit! But don't have time to keep an eye on the screen

Buy cheaper, sell more, and make more profit with Auto Order

6

Warning! Does not trade according to market mood

See stock weakness (up and down) with HERO Sequential.

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Steps of Finansia Syrus

Vision

“Building wealth by upgrading the investment”

Mission

Providing services which are accessible to individual investors and offering investment advice to produce attractive returns; develop integrated products; pay attention to provide services with ethics and good corporate governance; and also develop its staff and technology to deliver the excellent services.

Core Value



H-Honesty

Be honest and dare to do the right things and be trustworthy.

E-Engagement

Participate and be responsible for driving the organization forward to achieve its goals.

R-Responsibility

Have self-responsibility, responsibility towards duties and responsibility towards others for both words and deeds.

O-Originality

Contribute original ideas, embrace new things and adapt to changing situations.

Message from the Chairman



DEAR SHAREHOLDERS,

The year 2020 saw new challenges from the rapid spread of the Novel Corona Virus and subsequent impact on the economy in general and capital market in particular. The Thai economy suffered a decline of 6.6% while the SET Index plunged periodically, including triggering circuit breaker twice. This created abnormal volatility which impacted valuations but also resulted in a liquidity surge. The nationwide lockdown disrupted all aspects of daily activities including investments where investors spent more time online and thereby increased their online trading activities to take advantage of cheaper stock prices. This is where our strategy of transforming into a leading digital player paid off and yielded positive results in 2020. Our online trading application, HERO, coupled with an enhanced online account opening platform, efficient call center, and aggressive digital marketing campaign, were able to attract new clients in a record high number.

- Over 22,000 new client additions;
- An active proportion of 40% of total client accounts;

- A high online contribution of over 70% of total trading volume;
- An overall market share of 6% ranking 3rd in the industry.

Our robust retail client addition during the year translated into a higher market share in the Retail Investors Segment, which we believed to experience the highest growth in the industry. During 2020, our E-Business Technology Team launched a new version of HERO's mobile application which combined a powerful real-time stock scanner with a smart trading platform capable of sophisticated auto-orders, making it the most advanced trading tool available in the industry.

Financially, the Company was therefore able to turn its performance around after 2 consecutive years of losses and registered a net profit of THB 81.9 million. The previous years were constrained by heavy IT development costs amid poor market conditions. Our brokerage income in 2020 rose to THB 1,315 million or by 43% from the year before. Our interest income and trading gains contributed marginally due to our policy to restrict lending and trading exposures. Our average debt to equity stood at 1.14x, a relatively conservative level compare to our peers. Investment Banking generated THB 75 million in fees, an increase of 28% from previous year, having underwritten 3 major IPO issues during 2020. At the same time, we continue to steadily build our institutional and wealth management businesses.

In our costs management, we trim our sales staff from 464 to 433 and reduced number of branches from 28 to 25 during the year. We have also adapted policies to allow over 80% of front office staff to work offsite, thereby reducing further costs. We hope to maintain this policy in the future.

The Board of Directors wish to thank you all shareholders for their patience and support, especially in our period of transformation, as a result of which, we are now well positioned with a technologically superior platform and a capable E-Business team to capture growth opportunity in the future.



Mr. Chatchaval Jiaravanon
Chairman

Board of Directors



(6) (4) (3) (2) (1) (5) (7) (8) (9)

(1) Mr. Chatchaval Jiaravanon

Chairman of the Board

(6) Ms. Kanchana Vongratanakulthon

Director

(2) Mr. Varah Sucharitakul

Deputy Chairman of the Board

(7) Pol. Gen. Visanu Prasattongsoth

Chairman of the Audit Committee and Independent Director

(3) Mr. Chuangchai Nawongs

Chief Executive Officer

(8) Mr. Phaiboon Siripanoosatien

Member of the Audit Committee and Independent Director

(4) Mr. Somphop Keerasuntonpong

President

(9) Mr. Kittisak Bencharit

Member of the Audit Committee and Independent Director

(5) Mrs. Pornpring Suksantisuwan

Director

Important Events in 2020



3 January

The Company organized “Finansia Investment Conference 2020” for the second year in collaboration with more than 60 leading Thai listed companies for domestic institutional investors. In this regard, Mr. Khawar Ahmad Khan, Director, Operations, Carmine Energy Pte Ltd, Malaysia participated in a panel discussion on “LNG's Evolution in Thai Industrialization” at The Regis Bangkok Hotel.



2 February

The Company launched a new project under the name “HERO IDOL”, any style you can trade with your HERO IDOL, 4 idols with different investment styles through the application “FINANSIA HERO” with the activity “4 HERO IDOL 4 trading style” to reinforce the clear goal of becoming a smart application with an efficient online stock trading system, including formulas for stock selection techniques from many famous trader gurus in a single application at Sukree Kaewcharoen Auditorium, 3rd Floor, The Stock Exchange of Thailand, Bangkok.



27 January

The Company, in collaboration with Century R Co., Ltd., an investment company, and GSA Investment Management (“GSA”), organized “Prestige Asset Gala Night” to thank our valued customers for their support and to present “GSA Coral”, a fund from England which is a fund that investors are interested in at the moment because of it being highly stable, low risk, and generating an average return of 8-10% per year, with “Finansia” being the sole official distributor at Gaysorn Crystal Box, Gaysorn Village Building, Bangkok.

Important Events in 2020



13 March

The Company raised the level of investment seminars for the 2020 new era to a fully-integrated online channel via electronic channels under the topic “ Establishing a Foothold, Organizing a Portfolio for the Year of the Rat”, where investors or those interested in viewing all received ideas including the principles of analysis of economic trends and investment directions in 2020, in-depth analysis of the global and domestic economy amidst risks such as COVID-19, droughts, and US-China trade issues affecting current investments. Finansia is committed to digitalizing customer service with a new online format that can be extended from regular seminars where participants can speak to the country's top speakers directly during Q&A without having to travel and being responsible for investors' health through Facebook (Live) Facebook page Finansia Syrus Securities.

29 April

The 2020 Annual General Meeting of Shareholders approved with a majority vote the non-allocation of the 2019 business operating results as a legal reserve since the year 2019 the Company incurred a loss of totaling THB 140,832,838. The Company has a paid-up capital of THB 930,244,840 and legal reserve of THB 78,640,769 or equivalent to 8.45% of the Company's paid-up capital, which has not yet reached 10% and no dividend payment from the year 2019 business operating results.

Financial Highlights

		<u>2020</u>	<u>2019</u>	<u>2018</u>
Statement of Income				
Total Revenues	(THB million)	1,747	1,295	1,469
Total Expenses	(THB million)	1,643	1,465	1,487
Net Income	(THB million)	82	(138)	(24)
Statement of Financial Position				
Total Assets	(THB million)	5,947	4,277	4,754
Total Liabilities	(THB million)	3,516	1,928	2,223
Total Equity	(THB million)	2,431	2,349	2,531
Shares Information				
Number of Shares	(Million Shares)	581	581	581
Par Value	(THB)	1.60	1.60	1.60
Book Value per Share	(THB)	4.18	4.04	4.35
Earnings per Share	(THB)	0.14	(0.24)	(0.04)
Dividend Payout Ratio	(%)	42.86	N. A. ⁽²⁾	41.28 ⁽¹⁾
Dividend per Share	(THB)	0.06	0.06	0.06
Share Price at the End of year	(THB)	1.82	1.59	1.84
Financial Ratios				
Net Profit Margin	(%)	4.70	(10.66)	(1.62)
Return on Assets	(%)	1.61	(3.06)	(0.44)
Return on Equity	(%)	3.43	(5.66)	(0.92)
Debt to Equity	(Times)	1.45	0.82	0.88
NCR	(%)	41.31	61.84	79.90

Remark: ⁽¹⁾ The Company paid dividend on 22 May 2018 in the amount of 34.9 million THB from the 2017 business operating results where the Company had net profits in the amount of THB 88.9 million according to the Company's separate financial statement. The Company's net profit after the deduction of 5% of net profit as a statutory reserve according to cash basis.

⁽²⁾ The Company incurred net loss of THB 35,789,842. However, since the Company still had unappropriated retained profit from past business operation, the Meeting approved dividend payment from unappropriated retained profit at THB 0.06 per share totaling THB 34,884,181.50 to shareholders whose names are included in shareholder registrar on the record date on 28 February 2019. Dividend payment date was on 3 May 2019.

Financial Status

Unit: THB million

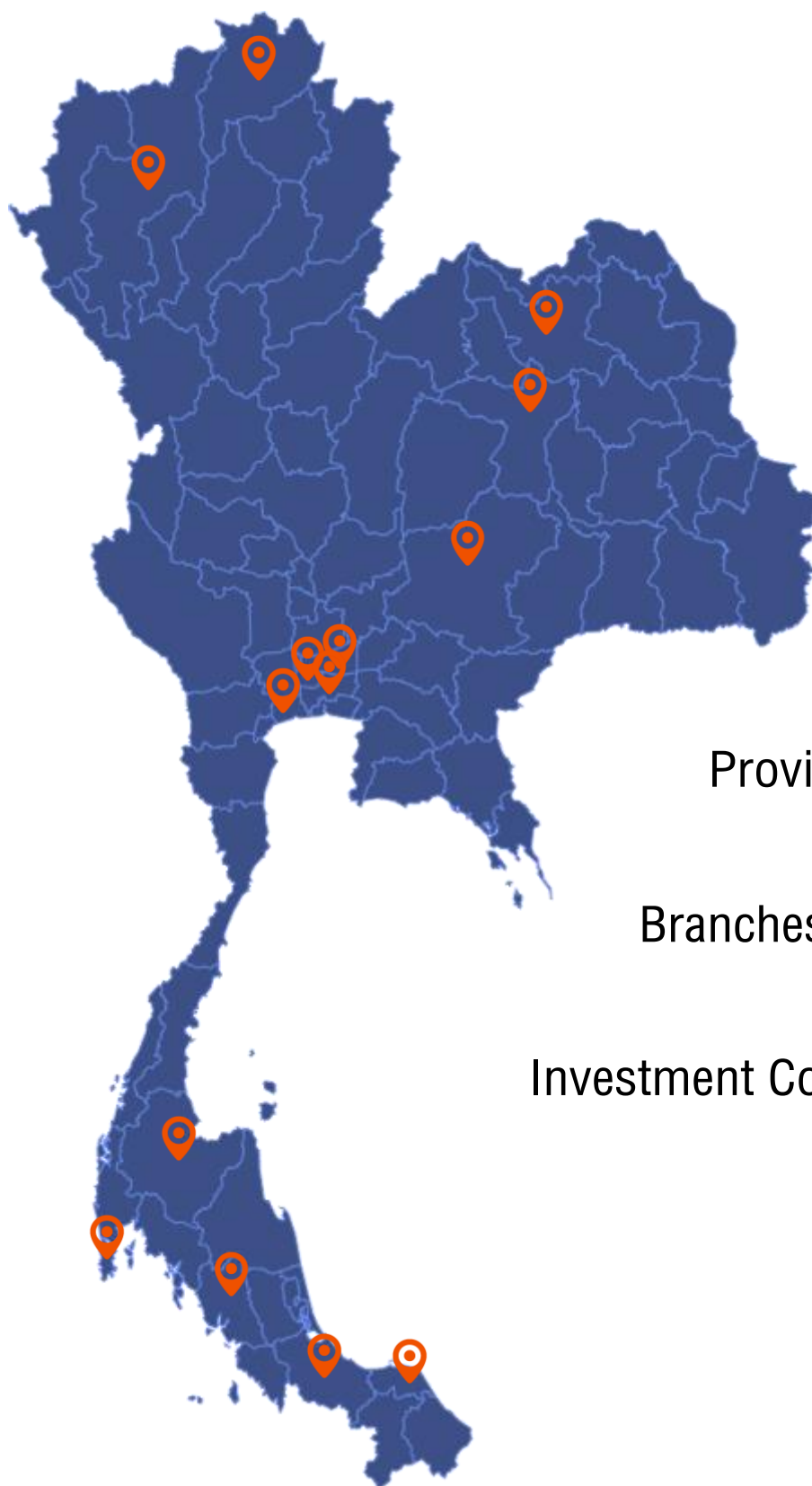
Cash Flow Statements			
for the Year Ended 31 December 2020			
Net Cash provided by (used in) Operating Activities		(256)	
Net Cash provided by (used in) Investing Activities		(54)	
Net Cash provided by (used in) Financing Activities		430	
Net Increase (Decrease) in Cash and Cash Equivalents		120	
Cash and Cash Equivalents as of 31 December 2019		102	
Cash and Cash Equivalents as of 31 December 2020		222	

Financial Position as of 31 December 2019		Comprehensive Income for the Year Ended 31 December 2020		Financial Position as of 31 December 2020	
<u>Assets</u>		Total Revenues		<u>Assets</u>	
Cash and Cash Equivalents	102	Total Expenses	1,747	Cash and Cash Equivalents	222
Securities and Derivatives	2,559	Profit before Income Tax	104	Securities and Derivatives	3,759
Business Receivables		Income Tax	(22)	Business Receivables	
Other Assets	1,616	Profit for the Year	82	Other Assets	1,966
Total Assets	4,277	Other Comprehensive Income ⁽¹⁾	1	Total Assets	5,947
<u>Liabilities</u>		Total Comprehensive	83	<u>Liabilities</u>	
Securities and Derivatives	941	Income (Loss) for the year		Securities and Derivatives	1,928
Business Payables				Business Payables	
Other Liabilities	987			Other Liabilities	1,587
<u>Equity</u>				<u>Equity</u>	
Share Capital, Premium and Reserves	1,623			Share Capital, Premium and Reserves	1,627
Retained Earnings - Net	725			Retained Earnings - Net	804
Non-controlling Interests	1			Non-controlling Interests	1
Total Liabilities and Equity	4,277			Total Liabilities and Equity	5,947

Retained Earnings	
for the Year Ended 31 December 2020	
Balance as of 31 December 2019	725
Legal Reserve	(4)
Total Comprehensive Income for the Year	83
Balance as of 31 December 2020	804

Remark: ⁽¹⁾ Total comprehensive income excludes discrepancy when converting foreign currencies and non-controlling interests.

Our Footprint



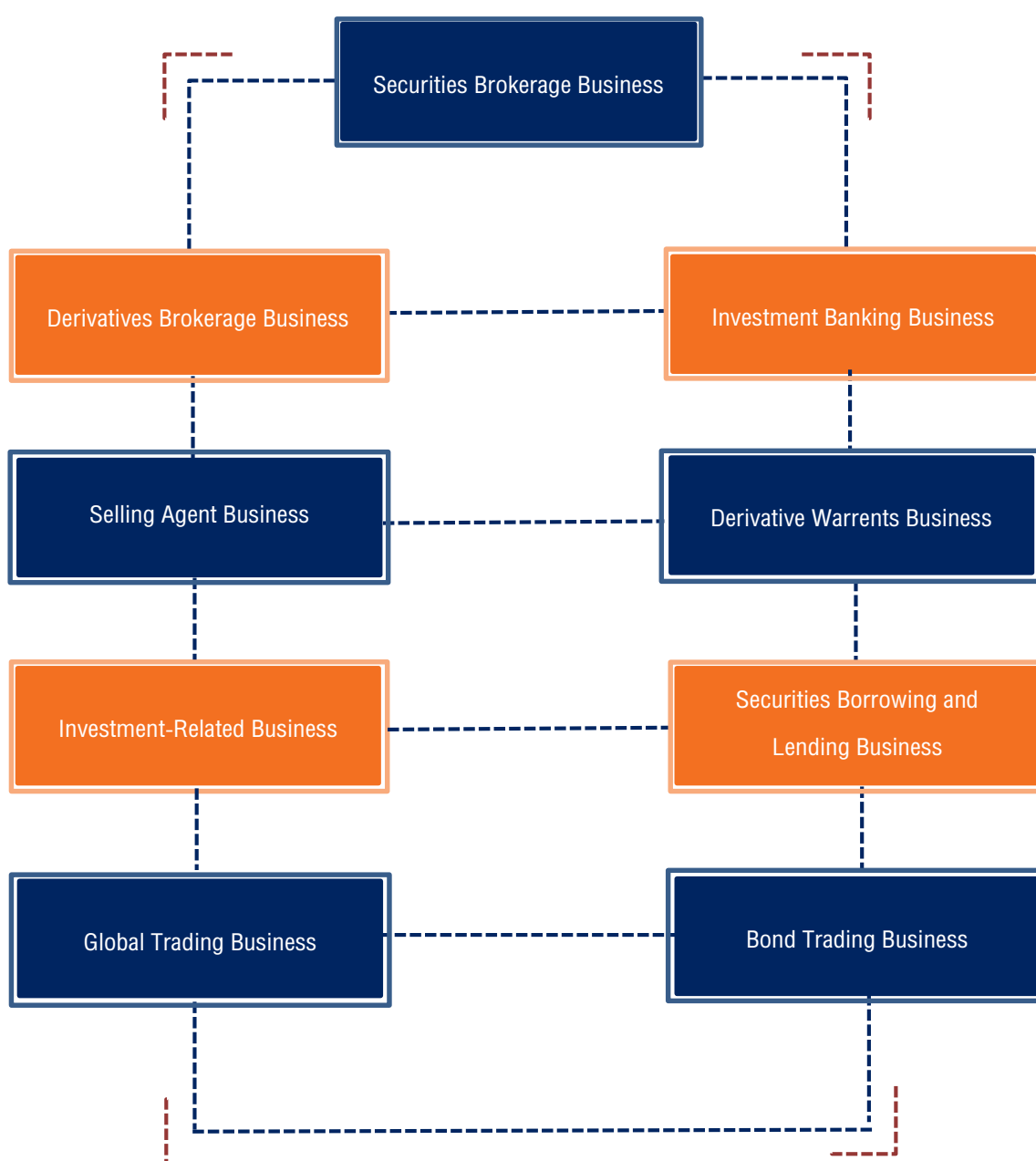
Provinces **14**

Branches **25**

Investment Consultants **433**

Nature of Business

Our Company aims to provide services which are accessible to individual investors and offering investment advice to produce good returns; developing integrated products and services with ethics and good corporate governance; and also developing its staff and technology to deliver the best services.



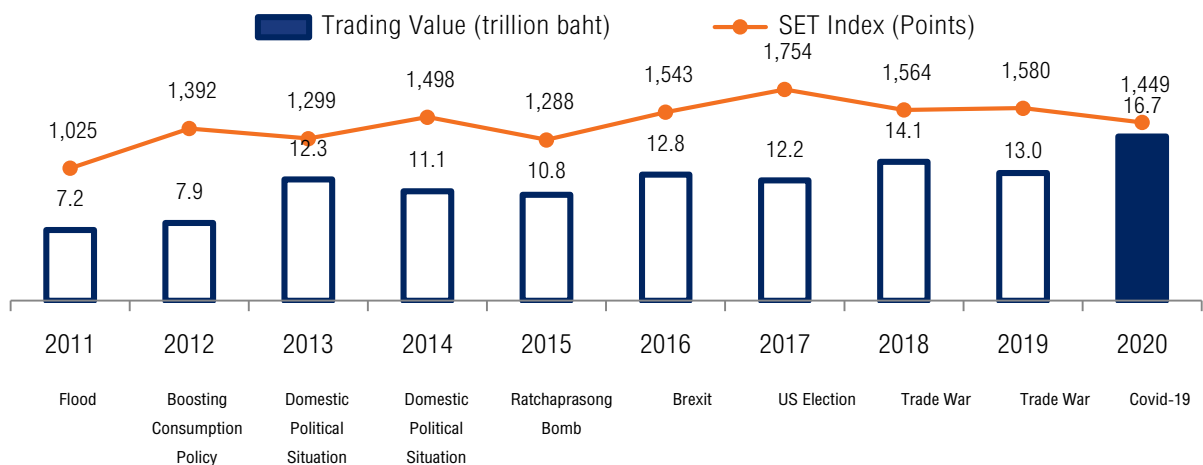
Securities Brokerage Business

Market Overview

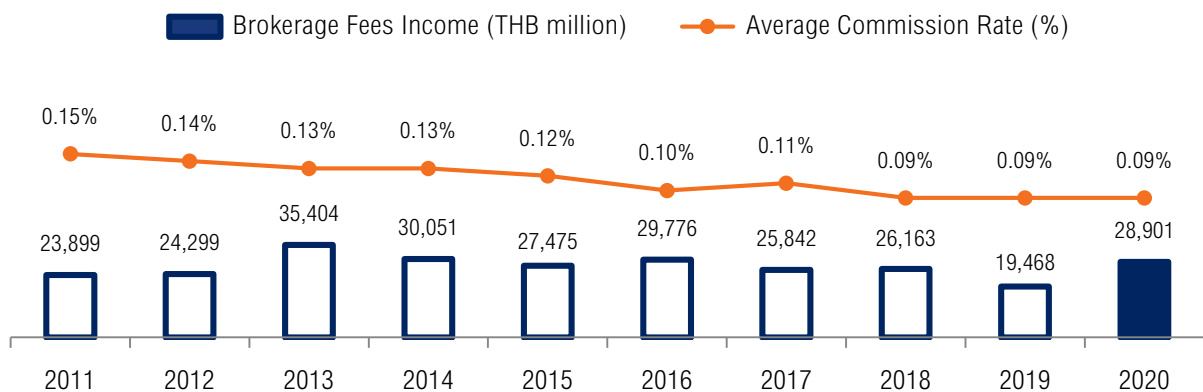
The SET index closed at the end of 2020 at 1,449.35 points, decreasing by 130.49 points or equivalent to 8.26% from the year-end close of 2019 at 1,579.84 points, while the mai index closed the end of 2020 at 336.29 points, increasing by 26.65 points or equivalent to 8.61% from the end of 2019 at 309.64 points. The total market capitalization of the SET and mai market at the end of 2020 was THB 16.34 trillion, decreasing by 3.7%.

The SET Index's decreased volume resulted in the dividend yield increasing to 3.32% from 3.14% from last year. As well as for mai market, dividend yield was at 2.56%, decreasing from 2.91% in 2019, with the average daily trading value in 2020 (including the SET and mai markets) of THB 68,606 million, increasing by 28.98% from 2019 with an average daily value of THB 53,192 million.

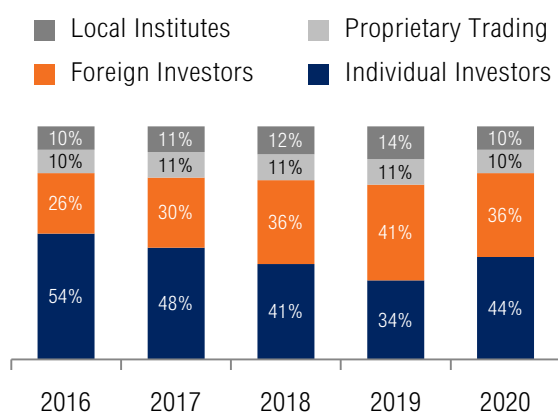
SET Statistics



Brokerage Fees



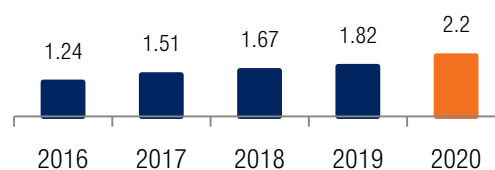
Trading Value by Investor Type (%)



In 2020, domestic investors accounted for an increase in turnover from the previous year and a larger percentage than foreign investors and other investors. Domestic investors accounted for 44% of the total turnover. The impact of the COVID-19 epidemic has resulted in the proportion of domestic investors increasing from the

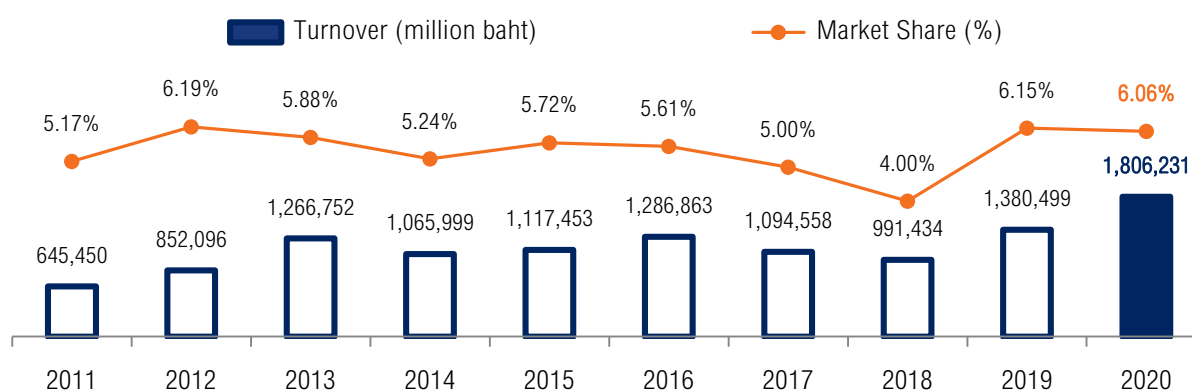
previous year. However, when considering the past 4 years, it can be seen that the proportion of domestic investors has continued to decline in contrast to the proportion of foreign investors which are likely to increase significantly while the proportion of institutional investors remained relatively stable.

No. of investors (million clients)



In 2020, the Stock Exchange of Thailand had a total of 2.2 million investors opening accounts, an increase of 20.88% from the end of 2019.

FSS Performance



In 2020, the Company had a trading value of THB 18.1 billion, an increase of 30.84% from the previous year. The Company had a market share of 6.06% and still holds the market share in the top 3 places with a higher turnover, income, and net profit than those of the previous year. In addition, the Company continued to develop its operational potential, both in terms of personnel and technology, which are the main factors affecting the performance of the Company. The Company believes that the continuous development will benefit the operating results and the increase in market share in the future.

Investment Banking Business

The Company operates investment banking business which provides financial advisory in various areas by experienced and skillful staff that have long been deeply knowledgeable in money and equity markets in both domestic and international countries. The Company obtained a license from the SEC to operate financial advisory services on 30 September 2002, and also obtained a license from the Ministry of Commerce to provide underwriting services. In addition, the Company provides advisory service for other transactions i. e. Mergers and Acquisition, Financial Restructuring, Feasibility Study, Business Valuation and other transactions to ensure the compliance with the rules and regulations of the SEC and the SET i.e. delisting, acquisition or disposition of assets or connected transactions.

In the previous year, the Company served as the financial advisor for the initial public offering of J.R.W. Utility Public Company Limited.

For the underwriting services, the Company had provided underwriting services both in debenture market and equity market. In 2020, the Company was engaged in the underwriting of the initial public offering of shares (IPO) for 15 securities, where the Company was the lead underwriter for 2 companies, and the co-underwriter for 13 companies. In this regard, the details on the previous underwritings in 2020 are as follows:

Lead Underwriter of the IPO shares

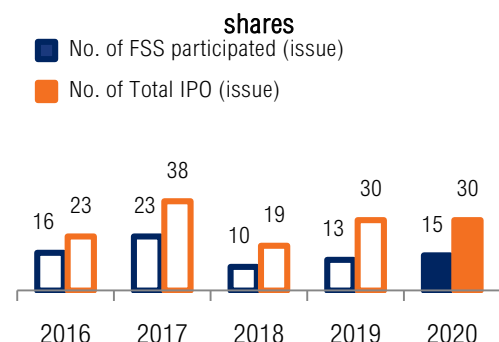
- J.R.W. Utility PLC
- Index International Group PLC

Co-underwriter of the IPO shares

- Sri Trang Gloves (Thailand) PLC
- I&I Group PLC
- Micro Leasing PLC
- Sirakorn PLC
- NR Instant Produce PLC
- Peerapat Technology PLC
- SCG Packaging PLC
- Dhouse Pattana PLC
- Shrinkflex (Thailand) PLC
- LEO Global Logistics PLC
- Next Capital PLC
- Right Tunnelling PLC
- Saksiam Leasing PLC

The Company received financial advisory service and underwriting fees, where these services also support brokerage business of the Company by creating customers' satisfaction towards the allocation of IPO shares.

Underwriting Services of the IPO



Industry condition and competition

Economic conditions, money market conditions, and capital markets, as well as the political stability of the country affects the interests of companies in bringing the Company's securities to be listed on the Stock Exchange of Thailand.

At the beginning of 2018, SET Index has created a new peak since the establishment of the Stock Exchange of Thailand, which rose to a peak of 1,838.96 points on 24 January 2018. This was a result of rising oil prices from OPEC controls, continued economic expansion of the US economy, and growing Thai economy from exports and tourism. However, during March to June, SET Index continuously dropped from the pressures of both domestic and foreign factors, especially investor concerns about the US-China trade war, and other factors such as the Federal Reserve's interest rate hike, the drop in oil prices, and concerns about the currency of the emerging markets, all of which had caused foreign investors to sell. As a result, the SET index closed at 1,595.58 points. As of the end of June, in the third quarter of 2018, the SET Index increased as a result of supporting factors such as the elections becoming increasingly clear, and higher oil prices after the US called to countries to suspend imports of Iranian crude oil. In the fourth quarter, the SET index decreased from the severe drop in oil prices and the impact of the trade conflict between the United States - China, such as setting up a wall of import tariffs, which had led to concern for the growth of the world economy, as well as the Bank of Thailand revised regulations on housing loans, which has a direct impact on real estate stocks. As a result, the SET Index as of 28 December 2018 closed at 1,563.88 points, dropping from 1,753.71 points as of 29 December 2017. Throughout the year, institutional investors had a net buy of THB 184,264.25 million, foreign investors had a net sale of THB 287,458.82 million. There were 7 companies offering IPO and listing in the SET, representing a capital raising of THB 21,258.40 million. There were 11 companies

offering IPO and listing in the mai stock exchange, totaling THB 5,223.02 million.

At the beginning of 2019, the SET index improved from both domestic positive factors namely Thai political situation became clearer and other foreign positive factors such as recovering crude oil prices, a slowdown in the Federal Reserve's policy rate hike. At the end of April, as a result, the SET index closed at 1,674 points. However, in the middle of May, the SET index dropped to 1,602 points as a result of the lower-than-expected performance of most listed companies, pressure from the US-China trade war, which announced a tax hike from 10% to 25%. At the end of May, SET index closed at 1,620.22 points. After that the SET index continued to decline due to market pressure on domestic factors, especially the lower operating performance of listed companies and economic slowdown, and external factors such as intensification of the trade war between the US and China after both sides responded with hikes in import tariffs. However, in the last quarter of the year, the international economy tended to improve due to the extension of the UK deadline for exiting the EU, making the possibility of a no-deal withdrawal being reduced. In addition, trade issues between the United States and China were making better progress as the two countries are close to reaching a first-phase trade deal while the domestic economy continued to slow down. As a result, the net profit of listed companies decreased, especially banking stocks that caused the SET index to fall. As of 30 December 2019, the market closed at 1,579.84 points. Institutional investors had a net buy of THB 52,006.73 million, while foreign investors had net sales of THB 45,244.85 million. There were 11 companies offering IPO and listing in

the SET, representing a capital raising value of THB 68,712.57 million, and 17 companies offering IPO and listing on the mai, representing a capital raising value of THB 4,981.30 million.

At the beginning of 2020, the SET index decreased from the end of the previous year, which was in line with the direction of the movement of most ASEAN markets which were pressured by foreign investors in net sales in the market. This was a consequence of the ongoing situation of the spread of COVID-19 both in the country and around the world resulted in the SET Index closing at 1,024.46 points on 23 March 2020. However, in the second quarter of the year, the SET index continued recovery from the COVID-19 situation that became under control in many countries. This is combined with policies from both the government and the Bank of Thailand, such as a measure to support low-interest loans (soft loans) for SMEs in the amount of THB 500 billion; a fund measure to maintain liquidity for funding in the bond market (BSF) in the amount of THB 400 billion; and the project "Rao Mai Ting Gun" (We do not leave each other behind) in the amount of more than THB 1 trillion to stimulate spending, which is a positive factor on the economic and investment conditions in the second quarter of the year, all of which resulted in

the SET index closing at 1,339.03 points. However, since the third quarter of 2020, the SET index instead continued to decline as a result of many factors that affect investor confidence, for example, The United States' ambiguous economic stimulus policy while waiting for the presidential election, domestic political problems from student gatherings to demand constitutional amendments, and especially, concerns about the second wave of COVID-19, leading to the lockdown in many countries, all of which resulted in the SET index dropped to 1,194.95 points at the end of October. The last 2 months of the year, SET index was likely to recover from the positive factor as the large amount of money being injected into the economy from government assistance policies and the progress of the COVID-19 vaccine is expected to be available from the end of 2020 to the beginning of next year, thus, as of 30 December 2020, the SET index closed at 1,449.35 points. Throughout 2020, institutional investors had a net buy of THB 33,455.77 million, while foreign investors had net sales of THB 264,385.79 million, with 14 companies offering IPO and listing on the SET, representing a capital raising value of THB 127,014.62 million, and 12 companies offering IPO and listing on the mai, representing a capital raising value of THB 3,779.26 million.

Details of companies listed in the SET and the Market for Alternative Investment (mai)

	2018	2019	2020
The Stock Exchange of Thailand (SET)			
SET Index at the end of the period (points)	1,563.88	1,579.84	1,449.35
Number of newly listed companies	8	13	15
- through IPO	7	11	14
- through mergers and acquisitions	1	2	1
Number of listed companies that were delisted	3	8	9
Number of listed companies that moved from mai to SET	2	6	6
Number of listed companies that moved from SET to mai	-	-	-
Total number of listed companies	545	556	568
Capital raising value (THB million)	21,258.40	68,712.57	127,014.62
Total market value (THB million)	15,978,251.87	16,747,455.83	16,107,632.55
Market for Alternative Investment (mai)			
mai Index at the end of the period (points)	356.44	309.64	336.29
Number of newly listed companies	11	17	12
Number of listed companies that were delisted	-	1	-
Number of listed companies that moved from mai to SET	2	6	6
Number of listed companies that moved from SET to mai	-	-	-
Total number of listed companies	159	169	175
Capital raising value (THB million)	5,223.02	4,981.30	3,779.26
Total market value (THB million)	240,816.96	215,155.97	235,030.40

Remark: * Capital raising value is calculated from all stocks sold to the general public (Capital increase shares and premium allocated shares) and stocks offered for sale according to the ESOP program.

Source: www.setsmart.com

To support the brokerage business to increase the income from operating the main business, many securities companies turned their focus to investment

banking, causing competition to be fierce. There were 75 companies approved by the SEC to provide financial advisory services (as of 31 December 2020)

and 42 securities companies that have been authorized to distribute securities (as of 3 January 2021). This is a competition in terms of the quality of the work team, experience and expertise in providing services and consulting in various transactions, and an initiative to introduce new forms of financial instruments to achieve customer needs as well as building good relationships with customers.

Advantage and Competitive Strategy

Amid the fierce competition in the industry and in order to achieve the goal of increasing market share

in the brokerage business, the Company has advantages and competitive strategies as follows:

1. Development of investment banking services

The Company has a strategy to develop financial advisory services to cover all aspects and to offer reasonable and quality financial services for each client, with an emphasis on creating works to be accepted. In addition to the financial advisory work, the Company also provides underwriting and underwriting services, to continuously offer investment opportunities to both existing and new customers.

Other Businesses

Derivatives Brokerage Business

The Company obtained the futures brokerage license from the SEC on 14 October 2005 and the Company has been qualified as a member of Thailand Futures Exchange PLC (“TFEX”) and Thailand Clearing House Co., Ltd. (“TCH”) where the Company started providing futures brokerage services on 17 March 2008.

Moreover, in July 2018, the Company commenced activities in Single Stock Futures through Block Trades to increase its liquidity of Single Stock Futures. The Company expected to handle the increase of transactions and to increase revenue for the Company because TFEX is a market that investors have high interest. The overall volume of trading of TFEX market increases every year especially the Single Stock Futures.

Business plans and marketing plans of the future brokerage are to build a customer base from existing customers who traded equities with the Company because these customers already understand investments in a certain level. For new customers, the Company will focus on the customers with good 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 to be able to make use of derivative in investment or hedging against investments risks.

Investment-Related Business

The Company has a proprietary trading department which is responsible for the Company’s investment related business whereby the Company has policies to invest in equity, bond instrument, mutual fund and other non-listed companies and strictly comply with the regulations specified by the authorizations, with

the objective of short-term trading and long-term investment. The Company’s Board of Directors will consider the allocation of fund, procedures, criteria, practices and investment policy which are clear and in accordance with related regulations of the SEC. The Company gains benefit from securities trading, dividends and interests. In addition, the Company established the Investment Committee and Risk Management Committee as approved by the Board of Directors to be responsible for setting strategies and investment policies for both short-term and long-term investment by diversifying risks with appropriate proportion and setting limit for potential losses; and report the investment status to the Board of Directors to efficiently follow up on the Company’s investment status.

Derivative Warrants Business

The Company issued and offered Derivative Warrants (DW) for the first time in February 2016 in the form of direct listing. In 2020, the Company issued and offered a total of 166 DWs which are well received by investors. In this regard, the Company received a long-term credit rating of “BBB+(tha)” with a “Positive” outlook while receiving short-term domestic credit rating of “F2 (tha)” from Fitch Ratings (Thailand) on 18 January 2021.

DW has recently been the products that investors have studied and paid more attention. To develop DW business to grow sustainably, the Company strongly emphasizes on providing knowledge to investors in order to enable them to understand the complexity, risks and returns from DW investment by establishing various information channels i.e. websites at <http://www.dwarrant24.com>, Line Official Account (Line ID: @dw24), and Facebook (<https://www.facebook.com/Dwarrant24>); and

assisting them in the decision making. In addition, the Company conducts analysis to be used as the trading tool for investors.

Selling Agent Business

The Company obtained private fund management license on 18 February 2020, enabling the Company to provide portfolio management services by private fund managers within the framework that clients participate in strategy, investment goals, conditions and restriction that are formed to meet individual needs. The private fund team has an investment policy that covers a wide range of asset classes such as equity instruments, debt instruments, and alternative funds both local and international to reach customers at all risk appetites, where clients' investment status is closely monitored and reported and new investment opportunities are always being searched.

Moreover, the Company provides mutual fund investment service which facilitates the customers under the idea of one-stop service. Customers are able to buy, sell and switch between mutual funds managed by any asset management companies which the company acts as an agent without additional charges. The Company also provides comparative data and summarizes all investment information in one report which will simplify the mutual fund investment for customers.

The Company offers 2 types of mutual fund accounts, namely:

- Omnibus Account

Customers can buy, sell and switch between mutual funds managed by any asset management company which the company acts as an agent under one account, and execute transactions via telephone or sign in the transaction form. In addition, there is an all-inclusive summary of monthly mutual fund

investment from every asset management company to the convenience in reviewing the fund status and management.

- Selling Agent Account

For customers who wish to invest in Long Term Equity Fund (LTF) , Retirement Mutual Fund (RMF) and Property Fund which are closed-end fund.

In addition, the Company offers the service called “Trading Plus” This service will help boost returns from investment by using the proceeds received from the sale of securities to invest automatically in money market funds, and automatically sell units in mutual funds to pay for such securities. The selected funds are the low-risk funds with better returns compared to the deposit interest rate.

As of the end of 2020, the Company served as an agent to support the sale and redemption of investment units for 19 asset management companies. The Company still plans to increase the number of asset management companies to serve as a sales and redemption agent in order to increase the variety of mutual fund products and develop the mutual fund service system continuously which will result in maximum satisfaction for clients.

Securities Borrowing and Lending Business

The Company obtained a license from the Ministry of Finance to operate securities borrowing and lending business on 25 August 2010 and started to operate such business since September 2010.

The Company acted as a principal to investors who are borrowers and lenders in providing borrowing and lending services to customers. This transaction provides investors more alternatives in fluctuated market, as well as alternatives for risk management and increase of returns. It also support other business of the Company i.e. brokerage business, investment-related business, derivatives brokerage

business, derivatives warrant business, etc. The Company also develops the technology system to support the securities borrowing and lending business which will greatly facilitate customers in using the service. The details are summarized as follows:

- The Company lends securities to customers for conducting short sales of securities specified by the Company, namely securities in SET100 index, ETF and underlying stocks of SFF. The Company provides enough securities for customers to borrow. Therefore, customers will not miss any investment opportunities while they can manage risks for their investment portfolio. Short sales can be conducted in cash balance accounts and credit balance accounts.
- Benefits derived from borrowed securities remain with the lender.
- On 20 July 2015, the Company provided SMART ACCESS in which clients shall lend and borrow securities via Internet.
- On 23 March 2018, the Company launched HERO System whereby customers can use the SBL service of the Company to borrow and return securities faster and more conveniently.

Global Trading Business

The Company provides services for clients in securities trading on foreign stock exchanges with an efficient internet trading program and a standardized and internationally recognized information security system allowing clients to trade in more than 25 countries and 34 markets worldwide. The investors are able to manage their own investment portfolio under one time account opening, providing multi-currency settlement without having foreign currency deposit account. Investors can move the investments

from other markets to markets that are likely to offer higher returns at any time. The Company handles transactions of international settlement through professional foreign agent who specializes in international settlement in order to raise confidence for investors in the efficiency of the settlement and safety in foreign investment.

The Company's services covered these following global markets:

❖ Asia

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

❖ Europe

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

❖ North America

- United States

❖ Australia

- Australia

Bond Trading Business

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.

Investment options that generate stable income through both short-term and long-term government and private bonds in order to help financial planning to match the investment needs of bonds with Finansia Syrus Securities PLC, increasing the chances of getting a higher rate of return for those with the ability to take more risks.

Investment period options: by choosing to invest short-term through short-term debentures that are between 1 to 270 days or invest in long-term debentures for 1 year or more to distribute risks or as an investment alternative in case of other assets fluctuating.

Primary market means the issuer issuing and offering various types of financial instruments to raise funds for the first time.

Secondary market means trading of various types of financial instruments that have been traded in the first market. Second market is where investors can trade financial instruments flexibly, making those types of financial instruments get more attention from investors.

Risk Factors

1) Exposure to Volatility of the Market

The Company's main source of income comes from brokerage fees which are related to economic conditions, money market conditions and capital market conditions, trading volume in the Stock Exchange including confidence among local and foreign investors. Brokerage business' performance depends on various factors i.e. political situations, global and domestic economic situations which are beyond the Company's control. If the market is volatile, it will have an impact on trading value and will cause fluctuation in brokerage fees, for example, brokerage fee will decrease if trading values decrease and if trading values increase, brokerage fee will increase as well, provided that other factors are stable. The volatility of the stock market has continued, and in 2021 it was believed that the Thai stock market tended to increase from 2020 due to the lower economic risks. It is expected that the stimulus is from the influx of foreign capital that has increased from the previous year due to the gradual improvement of the external economic recovery forecast due to the economic policy and finances that are adjusted for higher liquidity including developing and receiving vaccines to address the COVID-19 situation. However, these factors are uncertain in the direction of the outcome and there may be other external risk factors that can affect market volatility.

From the above reasons, what the Company can do is trying to find a way to reduce its dependence on brokerage income and increase revenue from other businesses, for example, derivative warrants and bring in tools to manage risks from the fluctuation that affects the revenue from this business such as setting the maximum level of risk tolerance in various fields, namely, stop-loss limit or stress test in order to assess the damage in the event of high market volatility. In addition, the acceptable risk values are regularly reviewed.

2) Competition within the Industry

Securities Business is a highly competitive business since the nature of product is similar and the number of competitors is relatively high. Moreover, commission rates are liberalized and a low pricing strategy is used for business operation. In the future, securities business operations are likely to increase. The services of each company will be developed, which may be the introduction of technology to play a greater role in providing services to meet the needs and convenience of customers or investors. This may require the Company to adjust its strategy to attract customers. In addition, there may be an investment in the development of the Company's products and services to be more efficient and meet the needs of investors. Otherwise, it may cause the Company to be affected by reduced revenue.

The Company prepares to alleviate such impact by creating its business' strength, promptly adjusting its strategies to be consistent with a variety of situations, emphasizing on quality and standard of service, developing personnel's competencies, developing information technology system to be novel and secure, as well as create new products and services to facilitate customers and respond their needs.

3) Risk of Derivatives Brokerage Business

Due to the high-risk nature of the future exchange from price fluctuations and complexity of commodity, the trend of price volatility depends on both domestic and international economic conditions that affect the price of the underlying asset. Overall, the trend in 2021, it is expected that the trend of domestic and foreign interest rates will remain low due to being in the economic recovery period. The dollar tends to depreciate due to economic stimulus policies, which may result in the trend of gold prices rising due to the depreciation of the dollar and due to the uncertainty in economic and monetary policy. In terms of crude oil prices, rates are expected to rise due to the recovering economy and the development of the COVID-19 vaccine, all of which may be vulnerable to price fluctuations due to economic uncertainty and other factors that may affect the price of the underlying asset. The risk of this price fluctuation may affect the debt settlement system and cause damage to the Company's revenue.

For SSF Block Trade transaction, apart from the above-mentioned risk management procedures, the Company required customers to sign in an addendum to the appointment of derivatives agent agreement prior to the transaction execution so as to acknowledge terms and conditions of the transaction. In addition, the Company established the internal risk management policy policies to control the risk incurred from this transaction.

4) Risk Associated with Operating a Business under Regulated Environment

Since the securities and derivatives businesses are regulated by the related laws of the regulated authorization i.e. the Securities and Exchange Commission (SEC), the Stock Exchange of Thailand (SET), Thailand Futures Exchange PLC, Anti Money Laundering Office (AMLO), and Association of Securities Companies (Thailand), etc., the Company may have an operational impact i.e. the increase of operational costs, knowledge and understanding of relevant departments, etc., arising from the stipulation and/or amendment of the regulations, policies including measurements to regulate securities and derivatives businesses by the government bodies or regulated authorizations. In addition, the Company may face the operational error risks in various aspects such as the operational errors in the Company's departments, failure to comply with working standards and code of conducts for investment consultants and securities analysts, etc., which will affect the reputation of the Company, and the Company may have been imposed a fine and/or other action specified by laws and/or the employees of the Company may be imposed penalties from admonishment to suspension.

However, the Company has a policy for the internal audit department and compliance department to oversee and monitor to ensure that all level of its employees carry out their duties accurately and strictly complying with rules and regulations of the regulated authorizations, and when there are any changes in related rules and regulations, the Company will announce such changes to related employees to acknowledge and comply with the current regulations.

5) Risk Associated with Information Technology System Failure

In the age of digital transformation where information technology plays a very important role in business competition, both in terms of bringing modern technology to change the work within the organization and serve customers through online services channels to be more efficient, this creates many opportunities for businesses but also comes with risks and challenges, for instance, cyber threat, handling of large amounts of data, handling of the increased volume of transactions, and compliance with various digital laws. If the Company does not have a good information technology system and security measures in dealing with cyber threats that are concise and effective, it may have a direct impact on the Company's business operations and credibility, as well as the confidence of customers.

The Company is aware of the risks that may arise and, therefore, plans and continuously invests in the development of information technology and security infrastructure in order to continuously improve service efficiency and prevent the risks from cyber threats that are likely to rise. In particular, the Company enhances corporate efficiency towards cyber resilience in line with international standards, namely, preparation, risk management, response surveillance, and cyber threat readiness, compliance with the

Cybersecurity Act B.E. 2562 (2019), coordinate industrial cooperation to aim for common cyber resilience as well as set up an annual test of the backup system and business continuity management plan in order to ensure that the Company can continue to provide services when there is a crisis that affects the business operation.

In addition, the Company also recognizes the importance of protecting the personal information of our customers and compliance with the Personal Data Protection Act B.E. 2562 (2019), by specifies policies, regulations, and guidelines about collection, use, disclosure, or transfer of customers' personal information abroad in order to ensure that customers' personal information will be protected according to appropriate security standards and used for its intended purpose only.

Moreover, the Company has prepared the information technology to support work from home both in the head office and branches in order to ensure that, in the event of unforeseen events such as political protests or epidemics, etc., the Company will be able to continue its business even in an emergency situation.

However, the Company continues to focus on enhancing the performance of information technology systems, putting emphasis on the selection of efficient technology, continuous investment in developing services that support innovation and new technology in order to enhance the ability to serve customers in the most efficient manner.

6) Risk from Default Payment

In general, conducting a financial business is likely to be at the risk of customer default and causing bad debts. These problems are caused by both the overall economic factors of the country, which affect

assets, investments and financial structure, resulting in customer default or may be caused by collateral quality, quality of trade accounts receivable, and future cash flows that will be used to pay off debt as well. The default of debt will become the Company's expense, affecting the Company's profit and income, including the liquidity of the Company as well. The economic outlook for the next year may recover from the previous year, which may lead to a lower rate of default. However, it also depends on other external factors, which may not be identified or predicted clearly.

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% 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.

On 31 December 2020, the Company has total account receivable and accrued interest in the amount of THB 3,689.17 million with total doubtful debt of securities business and future trading business in the amount of THB 15.2 million or 0.41% of total account receivable and accrued interest. The Company has set aside a full amount of doubtful debt reserve. It is currently asking the debtors for payments and taking legal proceeding against the debtors who have doubtful debts. The Company has a policy to write off such debt when the litigation case is final and a debtor is unable to repay debt.

7) Underwriting Risk

Even though underwriting business can generate income to the Company and serves as a factor in preserving and expanding the customer, the Company has to take risks as the underwriter in case of undersubscribed offerings by purchasing the outstanding shares in the Company's proprietary accounts which may cause the Company to realize loss if such shares are traded at the price below the IPO price after trading in the Stock Exchange, such loss may affect the Company's liquidity. Such risk is subject to factors like market volatility and investor opinion on the share price, etc.

In order to prevent the risk that may arise, the Company places great importance on customer selection, by studying the basic information of the selling companies in detail, considering the nature of business, industry conditions and competition, performance, and future performance trend, in order to consider the interest and strength of the securities offering company and assess the interests of clients and investors. The Company also has an appropriate process of determining the offering price in line with performance and stock market conditions at that time. Prior to the underwriting guarantee, the Investment Banking Department must present the matter to the Executive Board or the Board of Directors every time in order to seek approval for participation in underwriting and firm underwriting, which will take into account the impact on the

maintenance of the Company's liquidity. This makes the past operations of the Company never faced any problems arising from underwriting and firm underwriting risks. Besides, the Company maintains the net capital ratio (NCR) at a rate that is always higher than the criteria set by the SEC.

8) Risks on DW Business

8.1 Risks on Derivative Warrants

➤ Risks on Derivative Warrants

The prices of DW's change rapidly and the true theoretical price are difficult to calculate because it depends on many factors. This makes DW's a low-cost but high-yield financial product where investors also make 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;

❖ 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) of DW at that moment.

❖ 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.

❖ 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.

❖ 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.

❖ 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.

❖ 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.

❖ 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.

8.2 Risks from the underlying securities or underlying stock index

➤ The Company that issued the underlying securities grants 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 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.

8.3 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:

- 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
- SET suspend trading of the underlying securities, for whatever reason
- 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.

8.4 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 18 January 2021), 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.

9) Risk of Securities Borrowing and Lending Business

Most of the time, clients use securities borrowing and lending transactions as a tool to hedge and seek returns in very volatile market conditions. Major risks can arise from the default of counterparties and fluctuating securities prices may cause the effect of default or failure to return securities and collateral upon the due date of the contract, which affects income, working system, and liquidity of the Company. As a result, the volatility of the market and the price of the securities are still constant, depending on the main economic, political and financial factors. Although the economy will see an improvement in the next year, there will still be uncertain trends in economic and monetary policy outcomes, both local and abroad, countermeasures for the COVID-19 Outbreak, and other factors.

10) 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.

11) Client Concentration

The Company has no concentration on any customers more than 30% of total income. However, the Company aware of the potential impact and prepare a solution to manage such risk by expanding more of its customer base, namely individual investors, and local and foreign institutions; developing the online order submission to facilitate its customers. The purpose of which is to expand the customer base and not excessively relying on high-volume customer or a small group of customers.

12) Risk from having major shareholder exceeding 25% shareholding

Finansa Fund Management Limited is the major shareholder holding 29.29% 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, working independently from the Management and the major shareholder, acting as the Company's Audit Committee are responsible for checking and recommending the Company to operate in a correct and transparent manner.

13) Risk from changes of technologies

Since the Company changed its core strategy to provide online trading platform which was launched on 23 March 2018 under the name "Finansia HERO", the Company aware of the ever-changing information technology because the implemented technology is always developed and changed. In this regard, the Company may pose risks in offering online trading platform system which is obsolete to investors resulted in the decrease in value added of the Company and loss its capability in a long-term competition.

However, the risk from obsolescence will slightly affect the Company because technologies from the Company's partner, namely, Kiwoom Securities, is on the cutting-edge according to the Company's results of studies and comparison of the online trading systems which are currently available in the market before its cooperation in developing the online trading system. Such cooperation is not only to buy a computer program but to also conduct the investors' behaviors to develop the online trading system with the idea of Customer Centric. In addition, the Company also protects itself by following up the movement and trends of the investors' behaviors, as well as new technology and innovation which will be offered to the market and response the needs of customers. The source of which was from investors, partners, cyber-related news, international seminars regarding technologies, etc. The Company also established E-Business Technology department which comprises of the 5-6 proficient programmers who stationed at Kiwoom Securities and possess knowledge and experiences regarding information technology in various fields to cooperate in considering and design various features to be the alternative investment tool and new innovation for investors. Moreover, the Company's organizational culture always emphasizes on the adoption of new technology and innovation. The average age of the Company's E-business technology team is approximately 25-26 years old which is considered as the group of people with constant eagerness to learn and adopt new technologies as well as ability to adapt quickly.

14) Risk Associated with Financial Advisory Service

Various financial advisory services, for instance, issuance and offering of securities, merger and acquisition, entering into various types of transactions by listed companies in order to comply with the regulations of the SEC and the SET such as acquisition and disposal of assets, or entering into a connected transaction or delisting of the securities of listed companies etc. may cause the Company to be at risk in the event that it has a responsibility with the client to disclose accurate and complete information to the public. In this regard, the Company is aware of such risk and places importance on training and development of personnel in the Investment Banking Department to have knowledge and understanding of relevant rules and laws. Moreover, in order that the performance of personnel in the department is standardized and efficient, the Company has prepared a detailed operation manual, specifying due diligence process as the guideline for personnel in the department. There are also supervisors who have long experience in investment banking responsible for examining the accuracy and completeness of information and documents.

Report of the Board of Directors' Responsibility for the Financial Reports

The Board of Directors of Finansia Syrus Securities PLC is responsible for the financial statements of the Company and its subsidiaries which have been prepared in accordance with generally accepted accounting standards in Thailand by implementing the appropriate accounting policies consistently, and provide an adequate disclose of important information in the notes to the financial statements.

The Board has appointed the Audit Committee which comprises three independent members to provide effective oversight of finances and evaluation of internal control system to ensure that accounting information is recorded accurately, adequately and timely, to prevent fraud and irregular transactions. The views of the Audit Committee are included in the Audit Committee's report in this annual report.

The Board is confident that the internal control system of Finansia Syrus Securities PLC and its subsidiaries represents the financial position, results, operations and cash flow accurately.



Chatchaval Jiaravanon

Chairman of the Board of Directors

Independent Auditor's Report

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 2020, and the related consolidated statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, and have also audited the separate financial statements of 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 2020, 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 Company in accordance with the Code of Ethics for Professional Accountants as issued by the Federation of Accounting Professions as relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

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 year. 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 income

The Group's income mainly consisted of brokerage fees income, amounting to Baht 1,315 million, representing 75% of the Company's total revenues. The Company charges brokerage fees at percentages of trading volume, which are freely negotiated, and based on a sliding scale fee structure. 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 income relying primarily on data processed by information systems, I addressed the measurement and occurrence of brokerage fees as a key audit matter.

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

Allowance for expected credit losses on securities and derivatives business receivables

As of 31 December 2020, securities and derivatives business receivables amounting to Baht 3,759 million, representing 63% of the Company's total assets. As discussed in Note 4.10 and 8 to the financial statements, the Company recognised allowance for expected credit losses on such receivables based on Thai Financial Reporting Standard No. 9. The estimation of allowance for expected credit losses on securities and derivatives business receivables is significant because management of the Company must exercise judgement to identify significant changes in credit risk and to determine assumptions used in the expected credit loss model. Moreover, the Company has a large number of customers and the balance of these receivables is significant to the financial statements. Therefore, I addressed the adequacy of allowance for expected credit losses for such receivables as a key audit matter.

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

- I assessed, and tested on a sampling basis, the Company's internal controls relevant to the status of account receivables, the staging in accordance with changes in credit risk of receivables, the calculation of allowance for expected credit losses and the recording. I also assessed, and tested on a sampling basis, the reasonableness of assumptions and the expected credit loss model.
- I examined the adequacy of allowance for expected credit losses as at the end of reporting period by testing on a sampling basis, data used in the calculation of allowance for expected credit losses, the status of outstanding receivable, the staging in accordance with changes in credit risk of receivables, the collections after the end of reporting period and the calculation of allowance for expected credit losses, as well as the adequacy and appropriateness of disclosure.

Other Information

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

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

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

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

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

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

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

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

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

Ratana Jala

Certified Public Accountant (Thailand) No. 3734

EY Office Limited

Bangkok: 23 February 2021

Finansia Syrus Securities Public Company Limited and its subsidiary
Statement of financial position
As at 31 December 2020

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	Note	31 December 2020	31 December 2019	31 December 2020	31 December 2019
Assets					
Cash and cash equivalents	6,35.3	221,568,415	101,512,582	203,539,871	76,595,803
Receivables from Clearing House and broker-dealers	7	282,415,413	142,228,011	282,415,413	142,228,011
Securities and derivatives business receivables	8	3,759,476,374	2,558,517,795	3,759,476,374	2,558,517,795
Accrued fees and service income		11,734,334	1,542,530	11,734,334	1,542,530
Derivatives assets	9	685,760	-	685,760	-
Investments	10	707,618,483	781,523,326	707,618,483	781,523,326
Loans to employees		642,016	275,307	642,016	275,307
Investments in a subsidiary and an associate	11	121,190,346	116,410,684	113,162,491	113,162,491
Equipment	13	99,569,126	69,723,616	99,569,126	69,723,616
Right-of-use-assets	14.1	279,359,808	-	278,303,212	-
Intangible assets	15	214,672,070	246,462,968	214,672,070	246,462,968
Deferred tax assets	16.1	37,428,967	59,625,254	39,977,427	61,446,067
Other assets	17	210,574,772	199,130,279	208,587,456	200,002,208
Total assets		5,946,935,884	4,276,952,352	5,920,384,033	4,251,480,122
Liabilities and owners' equity					
Liabilities					
Borrowings from financial institutions	18	350,000,000	50,000,000	350,000,000	50,000,000
Payables to Clearing House and broker-dealers	19	303,175,543	662,572,829	303,175,543	662,572,829
Securities and derivatives business payables	20	1,928,433,700	940,532,459	1,928,433,700	940,532,459
Debt issued	21	278,975,449	-	278,975,449	-
Derivatives liabilities	9	23,383,873	19,371,381	23,383,873	19,371,381
Provision	22	32,582,413	-	32,582,413	-
Provision for long-term employee benefits	23	73,313,868	64,492,736	70,340,228	62,648,911
Other payables	24	1,438,802	1,438,802	1,438,802	1,438,802
Lease liabilities	14.2	180,216,447	-	179,148,243	-
Other liabilities	25	344,251,730	189,295,347	336,932,971	186,755,139
Total liabilities		3,515,771,825	1,927,703,554	3,504,411,222	1,923,319,521

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

Finasia Syrus Securities Public Company Limited and its subsidiary
Statement of financial position (continued)
As at 31 December 2020

(Unit: Baht)					
Consolidated financial statements			Separate financial statements		
	Note	31 December 2020	31 December 2019	31 December 2020	31 December 2019
Owners' equity					
Share capital					
Issued and paid-up share capital					
581,403,025 ordinary shares of Baht 1.60 each		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 the subsidiary					
		(251,580)	(251,580)	-	-
Retained earnings					
Appropriated - statutory reserve	26	83,019,059	78,640,769	83,019,059	78,640,769
Unappropriated		803,461,496	725,419,484	781,246,681	698,059,161
Other component of owners' equity					
Exchange differences on translation of financial statements in foreign currency - net of income tax		(7,158,957)	(6,772,407)	-	-
Gains on investments in equity designated at fair value through other comprehensive income - net of income tax		246,400	-	246,400	-
Total equity attributable to the Company's shareholders					
		2,430,777,089	2,348,496,937	2,415,972,811	2,328,160,601
Non-controlling interests of the subsidiary					
		386,970	751,861	-	-
Total owners' equity					
		2,431,164,059	2,349,248,798	2,415,972,811	2,328,160,601
Total liabilities and owners' equity					
		5,946,935,884	4,276,952,352	5,920,384,033	4,251,480,122

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

Finansia Syrus Securities Public Company Limited and its subsidiary

Statement of comprehensive income

For the year ended 31 December 2020

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2020	2019	2020	2019
Profit or loss:					
Income					
Brokerage fees income	27	1,314,751,682	914,154,999	1,314,751,682	914,154,999
Fees and service income	28	122,787,047	81,389,301	122,717,047	81,389,301
Interest income	29	84,768,537	113,268,625	84,633,876	113,004,965
Gain and return on financial instruments	30	168,833,928	140,555,324	168,833,928	140,555,324
Shares of gain (loss) from investments in an associate	11.2	5,262,851	4,043,752	-	-
Other income	35.2	50,699,688	41,903,026	54,299,688	45,481,564
Total income		1,747,103,733	1,295,315,027	1,745,236,221	1,294,586,153
Expenses					
Employee benefits expenses	23,32	942,792,913	796,367,244	892,851,871	756,261,308
Fees and service expenses		231,920,233	218,920,246	231,886,233	218,865,476
Interest expenses	31	34,720,606	28,167,826	34,697,149	28,167,826
Bad debt and doubtful accounts (reversal)		-	(49,450)	-	(49,450)
Expected credit losses	12,22	10,885,458	-	10,885,458	-
Other expenses	35.2	422,497,787	421,995,087	465,942,660	464,868,053
Total expenses		1,642,816,997	1,465,401,183	1,636,263,371	1,468,113,213
Profit (loss) before income tax		104,286,736	(170,086,156)	108,972,850	(173,527,060)
Income tax	16.2	(22,231,325)	32,002,984	(21,407,040)	32,694,222
Profit (loss) for the year		82,055,411	(138,083,172)	87,565,810	(140,832,838)
Other comprehensive income (loss):					
Other comprehensive income to be reclassified to profit or loss in subsequent periods:					
Exchange differences on translation of financial statements in foreign currency - net of income tax		(386,550)	(5,355,089)	-	-
Other comprehensive income to be reclassified to profit or loss in subsequent periods - net of income tax		(386,550)	(5,355,089)	-	-
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:					
Actuarial loss - net of income tax		-	(3,586,073)	-	(3,460,399)
fair value through other comprehensive income		246,400	-	246,400	-
Other comprehensive income not to be reclassified to profit or loss in subsequent periods - net of income tax		246,400	(3,586,073)	246,400	(3,460,399)
Other comprehensive income (loss) for the year		(140,150)	(8,941,162)	246,400	(3,460,399)
Total comprehensive income (loss) for the year		81,915,261	(147,024,334)	87,812,210	(144,293,237)

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

Finansia Syrus Securities Public Company Limited and its subsidiary
Statement of comprehensive income
For the year ended 31 December 2020

		(Unit: Baht)			
		Consolidated financial statements		Separate financial statements	
	Note	2020	2019	2020	2019
Profit (loss) attributable to:					
The Company's shareholders		82,420,302	(138,064,953)	87,565,810	(140,832,838)
Non-controlling interests of the subsidiary		(364,891)	(18,219)		
		82,055,411	(138,083,172)		
Comprehensive income (loss) attributable to:					
The Company's shareholders		82,280,152	(147,001,398)	87,812,210	(144,293,237)
Non-controlling interests of the subsidiary		(364,891)	(22,936)		
		81,915,261	(147,024,334)		
Earnings per share					
Basic earnings (loss) per share					
Profit (loss) attributable to shareholders of the Company	33	0.14	(0.24)	0.15	(0.24)

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

Finansia Syrus Securities Public Company Limited and its subsidiary

Statement of cash flows

For the year ended 31 December 2020

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Cash flows from operating activities				
Profit (loss) before income tax	104,286,736	(170,086,156)	108,972,850	173,527,060
Adjustments to reconcile profit (loss) before income tax to net cash provided by (paid for) operating activities:				
Depreciation and amortisation	142,573,178	63,415,901	142,416,184	63,415,901
Bad debt and doubtful accounts (reversal)	-	(49,450)	-	(49,450)
Expected credit losses	10,885,458	-	10,885,458	-
(Gain) loss on disposals and write-off of equipment and intangible assets	4,070,134	31,193	4,070,134	31,193
Unrealised (gain) loss on revaluation of trading investments	81,993,532	(11,641,056)	81,993,532	(11,641,056)
Unrealised (gain) loss on revaluation of derivatives	(12,400,715)	12,414,620	(12,400,715)	12,414,620
Share of (gain) loss from investments in an associate	(5,262,851)	(4,043,752)	-	-
Provision for long-term employee benefits	12,683,132	16,633,045	11,553,317	15,574,651
Interest income	(84,768,537)	(113,268,625)	(84,633,876)	(113,004,965)
dividend income	(12,877,682)	(23,540,087)	(12,877,682)	(23,540,087)
Interest expenses	34,720,606	28,167,826	34,697,149	28,167,826
Profit (loss) from operating activities before changes in operating assets and liabilities	275,902,991	(201,966,541)	284,676,351	(202,158,427)
(Increase) decrease in operating assets				
Receivables from Clearing Houses and broker-dealers	(125,341,311)	534,978,190	(125,341,311)	534,978,190
Securities and derivatives business receivables	(1,209,812,980)	(338,512,809)	(1,209,812,980)	(338,512,809)
Derivatives assets	(653,460)	-	(653,460)	-
Investments	(9,064,836)	50,887,233	(9,064,836)	50,887,233
Loan to employees	(366,709)	972,987	(366,709)	972,987
Other assets	(23,126,195)	(20,008,443)	(20,266,950)	(21,154,938)
Increase (decrease) in operating liabilities				
Payables to Clearing Houses and broker-dealers	(359,397,286)	238,689,512	(359,397,286)	238,689,512
Securities and derivatives business payables	989,185,387	(554,762,124)	989,185,387	(554,762,124)
Derivatives liabilities	1,534,816	13,700,990	1,534,816	13,700,990
Paid for long-term employee benefits	(3,862,000)	(12,086,000)	(3,862,000)	(12,086,000)
Other payables	-	-	-	(7,400,000)
Other liabilities	143,187,053	(10,926,097)	138,408,501	(5,831,698)
Cash received (paid) from operating activities	(321,814,530)	(299,033,102)	(314,960,477)	(302,677,084)
Proceeds on interest income	82,330,425	107,812,679	82,195,764	107,549,019
Proceeds on dividend income	12,858,567	23,411,407	12,858,567	23,411,407
Cash paid on interest expense	(24,367,596)	(28,485,989)	(24,367,596)	(28,485,989)
Cash paid on income tax expense	(4,694,151)	(6,961,108)	(4,694,151)	(5,404,472)
Net cash provided by (used in) operating activities	(225,687,285)	(203,256,113)	(248,967,893)	(205,607,119)

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

Finansia Syrus Securities Public Company Limited and its subsidiary

Statement of cash flows

For the year ended 31 December 2020

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Cash flows from investing activities				
Cash received (paid) from investing activities				
Cash received from disposal of investment in a joint venture	88,782	90,256	88,782	90,256
Proceeds on disposals of intangible assets	-	183	-	183
Cash paid for purchases of equipment	(45,877,916)	(21,096,792)	(45,877,916)	(21,096,792)
Cash paid for purchases of intangible assets	(7,977,624)	(65,953,981)	(7,977,624)	(65,953,981)
Net cash provided by (used in) investing activities	(53,766,758)	(86,960,334)	(53,766,758)	(86,960,334)
Cash flows from financing activities				
Cash received (paid) from financing activities				
Cash received (paid) from borrowings from financial institutions	300,000,000	50,000,000	300,000,000	50,000,000
Cash received (paid) from debt issued	275,192,812	-	275,192,812	-
Cash paid for liabilities under finance lease agreement	(145,682,936)	-	(145,514,093)	-
Dividend paid	-	(34,883,467)	-	(34,883,467)
Net cash provided by (used in) financing activities	429,509,876	15,116,533	429,678,719	15,116,533
Net increase (decrease) in cash and cash equivalents	120,055,833	(275,099,914)	126,944,068	(277,450,920)
Cash and cash equivalents at the beginning of the year	101,512,582	376,612,496	76,595,803	354,046,723
Cash and cash equivalents at the ending of the year	221,568,415	101,512,582	203,539,871	76,595,803

The accompanying notes are an integral part of the financial statements

Finansia Syrus Securities Public Company Limited and its subsidiary

Statement of changes in owners' equity

For the year ended 31 December 2020

(Unit: Baht)

Consolidated financial statements											
Equity attributable to of the Company's shareholders											
Note	Retained earnings						Other component of owners' equity				
	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 the subsidiary	Appropriated - statutory reserve	Unappropriated	Exchange differences on translation of financial statements in foreign currency - net of income tax	Gain on investments in equity instruments designated at fair value through other comprehensive income	Total equity attributable to the Company's shareholders	Non-controlling interest of the subsidiary	Total owners' equity
Balance as at 1 January 2019	930,244,840	620,892,885	322,946	(251,580)	78,640,769	901,949,260	(1,417,318)	-	2,530,381,802	774,797	2,531,156,599
Profit (loss) for the year	-	-	-	-	-	(138,064,953)	-	-	(138,064,953)	(18,219)	(138,083,172)
Other comprehensive income (loss) for the year	-	-	-	-	-	(3,581,356)	(5,355,089)	-	(8,936,445)	(4,717)	(8,941,162)
Total comprehensive income (loss) for the year	-	-	-	-	-	(141,646,309)	(5,355,089)	-	(147,001,398)	(22,936)	(147,024,334)
Dividend paid	34	-	-	-	-	(34,883,467)	-	-	(34,883,467)	-	(34,883,467)
Balance as at 31 December 2019	930,244,840	620,892,885	322,946	(251,580)	78,640,769	725,419,484	(6,772,407)	-	2,348,496,937	751,861	2,349,248,798
Balance as at 1 January 2020	930,244,840	620,892,885	322,946	(251,580)	78,640,769	725,419,484	(6,772,407)	-	2,348,496,937	751,861	2,349,248,798
Transfer to statutory reserve	26	-	-	-	4,378,290	(4,378,290)	-	-	-	-	-
Profit (loss) for the year	-	-	-	-	-	82,420,302	-	-	82,420,302	(364,891)	82,055,411
Other comprehensive income (loss) for the year	-	-	-	-	-	-	(386,550)	246,400	(140,150)	-	(140,150)
Total comprehensive income (loss) for the year	-	-	-	-	4,378,290	78,042,012	(386,550)	246,400	82,280,152	(364,891)	81,915,261
Balance as at 31 December 2020	930,244,840	620,892,885	322,946	(251,580)	83,019,059	803,461,496	(7,158,957)	246,400	2,430,777,089	386,970	2,431,164,059

The accompanying notes are an integral part of the financial statements

Finansia Syrus Securities Public Company Limited and its subsidiary

Statement of changes in owners' equity (continued)

For the year ended 31 December 2020

(Unit: Baht)

		Separate financial statements						
		Retained earnings				Other component of owners' equity		
				Capital reserve for share-based payment transactions	Appropriated - statutory reserve	Unappropriated	Gain on investments in equity instruments designated at fair value through other comprehensive income	Total owners' equity
Note		Issued and paid-up share capital	Share premium					
		930,244,840	620,892,885	322,946	78,640,769	877,235,865	-	2,507,337,305
		-	-	-	-	(140,832,838)	-	(140,832,838)
		-	-	-	-	(3,460,399)	-	(3,460,399)
		-	-	-	-	(144,293,237)	-	(144,293,237)
	34	-	-	-	-	(34,883,467)	-	(34,883,467)
		930,244,840	620,892,885	322,946	78,640,769	698,059,161	-	2,328,160,601
		930,244,840	620,892,885	322,946	78,640,769	698,059,161	-	2,328,160,601
	26	-	-	-	4,378,290	(4,378,290)	-	-
		-	-	-	-	87,565,810	-	87,565,810
		-	-	-	-	-	246,400	246,400
		-	-	-	4,378,290	83,187,520	246,400	87,812,210
		930,244,840	620,892,885	322,946	83,019,059	781,246,681	246,400	2,415,972,811

The accompanying notes are an integral part of the financial statements

Finansia Syrus Securities Public Company Limited and its subsidiary
Notes to consolidated financial statements
For the year ended 31 December 2020

1. General information

1.1 Company information

Finansia Syrus Securities Public Company Limited (“the Company”) is a public company incorporated under Thai laws and domiciled in Thailand. Its major shareholders are Finansia Fund Management Limited which held shares in the Company at the rates of 29.29% of the Company’s issued and 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
8. Mutual fund management
9. Private fund management

As at 31 December 2020 and 2019, the Company had 25 branches and 28 branches, respectively.

2. Basis for preparation of financial statements

- 2.1** The financial statements have been prepared in accordance with Thai Financial Reporting Standards enunciated under the Accounting Professions Act B.E. 2547. The presentation of the financial statements has been made in compliance with the requirement of the Notification of the SEC relating to the format of the financial statements of securities companies (Version 3), No. SorThor. 6/2562 dated 8 January 2019.

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

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

2.2 Basis of consolidation

- (a) The consolidated financial statements included the financial statements of the Company and the following subsidiary company:

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			31 December 2020	31 December 2019
			(%)	(%)
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) The 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 translation 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 and an associate under the cost method.

3. New financial reporting standards

3.1 Financial reporting standards that became effective in the current year

During the year, the Group have adopted the revised (revised 2019) and new financial reporting standards and interpretations which are effective for fiscal years beginning on or after 1 January 2020. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards. However, the new standard involves changes to key principles, which are summarised below:

Financial reporting standards related to financial instruments

A set of TFRSs related to financial instruments consists of five accounting standards and interpretations, as follows:

Financial reporting standards:

TFRS 7	Financial Instruments: Disclosures
TFRS 9	Financial Instruments

Accounting standard:

TAS 32	Financial Instruments: Presentation
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Financial Reporting Standard Interpretations:

TFRIC 16	Hedges of a Net Investment in a Foreign Operation
TFRIC 19	Extinguishing Financial Liabilities with Equity Instruments

These TFRSs related to financial instruments make stipulations relating to the classification of financial instruments and their measurement at fair value or amortised cost (taking into account the type of instrument, the characteristics of the contractual cash flows and the Group's business model) , calculation of impairment using the expected credit loss method, and hedge accounting. These include stipulations regarding the presentation and disclosure of financial instruments. The adoption of these financial reporting standard has resulted in change in the Group's accounting policy as summarised below.

Change of classification and measurement

Financial assets classified as debt instruments

The Group classifies financial assets that are debt instruments as financial assets that are subsequently measured at amortised cost or fair value depends on the Group's business model for managing financial assets and the contractual cash flow characteristics of the financial assets as follows:

- Financial assets measured at amortised cost if both conditions are met, the financial asset are held within a business model with an objective to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.
- Financial assets measured at fair value through other comprehensive income if both conditions are met, the financial asset is held within a business model with an objective to hold financial assets in order to collect contractual cash flows, and to sell the financial assets and the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.
- Financial assets measured at fair value through profit or loss when the financial asset is held within a business model without an objective to hold financial assets in order to collect contractual cash flows or the contractual terms of the financial assets give rise on specified dates to cash flows that are not solely payments of principal and interest on the principal amount outstanding.

Financial assets classified as equity instruments

All investments in equity instruments are measured at fair value in the statement of financial position. The Group classifies investments in equity instruments as financial assets to be measured at fair value through profit or loss, except certain items that are classified as financial assets to be measured at fair value through other comprehensive income in accordance with the Group's investment policy.

The Group's management review and evaluate financial assets as at 1 January 2020 according to the facts and circumstances that exist at that date and summarised the significant changes to the financial assets of the Group which were related to classification and measurement as follows:

- The previous classification of held-to-maturity and general investments is no longer applicable.
- All investments in held-to-maturity debt instruments are to be classified as financial assets that are measured at amortised cost.
- All general investments are to be classified as financial assets that are measured at fair value through other comprehensive income.
- The majority of investments in equity instruments are to be classified as financial assets that are measured at fair value through profit or loss, except certain items that are classified as financial assets measured at fair value through other comprehensive income in accordance with the Group's investment policy.
- For investments in equity instruments that have been measured at fair value through other comprehensive income, all gains and losses subsequently incurred will be shown in other comprehensive income, except dividends that are recognised in profit or loss.

Financial liabilities

- The classification of all financial liabilities of the Group has not been changed. The majority of its financial liabilities are still measured at amortised cost, except securities borrowing and lending payables, derivative (losses) that are measured at fair value through profit or loss.

Impairment of financial assets

Impairment requirements according to TFRS 9 Financial Instruments are recognised in accordance with the Expected Credit Loss model and management overlay. The financial reporting standard requires the Group to recognise an allowance for expected credit losses for all financial assets classified as debt instruments that are not measured at fair value through profit or loss. The Group uses a general approach to determine an allowance for expected credit losses for cash equivalents, receivables from clearing house and broker-dealers, cash accounts receivables, credit balance accounts receivables, collateral receivables, derivative business receivables, other securities and derivatives business receivables, investments in debt securities, loans to employees and partial other assets. Expected credit losses must be measured at the amount equal to 12-month expected credit losses, except in the cases that credit risk has increased significantly since initial recognition or assets are impaired, the allowance must be measured at the amount equal to the lifetime expected credit losses of financial instruments. The Group considers using a simplified approach to determine expected credit losses for accrued fee and service income, other receivable - related party and partial other assets. Impairment under these financial reporting standards leads to credit losses being recognised faster compared to the previous method.

Practice during the transition period

Changes in accounting policies resulted from the adoption of financial reporting standards related to financial instruments must be applied retrospectively, except for the part of financial reporting standards which allows the Group to choose one of the following alternatives:

- It may not to restate the financial statements presented for comparative purposes, and make an adjustment to the cumulative effect of the initial adoption of the financial reporting standards related to financial instruments through an adjustment of retained earnings (or other components of shareholders' equity) as at 1 January 2020.
- It may reclassify financial assets according to the Group's business model and management of its assets on the basis of the facts and circumstances that exist at the date of first-time adoption of these financial reporting standards.

The cumulative effect of the change is described in Note 3.3.

TFRS 16 Leases

TFRS 16 supersedes TAS 17 Leases together with related Interpretations. The financial reporting standard sets out the principles for the recognition, measurement, presentation and disclosure of leases, and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is low value.

Accounting by lessors under TFRS 16 is substantially unchanged from TAS 17. Lessors will continue to classify leases as either operating or finance leases.

The Group recognised the cumulative effect of the adoption of this financial reporting standards as an adjustment to right-of-use assets and lease liabilities as at 1 January 2020, and the comparative information was not restated.

The cumulative effect of the change is described in Note 3.3.

Accounting Guidance on Temporary Relief Measures for Entities Providing Assistance to Debtors Impacted by Situations That Affect the Thai Economy

The Federation of Accounting Professions announced Accounting Guidance on Temporary Relief Measures for Entities Providing Assistance to Debtors Impacted by Situations That Affect the Thai Economy. Its objectives are to provide temporary relief measures solely for entities providing assistance to debtors impacted by the situations that affect the Thai economy, such as COVID-19, economic conditions, trade wars and drought, and to provide an alternative for all entities providing assistance to debtors in accordance with measures to assist debtors specified in the circular of the Bank of Thailand.

The Group does not apply the temporary relief measures for Entities Providing Assistance to Debtors.

Accounting Guidance on Temporary Relief Measures for Accounting Alternatives in Response to the Impact of the Covid-19 Pandemic

The Federation of Accounting Professions announced Accounting Guidance on Temporary Relief Measures for Accounting Alternatives in Response to the Impact of the Covid-19 Pandemic. Its objectives are to alleviate some of the impact of applying certain financial reporting standards, and to provide clarification about accounting treatments during the period of uncertainty relating to this situation.

On 22 April 2020, the Accounting Treatment Guidance was announced in the Royal Gazette and it is effective for the financial statements prepared for reporting periods ending between 1 January 2020 and 31 December 2020.

The Group does not apply temporary relief measures for Accounting Alternative in Response to the Impact of the Covid-19 Pandemic.

3.2 Financial reporting standards that will become effective for fiscal years beginning on or after 1 January 2021

The Federation of Accounting Professions issued a number of revised financial reporting standards and interpretations, which are effective for fiscal years beginning on or after 1 January 2021. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

The management of the Group has evaluated that these standards do not have any significant impact on the Company's financial statements in the year when they are adopted.

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

As described in Note 3.1 to the financial statements, the Group has adopted financial reporting standards related to financial instruments and TFRS 16 during the current year. The cumulative effect of initially applying these standards is recognised as an adjustment to retained earnings at 1 January 2020. Therefore, the comparative information was not restated.

The impacts of changes in accounting policies on the statement of financial position at the beginning of 2020 due to the adoption of these standards are presented as follows:

	(Unit: Thousand Baht)		
	Consolidated and separate financial statements		
	31 December		
	2019	TFRS 16	1 January 2020
Assets			
Right-of-use assets	-	238,069	238,069
Other assets	188,019	(159)	187,860
Liabilities			
Provisions	-	22,690	22,690
Lease liabilities	-	215,219	215,219

3.3.1 Financial Instruments

The classifications and measurement basis and carrying values of financial assets and financial liabilities in accordance with TFRS 9 as at 1 January 2020, compared with the classification and the carrying amounts under the former basis, are as follows:

(Unit: Million Baht)

	Consolidated financial statements				
	Carrying amounts under the former basis	Classification and measurement in accordance with TFRS 9			
		Fair value through profit or loss	Fair value through other comprehensive income	Amortised cost	Total
Financial assets as of 1 January 2020					
Cash and cash equivalents	102	-	-	102	102
Receivables from Clearing House and broker-dealers	142	-	-	142	142
Securities and derivatives business receivables	2,559	4	-	2,555	2,559
Accrued fees and service income from asset management business	3	-	-	3	3
Investments	782	779	3	-	782
Loans to employees	1	-	-	1	1
Other assets	132	-	-	132	132
Total Financial assets	3,721	783	3	2,935	3,721

(Unit: Million Baht)

Consolidated financial statements					
	Carrying amounts under the former basis	Classification and measurement in accordance with TFRS 9			
		Fair value through profit or loss	Fair value through other comprehensive income	Amortised cost	Total
Financial liabilities as of 1 January 2020					
Borrowings from financial institutions	50	-	-	50	50
Payables to Clearing House and brokers- dealers	663	-	-	663	663
Securities and derivatives business payables	941	6	-	935	941
Derivatives liabilities	19	19	-	-	19
Other payables	1	-	-	1	1
Other liabilities	189	-	-	189	189
Total Financial liabilities	1,863	25	-	1,838	1,863

(Unit: Million Baht)

	Separate financial statements				
Carrying amounts under the former basis	Classification and measurement in accordance with TFRS 9				
	Fair value through profit or loss	Fair value through other comprehensive income	Amortised cost	Total	
Financial assets as of 1 January 2020					
Cash and cash equivalents	77	-	-	77	77
Receivables from Clearing House and broker-dealers	142	-	-	142	142
Securities and derivatives business receivables	2,559	4	-	2,555	2,559
Accrued fees and service income from asset management business	3	-	-	3	3
Investments	782	779	3	-	782
Loans to employees	1	-	-	1	1
Other assets	137	-	-	137	137
Total Financial assets	3,701	783	3	2,915	3,701
Financial liabilities as of 1 January 2020					
Borrowings from financial institutions	50	-	-	50	50
Payables to Clearing House and broker-dealers	663	-	-	663	663
Securities and derivatives business payables	941	6	-	935	941
Derivatives liabilities	19	19	-	-	19
Other payables	1	-	-	1	1
Other liabilities	187	-	-	187	187
Total Financial liabilities	1,861	25	-	1,836	1,861

3.3.2 Leases

Upon initial application of TFRS 16, the Group recognised lease liabilities previously classified as operating leases at the present value of the remaining lease payments, discounted using the Group's incremental borrowing rate at 1 January 2020 approximately 2.70% and 4.51% per annum.

	(Unit: Million Baht)
	Consolidated and separate financial statements
Operating lease commitments as at 31 December 2019	298
Less: Short-term leases and leases of low-value assets	(14)
Add: Option to extend lease term	77
Less: Contracts reassessed as service agreements	(50)
Less: Lease agreement not yet effective	(74)
Less: Deferred interest expenses	(22)
Increase in lease liabilities due to TFRS 16 first-time adoption	215
Liabilities under finance lease agreements as at 31 December 2019	-
Lease liabilities as at 1 January 2020	215

The adjustments of right-of-use assets due to TFRS 16 first-time adoption as at 1 January 2020 are summarised below:

	(Unit: Million Baht)
	Consolidated and separate financial statements
Building and office equipment	208
Motor vehicles	30
Total right-of-use assets	238

4. Significant accounting policies

4.1 Revenue recognition

(a) Brokerage fees income

Brokerage fees income 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) Interest income

Accounting policy adopted since 1 January 2020

The Group recognises interest income using the effective interest rate method and recognised on an accrual basis.

The Group calculate interest income by applying the effective interest rate to the gross book value of financial assets. When financial assets are impaired, the Group calculate interest income using the effective interest rate, based on the net book value (gross book value less expected credit losses) of financial assets. If that financial assets are not credit impaired, the Group will calculate interest income on the original gross book value.

Accounting policy adopted before 1 January 2020

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").

(d) Gain and return on financial instruments

Gain (loss) on investments and derivatives

Gain (loss) on investments and derivatives are recognised as income/expense on the transaction date.

Dividend

Dividend is recognised when the right to receive the dividend is established.

4.2 Expenses recognition

Expenses are recognised on an accrual basis.

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

4.3 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, short-term investments, promissory notes and term notes with an original maturity less than 3 months and exclude deposits used as collateral.

4.4 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 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.

4.5 Receivables from/payables to Clearing House and broker-dealer

Receivables from/payables to Clearing House and broker - dealer comprise the net receivable from/payables to Thailand Clearing House (TCH) for settlement of equity securities trading and derivatives trading, including cash collateral pledged with TCH for derivatives trading instruments and receivable/payables from overseas securities companies in respect of overseas securities trades settle through those companies.

4.6 Securities and derivatives business receivables

Securities and derivatives business receivables comprise the net securities and derivatives business receivables, and including related accrued interest receivables after deducting allowance for expected credit losses. In addition, securities business receivables comprise the net receivable balances of cash accounts, credit balance receivables for which the securities purchased are used as collateral, securities borrowing and lending receivables and guaranteed deposit receivables (which comprise cash placed as guarantee from borrowers of securities) as well as other receivables such as overdue cash customer accounts and receivables which are subject to legal proceedings, are undergoing restructuring or are settling in installments.

4.7 Securities borrowing and lending

The Company is engaged in securities borrowing and lending, whereby the Company acts as an agent and the Company is the intermediary between the borrowers and lenders of securities.

The Company records its obligations to return borrowed securities which it has lent as “Payables under securities borrowing and lending business” and securities lent to customers are recorded as “Receivables under securities borrowing and lending business” in the statement of financial position. At the end of the reporting period, the balance of payables/ receivables under securities and lending business are adjusted based on the latest offer price quoted on the Stock Exchange of Thailand of the last working day. Gains or losses arising from such adjustment are included in part of profit or loss. In addition, the Company records cash paid as collateral for securities borrowing as “Guaranteed deposit receivables” and cash received as collateral for securities lending as “Guaranteed deposit payables”. Fees from borrowing and lending are recognised on an accrual basis over the term of the lending.

4.8 Financial instruments

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

Accounting policy adopted since 1 January 2020

The classification and measurement of financial assets and financial liabilities

Financial asset - debt instruments

The Group classify its financial assets - debt instruments as subsequently measured at amortised cost or fair value in accordance with the Group’s business model for managing the financial assets and the contractual cash flows characteristics of the financial assets as follows:

- A financial asset measured at amortised cost only if both following conditions are met: the financial assets are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. These financial assets are initially recognised at fair value on trade date and subsequently measured at amortised cost net of allowance for expected credit losses (if any).
- A financial asset measured at fair value through other comprehensive income only if both following conditions are met: the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets as well as and the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. These financial assets are initially

recognised at fair value and subsequently measured at fair value. The unrealised gains or losses from changes in their fair value are reported as a component of shareholders' equity through other comprehensive income until realised, after which such gains or losses on disposal of the instruments will be recognised as gain or losses in income statement. The gains or losses on foreign exchange, expected credit losses, and interest income which calculated using the effective interest rate method are recognised in profit or loss.

- A financial asset measured at fair value through profit or loss unless the financial assets are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows or the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. These financial assets are initially recognised at fair value and subsequently measured at fair value. Unrealised gains and losses from change in fair value, and gains and losses on disposal of instruments are recognised as gains (losses) on financial instruments measured at fair value through profit or loss.

Financial asset - equity instruments

The Group has classified investment in equity securities that not held for trading but held for strategic purposes or for securities with potential for high market volatility as the financial asset measured at fair value through other comprehensive income, where an irrevocable election has been made by the management. Such classification is determined on an instrument-by-instrument basis. Gains and losses arising from changes in fair value is recognised in other comprehensive income and not subsequently transferred to profit or loss when disposal, instead, it is transferred to retained earnings. Dividends on these investments are recognised in profit or loss, unless the dividends clearly represent a recovery of part of the cost of the investment.

Financial liabilities

The Group classifies financial liabilities as measured at amortised cost. Financial liabilities are initially recognised at fair value and subsequently measured at amortised cost except for payables under securities borrowing and lending business, derivative (losses) that measured at fair value through profit or loss.

Offsetting

Financial assets and financial liabilities are offset, and the net amount is presented in the statement of financial position when the Group has a legal right to offset the amounts and intends to settle on a net basis or to realise the asset and settle the liability simultaneously.

Derecognition of financial instruments

The Group derecognises a financial asset when the contractual cash flows from the asset expire or it transfers its rights to receive contractual cash flows on the financial asset in a transaction in which all

or substantially all the risks and rewards of ownership are transferred. Any interest from transferred financial assets, which is created or retained by the Group, are still recognised as financial.

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

Write-off

Debts that are determined to be irrecoverable are written off in the year in which the decision is taken. This is generally the case when the Group determines that the counterparties does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off are still subject to enforcement activities in order to comply with the Group's procedures for recovery of amount due.

4.9 Derivative

(a) Derivative warrants

The Company initially recognises the fair value of derivative warrants as financial liabilities. Unrealised gains or losses resulting from changes in the fair values of derivative warrants are recognised in profit or loss. The fair value of marketable derivative warrants is calculated with reference to the last offer price quoted on the Stock Exchange of Thailand on the last working day.

(b) Futures

The Company initially recognises future as off-balance transactions. Gains or losses from changes in the fair value of future is included in profit or loss. The fair value of marketable futures is calculated with reference to the settlement prices quoted on Thailand Futures Exchange Public Company Limited on the last working day.

(c) Options

Options are recorded at fair value. Gains or losses from changes in the fair value of options is included in profit or loss. The fair value of marketable options is calculated with reference to the settlement prices quoted on Thailand Futures Exchange Public Company Limited on the last working day.

(d) Forward contracts

Forward contracts are recorded at fair value. Unrealised gains or losses on revaluation are included in determining income.

4.10 Allowance for expected credit loss on financial assets/allowance for doubtful account

Accounting policy adopted since 1 January 2020

The Group recognises expected credit losses of financial asset - debt instruments which are cash equivalents, receivables from clearing house and brokers, cash accounts, credit balance accounts, guarantee deposit receivables, derivatives business receivables, other securities and derivatives business receivables, investments in debt securities, and partially of other assets, which are measured at amortised cost or fair value through other comprehensive income using the General Approach. The Group recognises allowance for expected credit losses at the amount equal to the lifetime expected credit losses when there has been a significant increase in credit risk since initial recognition but that are not credit impaired, or credit impaired. However, when there has not been a significant increase in credit risk since initial recognition, the Group recognise allowance for expected credit losses at the amount equal to the expected credit losses in the next 12 months.

At every reporting date, the amount of allowance for expected credit losses will be reassessed to reflect changes in credit risk of financial assets since initial recognition of related financial instruments.

Measurement of expected credit loss is calculated from probability of default, possible loss given default and exposure at default, assessment of probability of default and loss given default depends on their historical loss experience, adjusts this for current observable data and plus on the reasonable and supportable forecasts of future economic conditions. Exposure at default is presented at gross amount of assets at reporting date. The Group has established the process to review and monitor methodologies, assumptions and forward-looking macroeconomics scenarios on a regular basis.

The allowance for expected credit losses on credit balance accounts is based on historical loss experience, adjusts this for specific factor and plus on forecasts of future economic conditions. In determining whether credit risk has increased significantly since initial recognition, the Group take into account the status of outstanding receivables and maintenance of required collateral values in the contract.

At every reporting date, the Group will determine whether credit risk of other debt instruments and deposit at financial institutions has increased significantly since initial recognition, by mainly taking into account internal and external credit rating of the counterparties as well as overdue status.

The Group assesses whether the credit risk has increased significantly from the date of initial recognition on an individual or collective basis. In order to perform collective evaluation of impairment, the Group classifies financial assets on the basis of shared credit risk characteristics, such as the type of instrument, internal credit rating, overdue status, and other relevant factors.

Financial assets are assessed to be credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the counterparties have occurred, there are indications that the borrower is experiencing significant financial difficulties, or there is a breach of contract, as well as delinquency.

For accrued fee and service income and partial other assets, the Group consider using a simplified approach to determine expected credit losses over the expected life.

Increase (decrease) in an allowance for expected credit losses is recognised as expenses during the year in profit or loss in the statements of comprehensive income.

Accounting policy adopted before 1 January 2020

The Group 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 guidelines stipulated by the Office of the Securities and Exchange Commission ("SEC") as 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 ("SEC").

4.11 Investments

Accounting policy adopted before 1 January 2020

- (a) Investments in securities held for trading are determined at fair value. Changes in the fair value of these securities are recorded in profit or loss in the statement of comprehensive income.

- (b) Investments in deposits at financial institutions are fixed deposits with original maturity within 3 months from the date of acquisition, but the Company intends to roll-over them, or deposits subject to withdrawal restrictions.
- (c) Investments in non-marketable equity securities which the Company classified as general investments, 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.

4.12 Employee loans

Accounting policy adopted before 1 January 2020

Loans to employees under welfare program are recognised initially at the amount granted to the employees and are subsequently stated at amorised cost, based on the effective interest rate. Returns are recognised in the statement of comprehensive income over the term of loan.

4.13 Investments in a subsidiary and an associate

- (a) Consolidated financial statements

Investments in an associate are accounted for in the consolidated financial statements using the equity method.

- (b) Separate financial statements

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

4.14 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 life:

Office equipment	5 years
Furniture and fixtures	5 years
Motor vehicles	5 years
Leasehold improvement	14 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.

4.15 Leases

Accounting policy adopted since 1 January 2020

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

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

Right-of-use assets

The Group recognise right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses (if any) and adjusted for any remeasurement of lease liabilities.

Depreciation of right-of-use assets is calculated by reference to their costs, on the straight-line basis over the shorter of the lease term estimation and the estimated useful lives as follows:

Building and leasehold improvement	2 - 14 years
Office equipment	2 years
Motor vehicles	2 years

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost of such asset reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

Lease liabilities

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

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

Short-term leases and leases of low-value assets

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

Accounting policy adopted before 1 January 2020

Leases of plant, equipment and motor vehicles, which transfer substantially all the risks and rewards of ownership 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 assets acquired under finance leases is depreciated over the useful life of the asset.

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

4.16 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 life 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 life are amortised on a straight line method over the estimated period of their economic benefits as follows:

Futures Exchange membership fee	10 years
Retail brokerage business acquisition cost	2 years
Computer softwares	5 -15 years
Right to use system	5 years

No amortisation is provided for computer softwares under development and exchange membership fee.

4.17 Impairment of non-financial asset

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

An impairment loss is recognised in profit or loss.

4.18 Income tax

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

Current tax

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

Deferred tax

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

The Group 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 Group 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 Group record deferred income tax directly to owners' equity if the taxes relate to items that are recorded directly to owners' equity.

4.19 Borrowings from financial institution

Borrowings from financial institution is recognised initially at the fair value of the proceeds received. Borrowings from financial institution is subsequently stated at amortised cost, using the effective interest method. Any difference between proceeds and the redemption value is recognised in the statements of comprehensive income over the period of the borrowings.

4.20 Securities and derivatives business payables

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 and obligations to return assets held by the Company as collateral for securities lending.

4.21 Employee benefits

(a) Short-term employee benefits

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

(b) Post-employment benefits

Defined contribution plan

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

Defined benefit plan

The Group have obligations in respect of the severance payments they must make to employees upon retirement under labor law. The Group 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.

4.22 Debt issued

Debt issued are initially recognised at the fair value of the proceeds received. Debt issued are subsequently measured at amortised cost, using the effective interest method. Any difference between proceeds and the redemption value is recognised in the statements of comprehensive income over the period of the borrowings.

4.23 Provisions for liabilities

Provisions are recognised when the Group 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.

4.24 Related party transactions

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

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

4.25 Foreign currencies

The consolidated and separate financial statements are presented in Baht, which is also the Group'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.

4.26 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between buyer and seller (market participants) at the measurement date. The Group 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 Group measure fair value using valuation techniques 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 Group 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 Allowance for expected credit losses on financial assets

The management is required to use judgement in estimation in determining the allowance for expected credit losses of financial assets. The calculation of allowance for expected credit losses of the Group is based on the criteria of assessing if there has been a significant increase in credit risk, the development of complex expected credit losses model, analysis of collective and individual receivables status including the choice of inputs the forecasted macroeconomic variables in the model. This estimation has various relevant factors; therefore, the actual results may differ from estimates.

5.3 Equipment and depreciation

In determining depreciation of equipment, the management is required to make estimates of the useful life and residual values of equipment and to review estimated useful life 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 year 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.

5.4 Determining the lease term of contracts with renewal and termination options

In determining the lease term, the management is required to use judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease considering all relevant facts and circumstances that create an economic incentive for it to exercise either the renewal or termination.

5.5 Estimating the incremental borrowing rate

The Group cannot readily determine the interest rate implicit in the lease, therefore, the management is required to exercise judgement in estimating its incremental borrowing rate to discount lease liabilities. The incremental borrowing rate is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

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 Post-employment benefit under defined benefit plans

The obligation under the defined benefit plan is determined based on actuarial techniques. Such determination is made based on various assumptions, including discount rate, future salary incremental rate, mortality rate and staff turnover rate.

5.9 Fair value of financial instruments

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

5.10 Litigation

The Group 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 loss will not be incurred, no contingent liabilities will be recorded for such cases.

6. Cash and cash equivalents

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	31 December	31 December	31 December	31 December
	2020	2019	2020	2019
Cash, short-term deposits, short-term note receivables and short-term investments with original maturity periods of less than 3 months	1,743,884	682,965	1,725,855	658,048
Less: Cash deposits held for customers	(1,522,278)	(581,452)	(1,522,278)	(581,452)
Less: Allowance for expected credit loss	(38)	-	(38)	-
Cash and cash equivalents	221,568	101,513	203,539	76,596

Supplemental cash flows information

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	For the years ended 31 December			
	2020	2019	2020	2019
Non-cash items:				
Purchase of equipment and intangible assets on credit	12,476	105	12,476	105
Increasing of right-of-use assets and lease liabilities	126,691	-	125,477	-

7. Receivables from Clearing House and broker-dealers

(Unit: Thousand Baht)

	Consolidated and separate financial statements	
	31 December 2020	31 December 2019
Receivables from Clearing House	523,969	265,028
Receivables from overseas securities companies	278,096	212,009
Receivables from securities company	5,311	1,047
Less: Receivables from Clearing House held for customers' account	(311,480)	(134,912)
Less: Receivables from overseas securities companies for customers' account	(213,481)	(200,944)
Receivables from Clearing House and broker-dealers	282,415	142,228

8. Securities and derivatives business receivables

(Unit: Thousand Baht)

	Consolidated and separate financial statements	
	31 December 2020	31 December 2019
<u>Securities business receivables</u>		
Cash accounts	2,374,751	1,625,164
Credit balance accounts	1,161,614	910,630
Collateral receivables	94,933	6,193
Receivables under securities borrowing and lending business	50,815	4,105
Other receivables	10,738	1,007
Total securities business receivables	3,692,851	2,547,099
Add: Accrued interest receivables	4,466	4,287
Less: Allowance for doubtful accounts	-	(207)
Less: Allowance for expected credit losses	(8,148)	-
Securities business receivables	3,689,169	2,551,179
<u>Derivatives business receivables</u>		
Derivatives business receivables	71,307	7,339
Other receivables	6,003	5,911
Less: Allowance for doubtful accounts	-	(5,911)
Less: Allowance for expected credit losses	(7,003)	-
Derivatives business receivable	70,307	7,339
Securities and derivatives business receivables	3,759,476	2,558,518

8.1 Classification of securities and derivatives business receivables

As at 31 December 2020 and 2019, the Company has classified securities and derivatives business receivables including related accrued interest receivables in accordance with TFRS 9/the relevant notification issued by the Office of the Securities and Exchange Commission. The classification is as follows:

(Unit: Thousand Baht)

	Consolidated and separate financial statements		
	31 December 2020		
	Securities and derivatives business receivables and accrued interest	Exposure at Default	Allowance for expected credit loss
Securities business receivables			
Performing loans	3,686,579	3,686,579	-
Under-performing loans	-	-	-
Credit impaired loans	10,738	10,738	(8,148)
Total securities business receivables	3,697,317	3,697,317	(8,148)
Derivatives business receivables			
Performing loans	71,307	71,307	(1,000)
Under-performing loans	-	-	-
Credit impaired loans	6,003	6,003	(6,003)
Total derivatives business receivables	77,310	77,310	(7,003)
Total securities and derivatives business receivables	3,774,627	3,774,627	(15,151)

(Unit: Thousand Baht)

	Consolidated and separate financial statements		
	31 December 2019		
	Debt balance	Allowance for doubtful accounts	Net debt balance after allowance for doubtful accounts
Normal debt	2,557,511	-	2,557,511
Sub-standard debts	1,007	-	1,007
Doubtful debts	5,911	(5,911)	-
Total	2,564,429	(5,911)	2,558,518

9. Derivatives assets and derivatives liabilities

(Unit: Thousand Baht)

Consolidated and separate financial statements				
31 December 2020				
	Assets		Liabilities	
	Fair value	Notional amount	Fair value	Notional amount
Trading derivatives				
Derivatives warrants	-	-	22,966	4,032,458
Futures ⁽¹⁾	-	640,661	-	239,150
Options	686	10,655	418	12,235
Total	686	651,316	23,384	4,283,843

⁽¹⁾ Futures contracts are cash settlement. Real exposure is a difference between cost of futures contracts and underlying assets level on settlement date, fair value of outstanding futures contracts as at the end of year included in "Receivables from Clearing House and broker-dealers". As at 31 December 2020, the fair value of derivative assets and liabilities for futures contracts are Baht 32 million and Baht 2 million respectively.

(Unit: Thousand Baht)

	Consolidated and separate financial statements		
	31 December 2019		
	Fair value		Notional amount
	Assets	Liabilities	
Trading derivatives			
Derivatives warrants	-	19,371	1,450,585
Futures ⁽⁷⁾	-	-	695,144
Total	-	19,371	2,145,729

⁽¹⁾ Futures contracts are cash settlement. Real exposure is difference between cost of futures contracts and underlying assets level on settlement date, fair value of outstanding futures contracts as at the end of year included in "Receivables from Clearing House and broker-dealers". As at 31 December 2019, the fair value of derivative assets and liabilities for futures contracts are Baht 17 million and Baht 3 million respectively.

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.

10. Investments

10.1 Cost and fair value

	(Unit: Thousand Baht)	
	Consolidated and separate financial statements	
	31 December 2020	31 December 2019
	Fair value/ Amortised cost	Fair value/ Book value
Fair value		
Investments measured at fair value through profit or loss		
Trading securities		
Marketable equity instruments in domestic market at fair value	704,428	778,641
Total	704,428	778,641
Investments measured at fair value through other comprehensive income		
Non-marketable equity instruments in domestic market	3,190	-
Total	3,190	-
Amortised cost		
Investments measured at amortised cost		
Fixed deposits	2,101,295	-
Bank of Thailand bond	1,478,177	-
Less: Investments held for customers	(3,579,472)	-
Total	-	-
Held-to-maturity securities		
Fixed deposits	-	1,501,289
Bank of Thailand bond	-	1,096,565
Less: Investments held for customers	-	(2,597,854)
Total	-	-
Cost		
General investments		
Equity instruments	-	20,190
Less: Allowance for impairment	-	(17,308)
Total	-	2,882
Investments	707,618	781,523

10.2 Investments in deposits at financial institutions and investments in debt securities classified by remaining periods of contracts

(Unit: Thousand Baht)

Consolidated and separate financial statements				
31 December 2020				
	Within 1 year	1 - 5 years	No maturity	Total
Investments measured at amortised cost				
Fixed deposits	2,101,295	-	-	2,101,295
Bank of Thailand bond	1,478,177	-	-	1,478,177
Less: Investments held for customers	(3,579,472)	-	-	(3,579,472)
Total	-	-	-	-

(Unit: Thousand Baht)

Consolidated and separate financial statements				
31 December 2019				
	Within 1 year	1 - 5 years	No maturity	Total
Held-to-maturity securities				
Fixed deposits	1,501,289	-	-	1,501,289
Bank of Thailand bonds	1,096,565	-	-	1,096,565
Less: Investments held for customers	(2,597,854)	-	-	(2,597,854)
Total	-	-	-	-

10.3 Investments in equity instruments designated at fair value through other comprehensive income

(Unit: Thousand Baht)

Consolidated and separate financial statements					
31 December 2020					
Investments	Reason for use of alternative in presentation as mentioned	Fair value	Dividend received	Retained earning or retained losses transferred in owner's equity	Reason to transfer
Securities Industry	Intend to held for long-term	2,308	64	-	
Others	Intend to held for long-term	882	-	-	
Total		3,190	64	-	

11. Investments in a subsidiary and an associate

11.1 Details of investments in a subsidiary and an associate

Investments in a subsidiary and an associate as at 31 December 2020 and 2019 were as follows:

Consolidated financial statements										
					Issued and paid-up share capital		Percentage of shareholding		Investment value under equity method	
					31	31	31	31	31	31
					December	December	December	December	December	December
Company's name	Nature of business	Country of incorporation	Type of investment	Currency	2020	2019	2020	2019	2020	2019
					(Thousand units)	(Thousand units)	(%)	(%)	(Thousand Baht)	(Thousand Baht)
Associate										
SBI Royal Securities Plc.	Securities	Cambodia	Equity securities	Cambodian Riel (KHR)	63,960,000	63,960,000	20.01	20.01	121,190	116,411
Total Investment in an associate									121,190	116,411
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
Company's name	Nature of business	Country of incorporation	Type of investment	Currency	2020	2019	2020	2019	2020	2019
					(Thousand units)	(Thousand units)	(%)	(%)	(Thousand Baht)	(Thousand Baht)
Subsidiary										
FSS International Investment Advisory Securities Co., Ltd.	Advisory	Thailand	Equity securities	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	Equity securities	Cambodian Riel (KHR)	63,960,000	63,960,000	20.01	20.01	105,462	105,462
Total Investment in an associate									105,462	105,462
Total investments in a subsidiary and an associate									113,162	113,162

11.2 Share of gain (loss) and dividend income from an associate

Company's name	Consolidated financial statements				(Unit: Thousand Baht) Separate financial statements	
	Share of gain (loss) from investments in an associate and a joint venture for the years ended 31 December		Shares of other comprehensive income from investments in an associate and a joint venture for the years ended 31 December		Dividend received during the years ended 31 December	
	2020	2019	2020	2019	2020	2019
Associate						
SBI Royal Securities Plc.	5,263	4,044	(483)	6,694	-	-
Total	5,263	4,044	(483)	6,694	-	-

During the years ended 31 December 2020 and 2019, the Company recognised shares of gain (loss) from the associate under equity method based on financial information, as prepared by the associate's management. However, the Company obtained the 2019 financial statements of the associate which were audited by associate's auditors, and showed the amounts that are not significantly different from the financial information prepared by the associate's management used in recognition of share of comprehensive income in that year.

11.3 Summarised financial information about material associate

Summarised information from statements of financial position

	(Unit: Million Baht)	
	Associate	
	SBI Royal Securities Plc.	
	31 December 2020	31 December 2019
Cash and cash equivalents	433	409
Other current assets	13	12
Non-current assets	31	31
Current liabilities	(2)	(1)
Net assets	475	451
Shareholding percentage	20.01	20.01
The Company's equity interest in the investments' net assets	96	91
Goodwill	25	25
Total investment values	121	116
Carrying values of investments in an associate (under equity method)	121	116

Summarised information from statements of comprehensive income

	(Unit: Million Baht)	
	Associate	
	SBI Royal Securities Plc.	
	For the years ended 31 December	
	2020	2019
Revenues	49	42
Profit for the year	26	20
Other comprehensive income for the year	-	-
Total comprehensive income for the year	26	20

12. Allowance for expected credit losses / Allowance for doubtful accounts

(Unit: Thousand Baht)

	Consolidated and separate financial statements	
	31 December 2020	31 December 2019
Allowance for expected credit losses of accounts		
Cash and cash equivalents	38	-
Securities and derivatives business receivables	15,151	6,118
Total	15,189	6,118

As at 31 December 2020 and 2019 Expected Credit Losses / Allowance for doubtful accounts of securities and derivatives business receivables are as follows:

(Unit: Thousand Baht)

	Consolidated and separate financial statements				
	31 December 2020				
	Allowance for expected credit losses			Allowance for doubtful accounts	Total
	12-month ECL	Lifetime ECL - not credit impaired	Lifetime ECL - credit impaired		
Beginning balance	-	-	-	6,118	6,118
Changes from adoption of new accounting standards	-	-	6,118	(6,118)	-
Changes from revaluation of expected credit losses	-	-	8,033	-	8,033
Others	1,000	-	-	-	1,000
Ending balance	1,000	-	14,151	-	15,151

(Unit: Thousand Baht)

	Consolidated and separate financial statements
	For the year ended 31 December 2019
Allowance for doubtful accounts	
Balance - beginning of the year	75,318
Less: Bad debts	(69,151)
Less: Reversal of doubtful accounts	(49)
Balance - end of the year	6,118

13. Equipment

(Unit: Thousand Baht)

Consolidated and separate financial statements						
	Office equipment	Furniture and fixtures	Leasehold improvement	Motor vehicles	Equipment under installation	Total
Cost						
1 January 2019	275,046	182,408	-	10,885	208	468,547
Additions	9,091	2,669	-	-	9,085	20,845
Disposals/write-off	(3,523)	(10,084)	-	-	-	(13,607)
Transfers in (out)	5,519	2,058	-	-	(7,577)	-
31 December 2019	286,133	177,051	-	10,885	1,716	475,785
Additions	12,555	7,572	30,156	-	7,967	58,250
Disposals/write-off	(12,549)	(18,174)	-	-	-	(30,723)
Transfers in (out)	3,349	(4,904)	8,853	-	(7,298)	-
31 December 2020	289,488	161,545	39,009	10,885	2,385	503,312
Accumulated depreciation						
1 January 2019	218,322	165,973	-	10,147	-	394,442
Depreciation for the year	18,692	5,674	-	738	-	25,104
Accumulated depreciation on disposals/write-off	(3,401)	(10,084)	-	-	-	(13,485)
31 December 2019	233,613	161,563	-	10,885	-	406,061
Depreciation for the year	18,861	5,715	236	-	-	24,812
Accumulated depreciation on disposal/write-off	(12,549)	(14,581)	-	-	-	(27,130)
31 December 2020	239,925	152,697	236	10,885	-	403,743
Net book value						
31 December 2019	52,520	15,488	-	-	1,716	69,724
31 December 2020	49,563	8,848	38,773	-	2,385	99,569
Depreciation for the year ended						
31 December 2019						25,104
31 December 2020						24,812

As at 31 December 2020 and 2019, 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 341 million and Baht 352 million, respectively.

14. Lease

The Group has lease contracts for used in its operation. Lease generally have lease terms between 1 - 14 years.

14.1 Right-of-use assets

Movement of right-of-use assets for the year ended 31 December 2020 is summarised.

(Unit: Thousand Baht)

	Consolidated financial statements			
	Building	Office equipment	Motor vehicles	Total
Cost				
1 January 2020 - Changes from adoption of new financial reporting standards	207,795	-	30,274	238,069
Additions	118,204	1,141	7,346	126,691
Written-off	(8,527)	-	-	(8,527)
31 December 2020	317,472	1,141	37,620	356,233
Accumulated depreciation				
1 January 2020	-	-	-	-
Depreciation for the year	65,844	435	11,714	77,993
Written-off	(1,120)	-	-	(1,120)
31 December 2020	64,724	435	11,714	76,873
Net book value				
31 December 2020	252,748	706	25,906	279,360

(Unit: Thousand Baht)

	Separate financial statements			
	Building	Office equipment	Motor vehicles	Total
Cost				
1 January 2020 - Changes from adoption of new financial reporting standards	207,795	-	30,274	238,069
Additions	118,204	1,141	6,132	125,477
Written-off	(8,527)	-	-	(8,527)
31 December 2020	317,472	1,141	36,406	355,019
Accumulated depreciation				
1 January 2020	-	-	-	-
Depreciation for the year	65,844	435	11,557	77,836
Written-off	(1,120)	-	-	(1,120)
31 December 2020	64,724	435	11,557	76,716
Net book value				
31 December 2020	252,748	706	24,849	278,303

4.2 Lease liabilities

(Unit: Thousand Baht)

	Consolidated financial statements	Separate financial statements
	31 December 2020	
Lease Liabilities	196,805	195,660
Less: Deferred interest expenses	(16,589)	(16,512)
Total	180,216	179,148

A maturity analysis of lease payments is disclosed in Note 38 under the liquidity risk.

14.3 Expenses relating to lease that are recognised in profit or loss

(Unit: Thousand Baht)

	Consolidated financial statements	Separate financial statements
	For the years ended 31 December 2020	
Depreciation expense of right-of-use assets	78,084	77,927
Interest expense on lease liabilities	7,210	7,187
Expense relating to short-term leases	10,414	9,966
Total	95,708	95,080

The Group had total cash outflows for leases for the year ended 31 December 2020 of Baht 157 million (separate financial statement: Baht 156 million).

15. Intangible assets

	(Unit: Thousand Baht)					
	Consolidated and separate financial statements					
	Exchange and future exchange membership fee	Retail brokerage business acquisition cost	Computer software	Right to use system	Computer software under development	Total
Cost						
1 January 2019	5,000	6,384	385,999	-	10,360	407,743
Additions	1,605	-	7,419	-	15,411	24,435
Write-off	-	-	(22)	-	-	(22)
Transfers in (out)	-	-	19,162	-	(19,162)	-
31 December 2019	6,605	6,384	412,558	-	6,609	432,156
Additions	-	-	2,385	-	5,592	7,977
Transfer in (out)	-	-	5,612	-	(5,612)	-
31 December 2020	6,605	6,384	420,555	-	6,589	440,133
Accumulated amortisation						
1 January 2019	5,000	6,384	136,020	-	-	147,404
Amortisation for the year	-	-	38,311	-	-	38,311
Write-off	-	-	(22)	-	-	(22)
31 December 2019	5,000	6,384	174,309	-	-	185,693
Amortisation for the year	-	-	39,768	-	-	39,768
31 December 2020	5,000	6,384	214,077	-	-	225,461
Net book value						
31 December 2019	1,605	-	238,249	-	6,609	246,463
31 December 2020	1,605	-	206,478	-	6,589	214,672
Amortisation for the year ended						
31 December 2019						38,311
31 December 2020						39,768

As at 31 December 2020 and 2019, certain computer software items have been fully amortised but are still in use. The original costs, before deducting accumulated summarised, of these assets amounted to Baht 109 million and Baht 99 million, respectively.

16. Deferred tax assets and income tax

16.1 Deferred tax assets

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

	(Unit: Thousand Baht)			
	Consolidated financial statements			
	31 December 2020	31 December 2019	Changes in deferred income taxes reported in the statements of comprehensive income	
			For the years ended 31 December	
			2020	2019
Deferred tax assets arose from:				
Allowance for expected credit losses/allowance for doubtful account	3,401	1,182	2,219	(10)
Share of (profit) loss from investments in an associate	(3,146)	(2,190)	(956)	529
Provision for long-term employee benefits	14,663	12,899	1,764	1,806
Unrealised (gain) loss on revaluation of investments and derivatives	12,041	(1,503)	13,544	155
Unutilised tax loss	849	42,301	(41,452)	31,720
Others	9,621	6,936	2,685	132
Deferred tax assets	37,429	59,625	(22,196)	34,332
Recognised as income tax revenue (expenses):				
-Recognised in profit or loss			(22,231)	32,097
-Recognised in other comprehensive income			35	2,235
Total			(22,196)	34,332

(Unit: Thousand Baht)

	Separate financial statements			
			Changes in deferred income taxes reported in the statements of comprehensive income	
			For the years ended 31 December	
	31 December 2020	31 December 2019	2020	2019
Deferred tax assets arose from:				
Allowance for expected credit losses/allowance for doubtful account	3,401	1,182	2,219	(10)
Provision for long-term employee benefits	14,068	12,530	1,538	1,563
Unrealised (gain) loss on revaluation of investments and derivatives	12,041	(1,503)	13,544	155
Unutilised tax loss	849	42,301	(41,452)	31,720
Others	9,618	6,936	2,682	132
Deferred tax assets	39,977	61,446	(21,469)	33,560
Recognised as income tax revenue (expenses):				
- Recognised in profit or loss			(21,407)	32,694
- Recognised in other comprehensive income			(62)	866
Total			(21,469)	33,560

16.2 Income tax

Income tax for the year ended 31 December 2020 and 2019 are made up as follows:

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	For the years ended 31 December			
	2020	2019	2020	2019
Current income tax				
Current income tax charge	-	(94)	-	-
Deferred tax				
Relating to origination and reversal of temporary differences	(22,231)	32,097	(21,407)	32,694
Income (expense) tax reported in the statements of comprehensive income	(22,231)	32,003	(21,407)	32,694

Reconciliations between income tax and the product of accounting profits and the applicable tax rate are as follows:

	Consolidated financial statements		(Unit: Thousand Baht) Separate financial statements	
	For the years ended 31 December			
	2020	2019	2020	2019
Accounting profit (loss) before tax	104,287	(170,086)	108,973	(173,527)
Applicable tax rate	20%	20%	20%	20%
Accounting (profit) loss before tax multiplied by income tax rate	(20,857)	34,017	(21,795)	34,705
Effects of:				
Revenue or expense that are not taxable or not deductible in determining taxable profits	392	(2,014)	388	(2,011)
Tax losses not recognised as deferred tax assets	(1,766)	-	-	-
Income (expense) tax reported in the statements of comprehensive income	(22,231)	32,003	(21,407)	32,694

As at 31 December 2020, the subsidiary has unused tax losses totaling Baht 8.8 million on which deferred tax assets have not been recognised because future taxable profits of the subsidiary may not be sufficient to allow utilisation of the unused tax losses.

17. Other assets

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	31	31	31	31
	December 2020	December 2019	December 2020	December 2019
Interest receivables	9,644	7,385	9,644	7,385
Prepaid expenses	26,313	28,351	26,070	28,164
Deposits	20,980	21,980	20,979	21,980
Contribution to the compensation fund for clearing and securities delivery system	115,461	97,339	115,461	97,339
Deposit asset for protecting the clearing system	5,000	5,000	5,000	5,000
Advances paid	8,143	10,103	8,118	10,103
Advance for lease agreement not yet effective	-	8,242	-	8,242
Dividend receivables	336	317	336	317
Other receivable – related party	-	-	705	4,301
Withholding tax receivables	18,640	13,465	16,217	10,224
Others	8,914	9,804	8,913	9,803
Total	213,431	201,986	211,443	202,858
Less: Allowance for doubtful accounts/ allowance for impairment	(2,856)	(2,856)	(2,856)	(2,856)
Other assets	210,575	199,130	208,587	200,002

18. Borrowings from financial institutions

	(Unit: Thousand Baht)			
	Consolidated and separate financial statements			
	31 December 2020			
	Interest rate	Remaining period to maturity		Total
	per annum (percent)	Less than 1 year	More than 5 years	
		1 – 5 years		
Financial institutions				
Promissory notes	0.95 – 1.85	350,000	-	350,000
Total		350,000	-	350,000

(Unit: Thousand Baht)

Consolidated and separate financial statements

31 December 2019

	Interest rate per annum (percent)	Remaining period to maturity			Total
		Less than 1 year	1 – 5 years	More than 5 years	
Financial institutions					
Promissory notes	1.70	50,000	-	-	50,000
Total		50,000	-	-	50,000

19. Payables to Clearing House and broker – dealers

(Unit: Thousand Baht)

Consolidated and separate financial
statements

	31 December 2020	31 December 2019
Payables to Clearing House	291,002	660,293
Payables to overseas securities companies	12,174	2,280
Payables to Clearing House and broker – dealers	303,176	662,573

20. Securities and derivatives business payables

(Unit: Thousand Baht)

Consolidated and separate financial
statements

	31 December 2020	31 December 2019
<u>Securities business payables</u>		
Cash accounts payable	1,779,866	923,182
Collateral payables	50,815	4,096
Securities borrowing and lending payables	87,415	6,210
Securities business payable	1,918,096	933,488
<u>Derivatives business payables</u>		
Derivatives business payables	10,338	7,044
Securities and derivatives business payables	1,928,434	940,532

21. Debt issued

(Unit: Thousand Baht)

Consolidated and separate financial statements				
31 December 2020				
Interest rate/discou nt Per annum (percent)	Remaining period to maturity			Total
	Less than 1 year	1 -5 years	More than 5 years	
Debt issued				
Bills of exchange (Zero – coupon note with Baht 280 million face value)	3.25	278,975	-	278,975
Total		278,975	-	278,975

22. Provisions

(Unit: Thousand Baht)

Consolidated and separate financial statements		
31 December 2020		
Decommissioning cost	Allowance for expected credit losses	Total
Total provisions	30,768	32,582

23. Provision for long-term employee benefits

Provision for long-term employee benefits under a defined benefit plan are as follows:

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	For the years ended 31 December			
	2020	2019	2020	2019
Provision for long-term employee benefit at the beginning of the year	64,493	55,463	62,649	54,835
Included in profit or loss:				
Current service cost	11,087	9,579	10,003	8,538
Interest cost	1,596	1,478	1,550	1,460
Past service costs	-	5,576	-	5,576
Included in other comprehensive income:				
Actuarial (gain) loss arising from:				
Demographic assumption changes	-	-	-	-
Financial assumption changes	-	4,483	-	4,326
Experience adjustments	-	-	-	-
Benefits paid during the year	(3,862)	(12,086)	(3,862)	(12,086)
Provision for long-term employee benefit at the end of the year	73,314	64,493	70,340	62,649

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

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	For the years ended 31 December			
	2020	2019	2020	2019
Current service cost	11,087	9,579	10,003	8,538
Interest cost	1,596	1,478	1,550	1,460
Past service costs	-	5,576	-	5,576
Total long-term employee benefit expenses	12,683	16,633	11,553	15,574

As at 31 December 2020, the Group expects to pay Baht 12 million, of long-term employee benefits during the next year (the Company only: Baht 11 million).

As at 31 December 2020, the Group's weighted average durations of the liabilities for long-term employee benefit is 9 years (the Company only: 9 years).

Significant actuarial assumptions are summarized below:

	(Unit: % per annum)	
	Consolidated and separate financial statements	
	31 December 2020	31 December 2019
Discount rate	1.22 - 2.43	1.22 - 2.43
Salary increase rate	1.2 - 7.0	1.2 - 7.0
Turnover rate	0.0 - 33.0	0.0 - 33.0

The result of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligation as at 31 December 2020 and 2019 are summarized below:

	Consolidated financial statement			
	31 December 2020			
		Provision for employee benefits were increased		Provision for employee benefits were increased
	Increase in assumption	(decreased) by	Decrease in assumption	(decreased) by
	(% per annum)	(Million Baht)	(% per annum)	(Million Baht)
Discount rate	1.0	(4.3)	1.0	4.8
Salary increase rate	1.0	6.2	1.0	(5.7)
Turnover rate	20.0	(8.5)	20.0	10.4

Consolidated financial statement

31 December 2019

	Provision for employee benefits were increased (decreased) by	Decrease in assumption	Provision for employee benefits were increased (decreased) by	
	Increase in assumption	(decreased)	Decrease in assumption	(decreased)
	(% per annum)	(Million Baht)	(% per annum)	(Million Baht)
Discount rate	1.0	(4.0)	1.0	4.5
Salary increase rate	1.0	5.1	1.0	(4.7)
Turnover rate	20.0	(7.3)	20.0	9.1

Separate financial statement

31 December 2020

		Provision for employee benefits were increased (decreased) by	Decrease in assumption	Provision for employee benefits were increased (decreased) by
	Increase in assumption	(Million Baht)	(% per annum)	(Million Baht)
Discount rate	1.0	(4.1)	1.0	4.6
Salary increase rate	1.0	5.9	1.0	(5.4)
Turnover rate	20.0	(8.1)	20.0	10.0

	Separate financial statement			
	31 December 2019			
	Provision for employee benefits were increased		Provision for employee benefits were increased	
	Increase in assumption (% per annum)	(decreased) by (Million Baht)	Decrease in assumption (% per annum)	(decreased) by (Million Baht)
Discount rate	1.0	(3.9)	1.0	4.3
Salary increase rate	1.0	4.9	1.0	(4.5)
Turnover rate	20.0	(7.1)	20.0	8.8

24. Other payables

(Unit: Thousand Baht)

	Consolidated and separate financial statements	
	31 December 2020	31 December 2019
Other payable	1,353	1,353
Other payable - related party	86	86
Total other payables	1,439	1,439

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

25. Other liabilities

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	31 December 2020	31 December 2019	31 December 2020	31 December 2019
Accrued expenses	307,234	158,864	300,124	157,095
Withholding tax payable	9,573	8,708	9,559	8,198
Value added tax payable	11,362	6,045	11,168	5,784
Employee retention payables	2,212	2,512	2,212	2,512
Others	13,871	13,166	13,870	13,166
Total other liabilities	344,252	189,295	336,933	186,755

26. 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.

27. Brokerage fees income

(Unit: Thousand Baht)

	Consolidated and separate financial statements	
	For the years ended 31 December	
	2020	2019
Brokerage fee from securities business	1,188,652	795,592
Brokerage fee from derivatives business	120,644	113,707
Other brokerage fee	5,456	4,856
Total	1,314,752	914,155

28. Fees and service income

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	For the years ended 31 December			
	2020	2019	2020	2019
Underwriting fee	57,501	48,323	57,501	48,323
Financial advisory fee	17,200	9,860	17,200	9,860
Borrowing and lending fee	2,326	1,224	2,326	1,224
Research fee	3,168	801	3,098	801
Selling agent fee	38,253	18,016	38,253	18,016
Others	4,339	3,165	4,339	3,165
Total	122,787	81,389	122,717	81,389

29. Interest income

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	For the years ended 31 December			
	2020	2019	2020	2019
Interest income on margin loans	40,947	55,246	40,947	55,246
Interest income from deposits in financial institution and Bank of Thailand bonds	43,822	58,023	43,687	57,759
Total	84,769	113,269	84,634	113,005

30. Gain and return on financial instruments

	(Unit: Thousand Baht)	
	Consolidated and separate financial statements	
	For the years ended 31 December	
	2020	2019
Gain (loss) on investments	(21,179)	76,623
Gain on derivatives	177,135	40,392
Dividend income	12,878	23,540
Total	168,834	140,555

31. Interest expense

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	For the years ended 31 December			
	2020	2019	2020	2019
Borrowings from financial intuitions	5,546	1,655	5,546	1,655
Lease liabilities	7,211	-	7,187	-
Customer's deposits	21,964	26,513	21,964	26,513
Total	34,721	28,168	34,697	28,168

32. Provident fund

The Group and their employees have jointly established provident fund in accordance with the Provident Fund Act B.E. 2530. The Group 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. During the year ended 31 December 2020 and 2019, the group contributed Baht 22 million to the fund (separate financial statement: Baht 20 million) (2019: Baht 12 million in the consolidated financial statement and Baht 11 million in the separate financial statement).

33. Earnings per share

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

34. Dividends

Dividends	Approved by	Total dividends paid (Million Baht)	Dividend per share (Baht)
Dividend for 2018	Annual General Meeting of the shareholders on 25 April 2019	35	0.06

35. Related party transactions

35.1 The relationships

Name	Relationship
FSS International Investment Advisory Securities Company Limited	Subsidiary
SBI Royal Securities Plc.	Associate
Finansa Fund Management Limited	Major shareholder of the Company
Finansa Public Company Limited	Parent of major shareholder of the Company
Finansa Securities Company Limited	Subsidiary of parent of major shareholder of the Company
Industrial and Commercial Bank of China (Thai) Public Company Limited	Having common director
True Vision Group Public Company Limited	Having common director
True Touch Company Limited	Having common director

35.2 Significant transactions during the years

During the years, the Group 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 Group and those related parties. Below is a summary of those transactions.

	(Unit: Thousand Baht)				
	Consolidated financial statements		Separate financial statements		
	For the years ended 31 December				
	2020	2019	2020	2019	Transfer Pricing Policy
<u>Transactions with subsidiary</u>					
(eliminated from the consolidated financial statements)					
Other income	-	-	3,600	3,600	Contract value
Other expenses	-	-	45,000	44,400	Contract value
<u>Transactions with related parties</u>					
Directors and executive employees					
Brokerage fees income	95	1	95	1	Similar rates charged to general customers
Related companies and person					
Brokerage fees income	323	159	323	159	Similar rates charged to general customers
Fees and service income	13,903	-	13,903	-	Contract value
Rental and service expenses	529	1,871	529	1,871	As mutually agreed
Other expenses	5,400	-	5,400	-	Contract value

35.3 Outstanding balances

The balances of accounts as at 31 December 2020 and 2019 between the Group and their related parties are as follows:

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	31 December 2020	31 December 2019	31 December 2020	31 December 2019
Cash and cash equivalents				
Industrial and Commercial Bank of China (Thai) Public Company Limited	5,355	999	5,355	999
Other receivables				
FSS International Investment Advisory Securities Company Limited	-	-	705	4,301
Finansa Public Company Limited	1,303	-	1,303	-
Prepaid expenses				
Finansa Public Company Limited	153	-	153	-
Accrued expenses				
FSS International Investment Advisory Securities Company Limited	-	-	5,300	-
Directors and executive employees	-	14	-	14
Other liabilities				
Finansa Securities Company Limited	5,400	-	5,400	-

35.4 Directors and key management's remunerations

During the years ended 31 December 2020 and 2019, the Group had employee benefit expenses incurred for their directors and key management as below.

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	For the years ended 31 December			
	2020	2019	2020	2019
Short-term employee benefits	205	172	186	162
Post-employment benefits	9	10	8	9
Total	214	182	194	171

36. Commitments and contingent liabilities

36.1 Capital commitments

As at 31 December 2020, the Company had capital commitments of approximately Baht 16 million (31 December 2019: Baht 15 million) relating to the installation of software and equipment.

36.2 Litigation

As at 31 December 2020, the Company have been sued for compensation totaling approximately Baht 16 million. Final judgements have not yet been reached in respect of these cases. The management of the Company believe that no material losses to the financial statements will be incurred as a result of the mentioned lawsuits.

37. Segment information

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

For management purposes, the Group are summarise 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 securities 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 2020 and 2019:

(Unit: Million Baht)

		For the years ended 31 December									
		Securities and derivatives brokerage segment		Investment banking segment		Proprietary trading segment		Elimination of inter-segment transactions		Consolidation	
		2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
Revenues	from	1,432	1,036	55	47	103	93	(45)	44	1,545	1,220
Profit (loss) from	operating by										
	segment	396	102	24	22	31	25	(1)	(1)	450	148
Unallocated income and											
expenses:											
Interest and dividend											
income										85	113
Other income										51	42
Operating expenses										(526)	(473)
Income tax											
expenses										22	32
Profits (loss) for the years attributable to the Company										82	(138)

The following table presents segment assets, classified by operating segments, as at 31 December 2020 and 2019:

(Unit: Million Baht)

Segment assets	Securities and derivatives brokerages segment	Investment banking segment	Proprietary trading segment	Total segments	Unallocated assets	Total
31 December 2020	4,042	-	708	4,750	1,197	5,947
31 December 2019	2,801	1	-	2,802	1,475	4,277

Geographic information

The Group is 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 2020 and 2019, the Group does not have revenue generated from any customer more than 10% of the consolidated revenues.

38. Risk management

Financial risk management objectives and policies

The Group's financial instruments principally comprise cash and cash equivalents, receivables from clearing house and brokers, securities and derivatives business receivables, derivatives assets, investments, loans to employee, borrowings from financial institutions, payables to clearing house and brokers, securities and derivatives business payables, derivatives liabilities and debt issued. The financial risks associated with these financial instruments and how they are managed is described below.

38.1 Credit risk

Credit risk is the risk that the counterparty will be unable to meet its contractual obligations or have a significant increase in credit risk and unable to pay principal and interest.

The Group is exposed to credit risk primarily with respect to securities and derivatives business receivables, accrued fee and service income from asset management business, deposits with banks and financial institutions, receivables from clearing house and brokers and investments in debt instruments. The maximum exposure to credit risk is limited to the carrying amounts as stated in the statement of financial position.

In relation to impairment of financial assets, TFRS 9 requires the Group to prepare an expected credit loss model. The Group has established and maintain an appropriate credit loss model. The Group periodically reviews the parameters and the data used in the credit loss model.

Securities and derivatives business receivables

The Company manages the risk by establishing trading credit approval limit for client, performing credit review, placing collateral and increasing credit limit at both of committee and individual level subject to credit level and assigns Credit Committee to control and monitor the credit risk. In addition, the Company does not have high concentration of credit risk since it has a large customer base.

Deposits with banks and financial institutions and investments in debt instruments.

The credit risk on deposits with banks and financial institutions and investments in debt instruments is limited because the Group has deposit with banks and financial institutions having high credit-ratings assigned by credit-rating agencies. For investments in debt instruments, the Group invests in government bond with low credit risk

38.2 Market risk

Market risk is the risk that the future cash flows or fair value of financial instruments will fluctuate due to changes in market variables related primarily to interest rate, foreign currency and equity instruments price. The Group manage their risk exposure as follows.

38.2.1 Interest rate risk

The Group's exposure to interest rate risk relates primarily to their cash and cash equivalents, securities and derivative business receivables, borrowings from financial institutions and debt issued. However, the Group's financial assets and liabilities are mostly bear floating interest rates or fixed interest rates which are close to the market rate due to the short-term in nature, therefore the interest rate risk of the Group is limited.

Significant financial assets and liabilities as at 31 December 2020 and 2019 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 2020									
Outstanding balances of financial instruments									
	Fixed interest rate						Interest rate		
	Repricing or maturity dates						(% p.a.)		
	Floating interest rate	Less than 1 year	1 – 5 years	Non-performing receivables	Non-interest bearing	Total	Floating	Fixed	
Financial assets									
Cash and cash equivalents	122	-	-	-	100	222	0.05 – 0.75	-	
Receivables from Clearing House and broker - dealers	-	-	-	-	282	282	-	-	
Securities and derivatives business receivables	1,162	95	-	15	2,487	3,759	4.75 - 5.25	-	
Derivative assets	-	-	-	-	1	1	-	-	
Loans to employees	1	-	-	-	-	1	-	3.43	
Financial liabilities									
Borrowings from financial institutions	-	350	-	-	-	350	-	0.95 - 1.85	
Payables to Clearing House and broker - dealers	-	-	-	-	303	303	-	-	
Securities and derivatives business payables	-	51	-	-	1,877	1,928	-	0.30	
Debt issued	-	-	279	-	-	279	-	3.25	
Derivatives liabilities	-	-	-	-	23	23	-	-	

(Unit: Million Baht)

Consolidated financial statement

31 December 2019

Outstanding balances of financial instruments

	Fixed interest rate							Interest rate (% p.a.)	
	Repricing or maturity dates				Non- perfor ming receiva bles	Non- interest bearing	Total		
	Floating interest rate	At call	Less than 1 year	1 - 5 years				Floating	Fixed
Financial assets									
Cash and cash equivalents	78	-	-	-	-	24	102	0.13 - 1.10	-
Receivables from Clearing House and broker - dealers	-	-	-	-	-	142	142	-	-
Securities and derivatives business receivables	911	6	-	-	7	1,635	2,559	5.25	-
Loans to employees	1	-	-	-	-	-	1	-	3.40 - 3.43
Financial liabilities									
Borrowings from financial institutions	-	50	-	-	-	-	50	-	1.70
Payables to Clearing House and broker - dealers	-	-	-	-	-	663	663	-	-
Securities and derivatives business payables	-	4	-	-	-	937	941	-	0.70
Derivatives liabilities	-	-	-	-	-	19	19	-	-

(Unit: Million Baht)

	Separate financial statement								
	31 December 2020								
	Outstanding balances of financial instruments								
	Fixed interest rate							Interest rate (% p.a.)	
	Repricing or maturity dates				Non-performing receivables	Non-interest bearing	Total		
	Floating interest rate	Less than 1 year	1 - 5 years					Floating	Fixed
Financial assets									
Cash and cash equivalents	105	-	-	-	-	99	204	0.05 - 0.75	-
Receivables from Clearing House and broker - dealers	-	-	-	-	-	282	282	-	-
Securities and derivatives business receivables	1,162	95	-	-	15	2,487	3,759	4.75 - 5.25	-
Derivative assets	-	-	-	-	-	1	1	-	-
Loans to employees	1	-	-	-	-	-	1	-	3.43
Financial liabilities									
Borrowings from financial institutions	-	350	-	-	-	-	350	-	0.95 - 1.85
Payables to Clearing House and broker - dealers	-	-	-	-	-	303	303	-	-
Securities and derivatives business payables	-	51	-	-	-	1,877	1,928	-	0.30
Debt issued	-	-	279	-	-	-	279	-	3.25
Derivatives liabilities	-	-	-	-	-	23	23	-	-

(Unit: Million Baht)

	Separate financial statement								
	31 December 2019								
	Outstanding balances of financial instruments								
	Fixed interest rate							Interest rate (% p.a.)	
	Repricing or maturity dates				Non-performing receivables	Non-interest bearing	Total		
	Floating interest rate	Less than 1 year	1 - 5 years					Floating	Fixed
Financial assets									
Cash and cash equivalents	58	-	-	-	-	19	77	0.13 - 1.10	-
Receivables from Clearing House and broker - dealers	-	-	-	-	-	142	142	-	-
Securities and derivatives business receivables	911	6	-	-	7	1,635	2,559	5.25	-
Loans to employees	1	-	-	-	-	-	1	-	3.40 - 3.43
Financial liabilities									
Borrowings from financial institutions	-	50	-	-	-	-	50	-	1.70
Payables to Clearing House and broker - dealers	-	-	-	-	-	663	663	-	-
Securities and derivatives business payables	-	4	-	-	-	937	941	-	0.70
Derivatives liabilities	-	-	-	-	-	19	19	-	-

Interest rate sensitivity

The following table demonstrates the sensitivity of the Company's profit before tax to a reasonably possible change in interest rates on that portion of floating rate of margin loans account receivables affected as at 31 December 2020.

	Interest rate increase (decrease)	Effect on profit before tax
	(%)	(Thousand Baht)
Margin loans account receivables	0.25%	2,904
	(0.25%)	(2,904)

The above sensitivity analysis has been prepared assuming that the amounts of margin loans and other variables remain constant over one year as additional information. This information is not a forecast or prediction of future market conditions.

38.2.2 Foreign exchange risk

The Company's exposure to foreign currency risk arises 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 2020 and 2019 are summarised below:

Foreign currency	Financial assets		Financial liabilities		(Unit: Million unit)	
	31		31		Average exchange rates	
	31 December	December	31 December	December	31 December	31 December
	2020	2019	2020	2019	2020	2019
					(Baht per 1 foreign currency unit)	
Vietnamese dong	94,684.3	106,350.7	86,777.4	101,236.4	0.0013	0.0013
Hong Kong dollar	11.0	2.9	10.9	2.8	3.8753	3.8732
United States dollar	3.7	1.5	1.9	1.4	30.0371	30.1540

In addition to the above, as of 31 December 2020 and 2019, the Company has no foreign forward contract.

38.2.3 Equity instruments price risk

The Company's exposure to equity instruments price 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.

38.3 Liquidity risk

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

The Group 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 2020 and 2019, 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 2020

	At call	Within 1 year	1 - 5 years	Over 5 years	No maturity	Non- performing receivables	Total
Financial assets							
Cash and cash equivalents	222	-	-	-	-	-	222
Receivables from Clearing House and broker - dealers	-	282	-	-	-	-	282
Securities and derivatives business receivables	95	2,487	-	-	1,162	15	3,759
Derivative assets	-	1	-	-	-	-	1
Loans to employees	1	-	-	-	-	-	1
Financial liabilities							
Borrowings from financial institutions	350	-	-	-	-	-	350
Payables to Clearing House and broker - dealers	-	303	-	-	-	-	303
Securities and derivatives business payables	51	1,877	-	-	-	-	1,928
Debt issued	-	279	-	-	-	-	279
Derivatives liabilities	-	23	-	-	-	-	23
Leased liabilities	-	54	124	2	-	-	180

(Unit: Million Baht)

Consolidated financial statement

31 December 2019

	At call	Within 1 year	1 - 5 years	No maturity	Non- performing receivables	Total
Financial assets						
Cash and cash equivalents	102	-	-	-	-	102
Receivables from Clearing House and broker - dealers	-	142	-	-	-	142
Securities and derivatives business receivables	6	1,635	-	911	7	2,559
Loans to employees	1	-	-	-	-	1
Financial liabilities						
Borrowings from financial institutions	50	-	-	-	-	50
Payables to Clearing House and broker - dealers	-	663	-	-	-	663
Securities and derivatives business payables	4	937	-	-	-	941
Derivatives liabilities	-	19	-	-	-	19

(Unit: Million Baht)

Separate financial statement							
31 December 2020							
	At call	Within 1 year	1 - 5 years	Over 5 years	No maturity	Non- performing receivables	Total
Financial assets							
Cash and cash equivalents	204	-	-	-	-	-	204
Receivables from Clearing House and broker - dealers	-	282	-	-	-	-	282
Securities and derivatives business receivables	95	2,487	-	-	1,162	15	3,759
Derivative assets	-	1	-	-	-	-	1
Loans to employees	1	-	-	-	-	-	1
Financial liabilities							
Borrowings from financial institutions	350	-	-	-	-	-	350
Payables to Clearing House and broker - dealers	-	303	-	-	-	-	303
Securities and derivatives business payables	51	1,877	-	-	-	-	1,928
Debt issued	-	279	-	-	-	-	279
Derivatives liabilities	-	23	-	-	-	-	23
Leased liabilities	-	54	123	2	-	-	179

(Unit: Million Baht)

Separate financial statement						
31 December 2019						
	At call	Within 1 year	1 - 5 years	No maturity	Non- performing receivables	Total
Financial assets						
Cash and cash equivalents	77	-	-	-	-	77
Receivables from Clearing House and broker - dealers	-	142	-	-	-	142
Securities and derivatives business receivables	6	1,635	-	911	7	2,559
Loans to employees	1	-	-	-	-	1
Financial liabilities						
Borrowings from financial institutions	50	-	-	-	-	50
Payables to Clearing House and broker - dealers	-	663	-	-	-	663
Securities and derivatives business payables	4	937	-	-	-	941
Derivatives liabilities	-	19	-	-	-	19

39. Fair value measurement of financial instruments

The Group uses the market approach to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards, except that the cost approach or income approach is used when there is no active market or when a quoted market price is not available.

39.1 Fair value of financial instruments

As of 31 December 2020 and 2019, the Group had the assets and liabilities that were measured at fair value using different levels of inputs as follows:

(Unit: Million Baht)					
Consolidated and separate financial statements					
31 December 2020					
	Book	Fair value			
	value	Level 1	Level 2	Level 3	Total
Financial assets					
Financial assets measured at fair value					
Securities and derivatives business					
receivables					
Receivables under securities					
borrowing and lending business	51	51	-	-	51
Derivative assets					
Options	1	1	-	-	1
Investments					
Marketable equity instruments in					
domestic market	704	704	-	-	704
Non-marketable equity instruments					
in domestic market	3	-	-	3	3
Financial liabilities					
Financial liabilities measured at fair value					
Securities and derivatives business					
payables					
Payables under securities					
borrowing and lending business	87	87	-	-	87
Derivatives liabilities					
Derivatives warrants	23	23	-	-	23

(Unit: Million Baht)

	Consolidated and separate financial statements			
	31 December 2019			
	Fair value			
	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value				
Securities and derivatives business				
receivables				
Receivables under securities borrowing				
and lending business	4	-	-	4
Investments				
Equity instruments	779	-	-	779
Financial liabilities measured at fair value				
Securities and derivatives business payables				
Payables under securities borrowing and				
lending business	6	-	-	6
Derivatives liabilities				
Derivatives warrants	19	-	-	19

During the current year, there is no transaction of levels of fair value.

The Group in estimating the fair value of financial instruments are as follows:

- (a) Financial assets and liabilities, which have short-term maturity periods, including cash and cash equivalents, receivables from/payables to Clearing House and broker - dealers, securities and derivatives business receivables/payables, short-term loans, and investments measured at amortised cost, their carrying amounts in the statement of financial position approximate their fair value.
- (b) Fair value of marketable-equity instruments in the domestic market is determined using the latest bid price of the last working day. Fair value of non-marketable-equity instruments in the domestic market is determined using current book value of investee.
- (c) Fair value of derivative warrants in the domestic market is determined using the latest offer price of the last working day.
- (d) The fair value of marketable futures and options are calculated with reference to the settlement prices quoted on Thailand Futures Exchange Public Company Limited on the last working day.
- (e) For loans to employees, their fair value is estimated by discounting expected future cash flow by the current market interest rate of the loans with similar terms and conditions.

- (f) For long-term loans and lease liabilities carrying interest approximate to the market rate, their carrying amounts in the statement of financial position approximate their fair value.

40. 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.

41. Event after the reporting period

On 23 February 2021, the Board of Directors of the Company passed a resolution to propose to the Annual General Meeting of Shareholders 2021. For approval the payment of a dividend of Baht 0.06 per share, or a total of Baht 35 million, to the ordinary shareholders.

42. Reclassifications

The Company has reclassified certain accounts to comply with the Notification of SEC relating to the format of financial statements of securities companies (version 3) No. SorThor. 6/2562 dated 8 January 2019. The details are as follows.

	(Unit: Thousand Baht)	
	Consolidated financial statements	
	For the year ended 31 December 2019	
	As reclassified	As previously reported
Interest on margin loans	-	55,246
Interest income	113,269	-
Gain (loss) and return on financial instruments		
- interest income	-	58,023
	Separate financial statements	
	For the year ended 31 December 2019	
	As reclassified	As previously reported
Interest on margin loans	-	55,246
Interest income	113,005	-
Gain (loss) and return on financial instruments		
- interest income	-	57,759

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

43. Approval of financial statements

These financial statements were authorised for issue by the Company's Board of Directors on 23 February 2021.

Management Discussion and Analysis

Business Overview

In 2020, the COVID-19 epidemic severely affecting the world economy and the Thai economy in the long term. It was the worst economic crisis in decades. The stock market conditions in 2020 was also one of the most volatile. At the end of 2020, the SET index closed at 1,449.35 points, decreasing by 8.3% from the end of 2019. During the year, the SET index was highest at 1,600.48 points on 17 January and lowest at 1,024.46 points on 23 March. The average daily trading value, including SET and mai in 2020, was of THB 68,607 million, a total increase of 29% from a year earlier, 76% of which is an increase in mai and 28% in the SET. Foreign investors had a net sell position of THB 263,148 million, selling for the fourth consecutive year, increasing by 5 times from the previous year. On the other hand, domestic institutional investors had a net buy position for the eighth consecutive year at a value of THB 34,209 million.

The Thai stock market started the year with news of the COVID-19 epidemic, delays in approving 2020 budget expenditures, severe drought, the trade war that waged from the previous year, and especially the problem of the COVID-19 outbreak, all of which created a panic against investment conditions around the world. Many countries had to take city shutdown measures to contain the epidemic. For Thailand, the government declared a state of emergency nationwide from 26 March to 30 April. There were international travel restrictions. All economic activities had to be halted, affecting the liquidity of the business sector and employees. The SET index dropped to its lowest

point in the year at the end of the first quarter before gradually recovering in accordance with the government's relief measures. The Thai economy contracted strongly in the second quarter, foreign investors had a net sell position on the Thai stock market in the first half of THB 215,736 million. On the other hand, institutional and retail investors in the country have a lot of net buy positions. As a result, the average daily turnover in the first half of the year was 38% higher than the same period of the previous year.

The investment environment in the Thai Stock Exchange during the second half of the year was eased from the introduction of various measures of the government and related agencies to sustain and support the economic recovery. In addition, in early November, Joe Biden's US Presidential election results and the announcement of the Covid-19 vaccine trial of Pfizer Inc., which claimed to have a protection efficiency of up to 95% resulted in the Thai stock market soaring again with an average daily trading value of more than THB 90 billion in the last 2 months of the year. As a result of foreign investors returning to net buy positions on the stock exchange, the overall average daily trading value of the securities in the second half increased by 20% from the same period of the previous year.

The Company operates a securities brokerage business, therefore, mainly rely on brokerage income which accounted for 75.3% of total revenue. Apart from the impacts of both domestic and foreign economic factors that affect investors' trading decisions, the proportion of trading value of domestic

investors, who are the Company's target customers, has tended to decrease over the years. However, in 2020, there were more domestic investors than last year due to the COVID-19 epidemic, which made investors more interested in investing in the stock market as a result of volatility and a higher rate of return than other investments. Contrary to foreign investors, whose proportion and trading volume decreased from last year. The Company invested in

the development of the online trading system called Finansia HERO that can meet the needs of various types of investors, both domestic and foreign. This made the Company's online securities trading volume ranked fourth in the industry at the end of 2020 at 6%.

Results of Operations and Profitability

(1) Income

Items	2020		2019		Change	
	Million THB	%	Million THB	%	Million THB	%
Brokerage fees income	1,315	75.3	914	70.6	401	43.9
Fees and services income	123	7.0	81	6.3	42	51.9
Interest income on margin loans	85	4.8	113	8.7	(28)	(24.8)
Gain and return on financial instruments	169	9.7	141	10.9	28	19.9
Shares of profit from investments in an associate and a joint venture	5	0.3	4	0.3	1	25.0
Other income	50	2.9	42	3.2	8	19.0
Total Income	1,747	100	1,295	100	452	34.9

Brokerage Commission Income

In 2020, the major source of income of the Company is brokerage commission accounted for 75.3 of total revenue, increased by THB 401 million from last year or accounted for 43.9%. This is mainly due to the increase in brokerage commissions in equity market accounted for 90.41 of total brokerage commission. Brokerage income from derivatives trading increased from THB 114 million in 2019 to THB 121 million in 2020, or an increase of 6.10%.

Fees and Services Income

Fees and services are accounted for 7.0% of total income, increasing from THB 81 million in 2019 to THB 123 million in 2020 or accounted for 51.9%. Such increase was due to the increase in securities research fees from THB 0.8 million in 2019 to THB 3.2

million in 2020. The revenue from financial advisory and underwriting service also increased from THB 58 million to THB 75 million in 2020 due to the decrease in the number of initial public offerings (IPO) from 13 issues to 15 issues resulted in the increase of revenues from this business. In addition, the Company gained income from unit trust commission in the amount of THB 38 million in 2019, increasing from THB 18 million in 2019 and financial advisory income increased from THB 9.9 million in 2019 to THB 17.2 million in 2020 due to the increased investor and investment value.

Interest Income

Interest Income is accounted for 4.8% of total income, decreasing from THB 28 million in 2019 or accounted for 24.8% due to a decrease in loan income for securities purchases from THB 55 million in 2019 to THB 41 million in 2020. In addition, interest income from deposits in financial institutions decreased from THB 58 million in 2019 to THB 44 million in 2020 because of lower interest rates due to policy and economic conditions.

Gain and return on financial instruments

Gain and return on financial instruments are regarded as significant revenue accounted for 9.7% of total income. The major source is from proprietary trading business and derivative warrants business. In 2020, revenue from such business increased by THB 28 million or accounted for 19.9% . This is mainly because gain in DW increased from THB 40 million to THB 177 million due to higher number of DW

investors even though the securities trading business had gain (loss) from investments from the previous year's profit and became a loss of THB 21 million.

Share of profit from investments in and associate and a joint venture

In 2020, the Company recognized gain from the investment in SBI Royal, Cambodia, in the amount of THB 5 million or an increase of 25.0% as a result of a constantly improved operating results from the investment banking business in Cambodia.

Other revenues

The Company received other revenues apart from its ordinary course of business in an amount of THB 50 million in 2020 which increased by THB 8 million or 19.0% from services given to local institutional customers and profits from discrepancy in currency.

(2) Expense

Items	2020		2019		Change	
	Million THB	%	Million THB	%	Million THB	%
Employee Benefits	943	57.4	796	61.5	147	18.5
Fees and Service Expenses	232	14.1	219	16.9	13	5.9
Finance costs	35	2.1	28	2.2	7	25.0
Bad debt and doubtful accounts (reversal)	0	0	0	0.0	0	0.0
Expected credit losses	11	0.7	0	0.0	11	100
Other expenses	422	25.7	422	32.6	0	0.0
Total	1,643	100	1,465	100	178	12.2

Employee Benefits

The Company had employee benefits expense as a major expense accounted for 57.4% of income. In 2020, this expense increased by THB 147 million or 18.5% which was a result of an increase in cost of insurance for risks incurred from management damage and the Board meeting allowance.

Fees and Service Expenses

In 2020, fees and service expenses of the Company increased from 2019 in an amount of THB 13 million or accounted for 5.9%. The cause of which was an increase in trading fees paid to regulators.

Other expenses

In 2020, other expenses of the Company increased by THB 0.5 million or 0.12% due to the investment and launching of Finansia HERO and organizing Finansia Investment Conference which incurred more expenses in advertisement and public relations significantly and the recognition of depreciation and amortization as well as maintenance expenses of equipment. However, the Company closed some branches to adapt to the situation where technology plays more roles and to alternatively reduce the Company's expenses.

Expenses of the Company excluding employee benefits, fees and service expenses and other expenses

The Company has 3 other types of expenses, namely, finance costs and bad debt and doubtful accounts (reversal). The expected credit loss was THB 46 million, an increase from the previous year. This is due to an increase in expected credit losses from 2020 of THB 11 million, an increase in interest expenses from incoming lease liabilities, and increased borrowing from financial institutions.

(3) Net Profit

Items	2020		2019		Change	
	Million THB	%	Million THB	%	Million THB	%
Income	1,747	100.0	1,295	100.0	452	34.9
Expenses	1,643	94.0	1,465	113.1	178	12.2
Income tax	22	1.3	(32)	(2.5)	54	(168.8)
Net profit	82	4.7	(138)	(10.6)	220	159.4

In 2020, the Company's operating result was THB 1,747 million increased by THB 452 million or 34.9%, likewise, the expenses increased by THB 178 million or 12.2% from the expenses in 2019. The increase in incomes and the increase in expenses resulted in operating profit at the amount of THB 82 million accounted for 4.7% of profit. The profit was mainly a result of increased income from investment and trading in securities, a result of which investors believed they could speculate on investment gains and, therefore, investing in securities more than any other type of investment due to the market volatility from the COVID-19 situation.

The Company had return on equity in 2020 at + 3.43% , increased from 2019 which equaled to - 5.66% . This was mainly due to the operating profit which caused the net profit margin to increase from - 10.66 in 2019 to + 4.7 in 2020. The equity multiplier also increased from 1.82 times in 2019 to 2.45 times in 2020 due to the increase in receivables from clearing house and broker-dealers from THB 142 million in 2019 to THB 282 million in 2020 which was considered an insignificant change. However, the total assets turnover increased from 0.29 times in 2019 to 0.34 times in 2020, resulting in the slightly increase of the efficiency of the assets utilization.

Asset Management Ability

Receivables from Clearing House and broker-dealers

At the end of 2020, the Company had receivables from Clearing House and broker-dealers amounted to THB 282 million, increasing by THB 140 million from the previous year or accounted for 79.398.57%. The reason of which was the increase in receivables from clearing house which was THB 265 million in 2019 to THB 524 million in 2020 or 97.7%.

Securities and derivatives business receivables

As of 31 December 2020, the Company's total assets was of THB 5,947 million, increased by THB 1,670 million or 39%. Such increase was mainly due to the decrease in securities and derivatives business receivables which was the highest proportion in the Company's assets increasing by THB 1,201 million or 46.9%. Such transactions were variable depends on the trading volume of the customers during the last three business days of each fiscal period. The increase in these transactions are regarded as the Company's ordinary course of business and do not have a significant impact on the Company's operation. Securities and derivatives business receivables comprises of:

- Receivables from cash accounts amounted to THB 2,375 million at the end of 2020, increasing from the end of 2019 by THB 750 million or 46.12%.
- Credit balance accounts amounted to THB 1,162 million at the end of 2020, increasing from the end of 2019 by THB 251 million or 27.56%.
- Collateral receivables amounted to THB 95 million at the end of 2020, increasing from the end of 2019 by THB 89 million or 1432.9%.
- Receivable from securities borrowing and lending amounted to THB 51 million at the

end of 2020, increasing by THB 47 million or 1,137.9% from the end of 2019.

- Receivables from derivatives business amounted to THB 71 million at the end of 2020, increasing by THB 64 million or 871.6% from the end of 2019.
- Other receivables (Securities and derivatives business receivables) amounted to THB 17 million at the end of 2020, increasing by THB 10 million or 141.99% from the end of 2019.

The Company has prepared accounts for non-performing receivables in accordance with the financial reporting standards set by the Committee on Accounting Standards in accordance with the law on Accounting Profession and the Notification of the Securities and Exchange Commission No. Kor. Thor. 1/2019

Investments

At the end of 2020, the Company had investments amounted to THB 708 million, divided into THB 704 million of trading securities. Such investments were different from the investment in 2019 that invested in trading securities THB 779 million and general investment of THB 3 million from the total investment of THB 782 million, such investment will depend on holding as of 31 December of each year.

Investment in Subsidiary, Associate, and Joint Venture

At the end of 2020, the Company invested in its subsidiary, associate, and joint venture amounted to THB 121 million, increasing by THB 4.8 million or 4.11% from the previous year due to the weakened currencies which resulted in the investment amount increase.

Intangible Assets

At the end of 2020, the Company had tangible assets of THB 314 million, decreasing by THB 2 million or 0.6% due to the increase in office equipment, computer accessories and computer program being in development process.

Other Assets excluding receivables from clearing house and broker-dealers, securities and derivatives business receivables, investments, investment in subsidiary, associate and joint venture, intangible assets

The Company had 7 other types of assets, namely, cash and cash equivalents, derivatives assets, loans to employees, equipment, deferred tax assets and other net assets which are totaling THB 762 million, increasing by THB 399 million or 110.5% from the previous year.

Liquidity and Sufficiency of Capital

Liquidity

At the end of 2020, the Company's cash and cash equivalent increased by THB 120 million which increased from the end of 2019, divided into:

- Operating activities – the Company's net cash flow from operating activities was minus THB 256 million which is mainly due to net loss before tax of THB 170 million and cash to pay business payables decreasing by THB 554 million. The Company had cash payments to clearing houses and securities companies, a decrease of THB 359 million. Another reason was that the Company had cash to pay receivables increased from the previous year to THB 1,335 million as a result of an increase in debts of both clearing houses and securities companies and securities and derivatives businesses. However, the Company has strict measures to prevent risks that may arise from customer default and also considers quality clients and has a stable financial status.
- Investment activities – the Company's net cash flow from investment activities was THB 54 million since The Company had net cash used in investing activities of THB 54 million, a decrease of THB 33 million from

2019. There was a reduction in cash payments of up to THB 58 million for intangible assets, thus the Company's cash decreasing from this activity.

- Financing activities – the Company's cash flow from financing was THB 430 million which mainly resulted from cash items from loans from financial institutions increased and additional cash from the debt instruments issued.

In considering the Company's liquidity, an additional issue was the ability to meet its Net Capital Requirement (NCR) , to be in line with SEC's regulations. The ratio of net capital requirement will be varied depending on various factors such as securities trading volume, underwriting of securities and etc. During the past years, the Company had maintained its NCR above 7% which was the minimum net capital requirement of the SEC. This demonstrates that the Company had sufficient liquidity for business operation.

Source of Funds

As of 31 December 2020, the Company's source of funds derived from 2 sources which are liabilities amounted to THB 3,516 million and shareholder's equity amounted to 2,431 million. All of

which had debt to equity ratio equivalent to 1.45 times. In considering the liabilities, it was found that the majority of debt came from securities and derivatives business payables accounted for 32.43% of total source of funds which varied according to trading volume within 2 business days before the end of each accounting period. As a result, it is not

regarded as the real source of funds. Therefore, to consider debt to shareholder's equity ratio excluding securities and derivatives business payables, the Company's debt to shareholder's equity was only 0.65 times, increasing by 0.42 times from the end of 2019.

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 domestic and global, including liberalization of commission rate. These factors affecting local and foreign investor's sentiments might affect financial status and operations.

Risk from changes in prices of securities invested by the Company affected profit and loss on the Company's investment in securities. Therefore, the Company 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.

The economic policy of the government is also a factor affecting the performance of the Company due to changing rules and regulations, which affects investors' interest and investment ability and cause changes in the operating system which may affect the income and expenses of the Company, including changes in laws and regulations from various regulators such as the SEC and the Stock Exchange of Thailand.

Technology will also be the main factor that plays a greater role in doing business in the future. Many companies have researched and developed technology to be used to generate more income. Therefore, in the securities business, many companies have continuously focused on technology development to help increase their competitiveness with other companies. However, the Company has continuously researched and developed technology every year. This can be seen from the fact that the Company has innovated and developed the Finansia HERO application to help investors, which has consistently received positive feedback from investors.

Research and Development (R&D) According to National Science and Technology Development Agency (NSTDA)

The Company values the importance of research and development (R&D) by modernizing its technology to response the need of customers and enhances the quality of its operation to be more efficient. The expenses of research and development in softwares since 2018-2020 were THB 78.27 million, which was booked as intangible assets-software in 2020.

Related Party Transactions

Related Parties	Relationship	Transaction Details	Conditions and Price Policy	Transaction Value (THB million)	
				2019	2020
1) Directors and executives of the Company	<ul style="list-style-type: none"> <u>Directors as of 31 December 2019</u> <ol style="list-style-type: none"> Mr. Chatchaval Jiaravanon Mr. Varah Sucharitakul Mr. Chuangchai Nawongs Mr. Somphop Keerasuntonpong Mrs. Pornpring Suksantisuwan Mr. Yang Liu Pol. Gen. Visanu Prasattongsoth Mr. Phaiboon Siripanoosatien Mr. Kittisak Bencharit 	<p>Fee received</p> <p>Accrued expenses</p> <ul style="list-style-type: none"> In 2019, Directors No. 1, 3, 4, 5, and 7 had securities trading account with the Company and 1 Directors (No. 7) had total trading value of THB 4.72 million. 	<ul style="list-style-type: none"> The Company charges directors according to the minimum commission fee of the SET. 	-	-
	<ul style="list-style-type: none"> <u>Directors as of 31 December 2020</u> <ol style="list-style-type: none"> Mr. Chatchaval Jiaravanon Mr. Varah Sucharitakul Mr. Chuangchai Nawongs Mr. Somphop Keerasuntonpong Mrs. Pornpring Suksantisuwan Pol. Gen. Visanu Prasattongsoth Mr. Phaiboon Siripanoosatien Mr. Kittisak Bencharit Ms. Kanchana Vongratanakulthorn 	<ul style="list-style-type: none"> In 2020, Directors No. 1, 3, 4, 5, and 7 had securities trading account with the Company and 1 Directors (No. 7) had total trading value of THB 39.18 million. 		0.01	0.10
	<ul style="list-style-type: none"> <u>Executives as of 31 December 2019</u> <ol style="list-style-type: none"> Mr. Kuntra Ladavalya Na Ayudya Mr. Chatchai Chumsiri Mr. Nithivat Dhambhirasing Mr. Pothorn Chuemvarachart Mr. Somchai Kaewjaroenpisan Ms. Kanoknapat Sithivaraporn Mr. Supat Apiratimai Mr. Pannatat Smitthisakda 	<ul style="list-style-type: none"> In 2019, executives No. 1, 2, 3, 4, 5, 12, 13 and 16 had securities trading account with the Company and 1 Management (13) had total trading value of THB 0.03 million. 			

Related Parties	Relationship	Transaction Details	Conditions and Price Policy	Transaction Value (THB million)	
				2019	2020
	9) Mrs. Nusara Rooncharoen 10) Mrs. Wimon Lovichit 11) Mr. Richard Edmond Markarian 12) Mr. Kosit Thammatada 13) Mr. Somyot Kittisukcharoen 14) Ms. Chorpetch Riamdee 15) Ms. Supin Suravichai 16) Ms. Ubonrut Sripunyawitch 17) Ms. Raveewan Chaityakit 18) Mrs. Manida Sithseree 19) Mr. Chatchawan Dashrochanapatt 20) Mr. Pitsanu Wathanawanapong • <u>Executives as of 31 December 2020</u> 1) Mr. Kuntra Ladavalaya Na Ayudya 2) Mr. Chatchai Chumsiri 3) Mr. Nithivat Dhambhirasing 4) Mr. Pothorn Chuemvarachart 5) Mr. Somchai Kaewjaroenpisan 6) Ms. Kanoknapat Sithivaraporn 7) Mr. Pannatat Smitthisakda 8) Mrs. Nusara Rooncharoen 9) Mr. Kosit Thammatada 10) Mr. Somyot Kittisukcharoen 11) Ms. Chorpetch Riamdee 12) Ms. Supin Suravichai 13) Ms. Ubonrut Sripunyawitch 14) Ms. Raveewan Chaityakit 15) Mrs. Manida Sithseree 16) Mr. Pitsanu Wathanawanapong	• In 2020, Executives No. 1, 2, 3, 4, 5, 9, 10, and 13 had securities trading account with the Company and 1 Management (10) had total trading value of THB 0.03 million.	• The Company charges executives according to the minimum commission fee of the SET.	-	-

Related Parties	Relationship	Transaction Details	Conditions and Price Policy	Transaction Value (THB million)	
				2019	2020
2) Top 10 major shareholders	<ul style="list-style-type: none"> As of 31 December 2019 <ol style="list-style-type: none"> Finansa Fund Management Ltd. ICBC (Thai) PLC MORGAN STANLEY & CO. INTERNATIONAL PLC Thai NVDR Co., Ltd. Mrs. Suporn Wattanavekin Mr. Anucha Sihanatkathakul Mr. Paitoon Manasilp Mr. Kittichai Kraikorkij Mr. Chamroen Rungwattanasat Mrs. Kesara Manasilp As of 31 December 2020 <ol style="list-style-type: none"> Finansa Fund Management Ltd. Morgan Stanley & Co. International PLC ICBC (Thai) PLC Thai NVDR Co., Ltd. KIM ENG SECURITIES (HONG KONG) LTD. FOR DVP CLIENT. Mrs. Suporn Wattanavekin Mr. Anucha Sihanatkathakul Mr. Paitoon Manasilp Mr. Chamroen Rungwattanasat Mrs. Kesara Manasilp 	<p>Fee received</p> <ul style="list-style-type: none"> In 2019, Shareholders No.1, 2, 5, 6, 9 and 10 had securities trading account with the Company. In 2020, Shareholders No.1, 3, 6, 9 and 10 had securities trading account with the Company. 	<ul style="list-style-type: none"> The Company charges shareholders according to the minimum commission fee of the SET. The Company charges shareholders according to the minimum commission fee of the SET. 	0.16	0.32
3) True Vision Group Co., Ltd.	Same Director as of 31 December 2019 and 2020.	Service fees	<ul style="list-style-type: none"> The Company uses Cable TV satellite service provided by True Vision Group Co., Ltd. 	0.62	0.45
4) TrueTouch Co., Ltd.	Same Director as of 31 December 2019 and 2020.	<p>Service fees</p> <p>Accrued expenses</p>	<ul style="list-style-type: none"> The Company uses services provided by TrueTouch Co., Ltd. according to the contracts and conditions 	1.25	2.81
5) FSS International Investment Advisory	It was the Company's subsidiary as of 31 December 2019 and 2020.	Other receivables	<ul style="list-style-type: none"> according to the contracts and conditions 	4.30	0.71

Related Parties	Relationship	Transaction Details	Conditions and Price Policy	Transaction Value (THB million)	
				2019	2020
Securities Co., Ltd.		<u>Other payables</u> <u>Income from service fees</u> <u>Other expenses</u>	<ul style="list-style-type: none"> according to the contracts and conditions according to the contracts and conditions according to the contracts and conditions 	- 3.60 44.40	- 3.60 45.00
6) SBI Thai Online Securities Company Limited	It was the Company's joint venture until April 2018.	<u>Income from service fees</u>	<ul style="list-style-type: none"> according to the contracts and conditions 	-	-
7) ICBC (Thai) PLC	It was a shareholder of the Company as of 31 December 2019 and 2020.	<u>Deposit</u> <u>Margin pledged for derivative trading</u> <u>Interest incomes</u>	<ul style="list-style-type: none"> The Company has current account and promissory note with the Bank. according to the contracts and conditions according to the promissory note 	1.00 - -	5.36 - -
8) Finansa Securities Co., Ltd.	It was the Company's subsidiary of parent of major shareholder of the Company as of 31 December 2019 and 2020.	<u>Other receivables</u> <u>Other payables</u> <u>Fees and service income</u> <u>Other expenses</u>	<ul style="list-style-type: none"> according to the contracts and conditions according to the contracts and conditions according to the contracts and conditions according to the contracts and conditions 	- - - -	1.30 5.40 13.90 5.40

Related Parties	Relationship	Transaction Details	Conditions and Price Policy	Transaction Value (THB million)	
				2019	2020
9) Finansia PLC	It was a parent of major shareholder of the Company as of 31 December 2019 and 2020.	<u>Fee received</u>	<ul style="list-style-type: none"> The Company charges shareholders according to the minimum commission fee of the SET 	-	0.30
		<u>Other incomes</u>	<ul style="list-style-type: none"> according to the contracts and conditions 	-	-
10) Zaap Party Co., Ltd.	Same Director as of 31 December 2019 and 2020.	<u>Other expenses</u>	<ul style="list-style-type: none"> The Company uses services provided by Zaap Party Co., Ltd. according to the contracts and conditions 	-	-
11) The Ultra Wealth Group Co., Ltd.	Same Director as of 31 December 2019 and 2020.	<u>Other expenses</u>	<ul style="list-style-type: none"> The Company uses services provided by The Ultra Wealth Group Co., Ltd. according to the contracts and conditions 	-	-

Management Structure

The Company's management structure consists of the Board of Director, sub-committees and management committees as follows:

- (1.1) Audit Committee
- (1.2) Executive Board
- (1.3) Remuneration Committee
- (1.4) IT Security Committee
- (1.5) Management Committee
- (1.6) Damage Examination Committee
- (1.7) Complaints Consideration Committee
- (1.8) Purchase Committee
- (1.9) Brokerage Business Committee
- (1.10) Risk Management Committee
- (1.11) Investment Committee
- (1.12) Private Fund Committee
- (1.13) Risk of Private Fund Committee

Board of Directors

Composition of the Board of Directors

The Company sets out the composition of the Board of Directors to ensure a proper balance of power and responsibilities among the governance bodies with the aim of avoiding a situation whereby a single individual has absolute power in decision making.

Number of directors

The Board of Directors consists of at least five directors but not more than eleven directors where at least one-third but not less than three of them act as independent directors, and at least three independent directors shall be the members of the Audit Committee.

Qualifications

The Board of Directors shall be experienced and competent in the Company's business, considering from the diversity of their skills, experiences, characteristics with an appropriate gender and age, and shall not possess any of the prohibited characteristics specified by the relevant regulations.

Residency of directors

No less than half of all directors must reside in Thailand.

Authorized Directors

Two directors whose names specified in the Company's Affidavit sign and affix the Company's seal.

Holding Position as directors in other listed companies

The directors shall not hold positions as directors in more than 5 listed companies.

Directors

As of 31 December 2020, the Company has nine directors and three of them also act as independent directors:

	Full Name	Position
1.	Mr. Chatchaval Jiaravanon	Chairman of the Board of Directors
2.	Mr. Varah Sucharitakul	Deputy Chairman of the Board of Directors
3.	Mr. Chuangchai Nawongs	President
4.	Mr. Somphop Keerasuntonpong	President
5.	Mrs. Pornpring Suksantisuwan	Director
6.	Ms. Kanchana Vongratanakulthon	Director
7.	Pol. Gen. Visanu Prasattongsoth	Independent Director and Chairman of the Audit Committee
8.	Mr. Phaiboon Siripanoosatien	Independent Director and member of the Audit Committee
9.	Mr. Kittisak Bencharit	Independent Director and member of the Audit Committee

Authority and Duties of the Board of Directors

Board of Directors has their roles and responsibilities towards the shareholders, where individual director shall perform his duties for the utmost benefits of the Company, and shall be responsible for their performances collectively and equally. The roles and responsibilities of the board of directors are as follows:

- 1) Be aware of their roles as the leader of the corporate governance, and be responsible for promoting the corporate culture with morality, and also take into consideration the stakeholders, society, and environment to achieve sustainable growth
- 2) Determine the clear objectives and goals, and inform policies and directions of the Company to all level of personnel, enable them to understand and implement coherently. Besides, the Board of directors should follow up and ensure that the business operation takes into account an impact on the stakeholders with morality and contributing to the society, as well as the ability to compete properly in the changing situation in a long term
- 3) Ensure that the operation comply with the statutory requirement, the Company's articles of association, resolution of the shareholders' meeting, and relevant practices
- 4) Consider and assign its duties to the management within the scopes that the Board of Director deems appropriate and ensure that the management carries out their duties as assigned, as well as review the delegation of roles and responsibilities regularly
- 5) Consider the strategies, operational policies, and business plan for both financial and non-financial aspects as well as budget and informs the employees to ensure that they understand the objectives and goals; and carefully analyzes the environment, factors, risk, and impact to stakeholders to be in line with the scope of ethics and relevant laws by implementing innovation and technology to create the ability to compete and business value, while taking care of the stakeholders properly; allocates the resources which are important for business operation; and follows up, reviews and monitors the performance to meet the objectives and goal sustainably
- 6) Determine and review the composition of the Board of Directors to ensure appropriateness and conduct the disclosure thereof including directors' information in the Company's annual report and website

- 7) Set out the clear scope of duties of the Chairman and the Chief Executive Officer to prevent one of them from having absolute power and to set a balance between the Board of Directors and the Management
- 8) Appoint relevant committees to consider specific matters, scrutinize information, recommend action for board approval, and disclose their roles and responsibilities, number of meetings, and performance
- 9) Consider the remuneration and its rate for each pay component proposed by the Remuneration Committee to be appropriate and in line with responsibility of the directors, and discloses the remuneration policy and procedure for the directors in order to propose to shareholders for approval
- 10) Ensure that the Company's governance framework and policy extend to its subsidiaries and other businesses in which the Company has a significant investment by determining scope of duties of the person appointed to act on behalf of the Company. The Board of Directors shall also ensure that the internal control within its subsidiaries is adequate and concise, and ensure that the financial status, performance, and other important transactions are disclosed pursuant to relevant laws and regulations. The agreement or arrangement may be made to clarify the managerial power and participation in decision making
- 11) Constantly develop skills and competencies in their duties by participating training and updating knowledge required for their roles, and discloses such participation in the annual report. The Board shall also understand the corporate's information, operations, relevant law and standards
- 12) Appoint a company secretary who is competent and experienced to support the Board of Directors to carry out its duties to be in order and able to access necessary information
- 13) Monitor the recruitment procedure and promote the Chief Executive Officer and senior executives to possess knowledge, competency, experience, and characteristics that is necessary for their duties; ensures that the remuneration structure and the evaluation is adequate; conduct the succession plan and report to the Board of Director from time to time; as well as manage and develop human resources in accordance with the direction and strategy of the organization. This includes promoting and supporting employees with adequate savings and financial management to support retirement
- 14) Understand the structure and relationship of the shareholders to prevent it from being hindrance in performing their duties, and ensure that the information is disclosed according to the agreements which affect the control over business
- 15) Establish the scopes of oversight and management of information technology in the corporate level to be consistent with the Company's demand and ensures that the information technology is adopted to increase business opportunity and operation development, as well as risk management
- 16) Establish the proper risk management system and internal control, and manage conflicts of interest prevention policy, the use of non-public information prevention policy and anti-corruption practice, and communicates and encourages the employees to comply with relevant rules and regulations, and also establish the receipt of complaint mechanism and the whistleblowing procedure
- 17) Supervise the preparation and disclosure of financial report to be accurate, adequate, timely, and in compliance with relevant regulatory, standard, and practices

- 18) Monitor the financial liquidity, solvency, and mitigation plan for financial difficulty by taking into account the rights of the stakeholders.
- 19) Encourage the implementation of information technology in the disclosure of significant information
- 20) Allow shareholders to participate in significant matters, and ensures that the shareholders' meetings are conducted properly with transparency and efficiency; ensures the ability of all shareholders to exercise their rights; ensures accurate and complete disclosure of shareholder resolutions and minutes of the shareholders' meetings
- 21) Establish the policies for managing various risks arising from conducting private fund management business in accordance with the risk characteristics; review and update the policies to be current and in line with market conditions and significant changes according to certain situations. In this regard, the Board of Directors assigned the Executive Board to consider and establish a management committee responsible for ensuring that the private fund management business complies with relevant rules and is efficient, and preventing conflicts of interest. The Executive Board shall report the performance of the aforementioned management committee to the Board of Directors on a quarterly basis
- 22) Establish the policies for conducting digital asset business, risk management and internal control system, selection and revocation of digital assets to be provided to customers; establishes measures to prevent conflicts of interest and use of inside information; as well as provides appropriate information technology systems. In this regard, the Board of Directors assigned the Executive Board or the person assigned by the Executive Board to execute the policies and perform any action related to digital asset business

Chairman of the Board of Directors

Chairman has the roles as a leader of the organization and responsibility for the efficiency of the Board of Directors, namely:

- 1) Presides over the Board of Directors' meetings and the Shareholders' meeting and ensure that the meetings are conducted properly
- 2) Oversees, monitor and ensure that the Board of Directors efficiently carries out their duties to achieve the company's objectives and goals
- 3) Ensures that all directors contribute to promote ethical organizational culture and good corporate governance
- 4) Sets the Board Meeting agendas by discussing with the Chief Executive Officer and the Company Secretary, and sets the policy to ensure that the important matters are included
- 5) Allocates sufficient time for the consideration of each proposed agenda and encourage directors to exercise independent judgment;
- 6) Promotes healthy relationship between executive and non-executive directors, and between the Board of Directors and the management

Chief Executive Officer

Chief Executive Officer has the roles in developing business plans and operation plans; ordering, overseeing, and monitoring daily routines; managing budget and allocating resources to be consistent with the Company's strategy, namely:

- 1) Manages and monitors the business operation to be consistent with policies, objectives, operational plans, business strategies, and budget approved by the Board of Directors or the Executive Board
- 2) Establishes practices, work procedures, internal control system, and establishes or revokes practices, orders, rules and notifications to ensure that the operations comply with the specified policies
- 3) Approves the payment for various operations pursuant to the corporate authorization index or annual budget approved by the Board of Directors
- 4) Approves the credit limit for cash balance account pursuant to the corporate authorization index
- 5) Approves the purchase of computers and office appliances in addition to those specified in the annual budget in the amount not exceeding THB 3 million and in compliance with the corporate authorization index
- 6) Approves the construction or renovation of the offices in addition to those specified in annual budget in the amount not exceeding THB 1 million and in compliance with the corporate authorization index
- 7) Acts as the management including recruiting, hiring, determining both short and long-term compensations, repositioning, training, terminating employment for the employees serving as senior vice president and below
- 8) Appoints a lawyer to file a lawsuit or involve in the legal proceeding on an issue relating to the business operation
- 9) Appoints or assigns person (s) to act on behalf of himself as appropriate, and shall revoke, change, or revise such appointment or assignment
- 10) Performs any duties as assigned by the Board of Directors or the Executive Board

President

Presidents' roles are to support the Chief Executive Officer's duties as follows:

- 1) Manage day-to-day operations of the Company by optimizing the use of existing resources.
- 2) Assist the Chief Executive Officer in developing strategies and mission of the organization, instruct, and give an order to employees in lower level to implement such strategies and mission.
- 3) Conduct the operational plan by considering the importance between the need of customers, employees, and the Company.
- 4) Cooperate with the Chief Executive Officer and the Executives to ensure that employees achieve the best quality standard and comply with the corporate governance policy and the code of conduct.

Appointment and Retirement

Although the Company does not have the Nomination Committee to select persons to be appointed as the Company's directors, the Company established the rules and procedures for directors' appointment and retirement as follows:

- 1) Shareholders' meeting shall appoint persons to be the directors according to the composition of the Board of Directors. The criteria and procedures thereof are as follows:
 - (a) each shareholder shall have one vote for each share held.
 - (b) each shareholder may cast the total number of votes under (1) for electing one or more persons as director or directors, the votes must not be appropriated to any person in any number at the shareholder's pleasure.
 - (c) the candidates shall be ranked in order descending from the highest number of votes received to the lowest, and shall be appointed as directors in that order until all of the director positions are filled. Where the votes cast for candidates in descending order are tied, which would otherwise cause the number of directors to be exceeded, the remaining appointment shall be made by the chairman of the meeting who shall have a casting vote.
- 2) At the Annual General Meeting of Shareholders, one-third of the directors, or if their number cannot be divided by three, then the number nearest to one-third, must retire from the office.
- 3) A retiring director is eligible for re-election.
- 4) Any director intending to resign shall submit a resignation letter to the Company. The resignation takes effect from the date on which the resignation letter reaches the Company.
- 5) The directors to vacate office in the first and second years following the registration of the Company shall be drawn by lots. In every subsequent year, the directors who have been longest in office shall vacate office.
- 6) In addition to vacating office at the expiration of the term, a director vacates office upon:
 - (a) death;
 - (b) resignation;
 - (c) being disqualified or being under any of the prohibitions under the laws relating to public limited company and securities and exchange;
 - (d) being removed by a resolution of a shareholders' meeting with the votes of not less than three-fourths of the number of shareholders present at the meeting and entitled to vote and also with the aggregate number of shares of not less than half of the number of shares held by the shareholders present at the meeting and entitled to vote.
- 7) In the case the office of a director becomes vacant by any reason other than the expiration of the term, the Board of Directors shall elect a person possessing the qualifications and being under no prohibitions under relevant laws and regulations as a replacing director at the next Board of Directors' meeting, unless the remaining term of office of such director is less than two months. The replacing director shall hold office only for the remaining
- 8) The appropriate term of service for the independent directors shall be limited to three terms consecutively, unless any independent director is appropriate to hold office beyond such period, the Board of Directors shall

review the independence and efficiency, and inform a rationale and performance of such independent director to shareholders.

Director Orientation

The Company set the orientation program for the new directors to create awareness and understanding of their roles and duties of director which comprises of the following topics: (1) the Company's history and nature of business, (2) the Company's group structure, organizational structure, and shareholding structure, (3) duties and responsibilities of the Board of Directors according to the relevant laws, (4) financial status and operating results, (5) corporate governance, (6) use of inside information, (7) internal control and risk management, (8) Code of Conduct, and (9) remuneration and benefits of directors.

Succession Plan

The Board of Directors established a succession plan for the top executives, namely, Chief Executive Officer, President and executives in lower level. External or internal candidate who is qualified are also eligible to be nominated for the abovementioned positions in order to fit the particular circumstance of the Company and to prepare the Company's personnel to perform their duties in the case the top executives and subordinate executives cannot perform their duties or their term of service is expired. The succession plan will also minimize risk or impact caused by discontinuity in the business management, the Company; therefore, conduct the succession plan as specified follows:

- 1) Executive positions that need the succession plans are the Chief Executive Officer, the President and the executives of all departments;
- 2) The Board of Directors will consider and determine the knowledge and experience required for each level of position;
- 3) The Board of Directors will consider and determine an executive who is qualified to succeed each position;
- 4) The Board of Directors will evaluate the performance and competencies of the qualified executives, and then compare to the required level of performance to conduct the individual development plan;
- 5) The Board of Directors may assign the Chief Executive Officer and the President to supervise the training and development program for the qualified executives;
- 6) The Board of Directors may set out the rotation of duty for qualified executives, and allow the executives in vice president level to attend the Board of the Directors' meeting to enable them to understand, experience and prepare for the overall management of the Company;
- 7) The Board of Directors may discuss the performance and the individual development report on the qualified executives in the Board of Directors' meeting;
- 8) The Board of Directors assigns the Chief Executive to report the implementation of the succession plan to them at least once on an annual basis.

Company Secretary

The Board of Directors set out the qualification of the Company Secretary whose roles are to provide advice relating to laws and regulations which the Board of Directors are required to know, to maintain important documents, and to coordinate to ensure that all resolutions of the Board of Directors have been implemented.

Responsibilities of the Company Secretary

- 1) Prepares and maintains the following documents:
 - Register of directors;
 - Notices of the Board of Directors' Meeting and Minutes of the Board of Directors' Meeting;
 - Notices of shareholders' meetings and Minutes of shareholders' meetings;
 - Annual Reports;
- 2) Maintains reports of the interests which reported by directors or executives;
- 3) Perform any duties set out by the Capital Market Supervisory Board;
- 4) Perform any tasks assigned by the Board of Directors.

(1) Audit Committee

The Company established the structure of the Audit Committee which is independent from the executives and major shareholders to ensure that the management is conducted for the mutual benefit of the Company.

Member of the Audit Committee

Consist of as least 3 independent directors

General Qualifications

- 1) Holding shares not more than 1% of the total number of shares with voting rights of the Company, its subsidiaries, affiliates, major shareholders or controlling person, including shares held by related persons of such independent director;
- 2) Neither being nor used to be an executive director, employee, staff, advisor who receives salary, or controlling person of the Company, its subsidiaries, affiliates, major shareholders, unless the foregoing status has ended not less than 2 years prior to his appointment;
- 3) Not being a person related by blood or legally registered as parents, spouses, relatives and children, including a spouse of the executive's child, with executives, major shareholders, controlling persons, or persons who will be nominated as the executive or controlling person of the Company or its subsidiary;
- 4) Neither having nor used to have a business relationship with the Company, its subsidiaries, affiliates, major shareholders, in the manner which may interfere with his independent judgment, and neither being nor used to be a significant shareholder or controlling person of any person having a business relationship, unless the foregoing relationship has ended not less than 2 years before his appointment;
- 5) Neither being nor used to be an auditor of the Company, its subsidiaries, affiliates, major shareholders or controlling person, and not being a significant shareholder, controlling person, or partner of an audit firm which

employs auditors of the Company, its subsidiaries, affiliates, major shareholders, or controlling person, unless the foregoing relationship has ended not less than 2 years before his appointment;

- 6) Neither being nor used to be a provider of any professional services including those as legal advisor or financial advisor who receives service fees exceeding THB 2 million per year from the Company, its subsidiaries, affiliates, major shareholders or controlling person and not being a significant shareholder, controlling person or partner of the provider of professional services, unless the foregoing relationship has ended not less than 2 years before his appointment;
- 7) Not being a director appointed as representative of directors of the Company, major shareholder or shareholder who is related to major shareholder;
- 8) Not undertaking any business in the same nature and in competition to the business of the Company or its subsidiaries or not being a significant partner in a partnership or being an executive director, employee, staff, advisor who receives salary or holding shares more than 1% of the total number of shares with voting rights of other company which undertakes business in the same nature and in competition to the business of the Company or its subsidiaries.

Specific qualifications

- 1) Not being assigned by the Board of Directors to take part in the business decision of the Company, its subsidiary, affiliate, same-level subsidiary, major shareholder or controlling person;
- 2) Not being a director of the Company's subsidiary or same-level subsidiary, which is a listed company;
- 3) Must possess sufficient knowledge and experience to serve as the Audit Committee and have sufficient time to perform his duties;
- 4) Each member of the Audit Committee shall not hold the position of a director in more than five listed companies since it will affect the effectiveness of his performance in one of those companies;
- 5) The members of the Audit Committee are not required to be knowledgeable in accounting or finance since the Audit Committee can seek advice from independent accounting or financial experts. However, at least one of the Audit Committee Members shall have sufficient knowledge and experience in accounting or finance to perform the review of the credibility of the financial statements, and be consistently knowledgeable of events affecting the changes in financial reporting process in order to increase the efficiency of the Audit Committee's performance.
- 6) A Member of the Audit Committee shall constantly participate the training and improve his knowledge relating the activities of the Audit Committee, in order to be up to date with the ongoing changes that may occur; and shall constantly improve his knowledge relating the Company's operation to increase effectiveness of the Audit Committee.

As of 31 December 2020, the Audit Committee of the Company comprises of 3 members, where Mrs. Parichart Kanthaseema serves as the secretary to the Audit Committee. Mr. Phaiboon Siripanoosatien and Mr. Kittisak Bencharit are

members of the Audit Committee who have knowledge and experience in accounting or finance to perform the review of the credibility of the financial statements.

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

The Audit Committee's roles are similar to the Board of Directors. However, the additional duties are to monitor the accuracy and creditability of the financial statement, internal control system and internal audit; and ensure the Company's compliance with laws and regulations. In this regard, the roles and responsibilities of the Audit Committee are as follows:

- 1) Review the Company's financial report to ensure accuracy and completeness
- 2) Review the internal control system and internal audit of the Company to ensure appropriateness and effectiveness
- 3) Ensure the compliance with laws relating securities and exchange, future contract, regulations of the SET and Thailand Futures Exchange Public Company Limited, as well as any laws and regulations related to the business
- 4) Consider the independence of the internal audit department, and consider and approve the appointment, transferring and dismissal
- 5) Consider, select, nominate and dismissal an independent person to be the external auditor of the Company; consider and propose his remuneration; and convene the meeting with the external auditors at least one meeting a year without the presence of management
- 6) Consider connected transactions or transactions which may constitute potential conflicts of interest to ensure that such transactions are reasonable and gain the Company maximum benefit, as well as in compliance with the relevant laws and regulations
- 7) Review the accuracy of the reference documents and self-evaluate form relating to anti-corruption measure of Thai Private Sector Collective Action Coalition against Corruption
- 8) Conduct the Corporate Governance Report from Audit Committee signed by the Chairman of the Audit Committee and disclose in the annual report
- 9) Perform other duties as assigned by Board of Directors with consent from the Audit Committee

(2) Executive Board

The Company established the structure of the Executive Board as follows:

Member of the Executive Board

At least three directors

Qualification

Possess knowledge and experience related to the Company's business, especially risk management, business administration, strategy and financial products.

As of 31 December 2020, the Executive Board of the Company comprises of 4 members, where Ms. Phatra Kanchanapraphat serves as the secretary to the Executive Board.

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

The crucial duties and responsibilities of the Executive Board are to ensure the compliance of the Company's strategies, policies and regulations, and oversees the Company's business, and perform tasks assigned by the Board of Directors, including approvals of significant or high-risk transactions in order to accomplish the Company's vision and be in line with the Company's mission and also promote management practices to be in accordance with the Company's core values. In addition, the Executive Board shall have authorities, duties and responsibilities as follows:

- 1) Consider and formulate the business strategy, financial goals, annual business plan (including short, medium and long term), including annual budget for proposal to the Board of Directors
- 2) Review, follow up, and oversee the business plan and annual budget to ensure its compliance with specified objectives and goals
- 3) Consider and approve matters related to the business of the Company according to the Company's regulations, including but not limited to the following:
 - 3.1) credit
 - 3.2) debt restructuring
 - 3.3) investment strategy and investments
 - 3.4) contingent liabilities and borrowing
 - 3.5) expenses on various operations which are above the authorization of the authorized executives provided that it complies with the Company's authorization index or annual budget approved by the Board of Directors
 - 3.6) MIS report
 - 3.7) human resources matters
 - 3.8) other crucial matters relating to the Company's business, such as new business, interest rate policy, credit policy, accounting policy, branch opening, organization structure, etc.
- 4) Approve the securities underwriting and transactions relating to investment banking business according to the transaction sizes specified by the Board of Directors
- 5) Consider and approve the appointment of management committees or other committees as appropriate
- 6) Consider and screen issues prior to their proposal to the Board of Directors for consideration, except where the issues are under the responsibility and/or authority of other sub-committees. Such issues shall be screened by related sub-committees to propose to the Board of Directors

- 7) Consider and acknowledge issues both related and not related to the management of the Company, such as legal proceedings against the Company as a defendant, etc. , which the Executive Board deem necessary or appropriate
- 8) Consider and acknowledge compliance reports and/or internal audit reports concerning preventive and audit measures. In case of damage and potential loss which could severely affect the Company, the compliance department shall inspect and report to the Executive Board immediately
- 9) Ensure that high-level executives, including the head of the Risk Management Department, comply with the risk management policy and strategy, and acceptable level of risk.
- 10) Review the adequacy and effectiveness of the overall risk management policy and strategy, including the acceptable level of risk at least once a year or in the occurrence of significant changes. The Risk Management Committee should discuss and exchange ideas to assess whether the Company's risk management policy and strategy cover all types of risks, including emerging risks, and implement such policy and strategy with efficiency and effectiveness.
- 11) Report the Board of Directors about status of risk, efficiency and situation of risk management, compliance with corporate culture taking into account risk, as well as significant factors and problems, and things that need to be revised in order to be in line with the Company's risk management policy and strategy.
- 12) Supervise investments in accordance with the investment policy and ratios agreed with customers, follow up on fund performance for investment adjustment or other appropriate actions
- 13) Determine reasonable fees and charges made on customers, as well as designate disclosure of fees and expenses
- 14) Consider and approve the selection of partners, service providers in private fund management business, such as securities brokerage companies, custodian, and other departments related to private fund management business services, as well as consider and approve the service review of the aforementioned service providers
- 15) Take any action as recommended by the Board of Directors

In case the Executive Board resolves or direct that a person or a group of persons be authorized to perform a task on its behalf, such authorization may not be sub-delegated to a third person unless it is allowed in the Committee's initial authorization.

(3) Remuneration Committee

As of 31 December 2020, the Remuneration Committee of the Company comprises of 3 members, where Mr. Chuangchai Nawongs serves as the secretary to the Remuneration Committee.

	Full Name	Position
1.	Mr. Chatchaval Jiaravanon	Chairman
2.	Pol. Gen. Visanu Prasattongsoth	Director
3.	Mr. Varah Sucharitakul	Director

The Remuneration Committee, whose meeting is to be held twice a year, serves a role in determining the remuneration of the Board of Directors, Chief Executive Officer, and senior executives to be in line with their authority, roles, responsibilities, and their ability to perform duties to achieve the goals. The roles and responsibilities of the Remuneration Committee are as follows:

- 1) Establishes and reviews the policy and criteria for the determination of remuneration as well as other benefits for the directors and senior executives, and proposes to the Board of Directors to further propose to shareholders' meeting for approval
- 2) Disclose the policy and criteria on remuneration determination and other benefits of the Board of Directors
- 3) Ensures that directors', Chief Executive Officer's, and senior executives' short and long-term remunerations and other benefits are commensurate with their duties and responsibilities
- 4) Reviews and approves the promotion, remuneration, and other benefits both short and long-term of directors, Chief Executive Officer, and senior executives to propose to the Board of Directors
- 5) Performs other duties as assigned by the Board of Directors with consent from of the Remuneration Committee

(4) IT Security Committee

As of 31 December 2020, the IT Security Committee of the Company comprises of 4 members, where Mr. Apinut Chamlumjeak serves as the secretary to the IT Security Committee.

	Full Name	Position
1.	President	Chairman
2.	Chief Operating Officer	Director
3.	Chief Technology Officer	Director
4.	Head of E-Business_Technical Department	Director

The IT Security Committee serves a role in establishing the policy regarding procedures for the use of information technology. The roles and responsibilities of the IT Security Committee are as follows:

- 1) Establish the policies and procedures in relation to the operational supervision and IT security to propose to the Board of Directors to approve, and disseminate them to all level of executives and officers to acknowledge, accept and comply with such policies;
- 2) Review and revise the policies from time to time to be consistent with the change and tendency of risks which may affect the IT security;
- 3) Oversee the implementation of information technology to ensure its compliance with laws, regulations, rules and other applicable standards;
- 4) Provide the information security system to preserve confidentiality, trustworthiness and readiness, and prevent the unlawful exploitation or unauthorized alteration of information.

(5) Management Committee

As of 31 December 2020, the Management Committee of the Company comprises of 17 members, where Ms.Chorpetch Riamdee serves as the secretary to the Management Committee.

	Full Name	Position
1.	Chief Executive Officer	Chairman
2.	Delegated director from the Executive Board	Director
3.	Chief Operating Officer	Director
4.	Head of Risk Management Department and Head of Compliance Department	Director
5.	Chief Financial Officer	Director
6.	Chief Technology Officer	Director
7.	Head of Retail Brokerage Segment and Head of E-business Brokerage Segment	Director
8.	Head of Local Institution Segment	Director
9.	Head of Wealth Segment and Head of Wealth Products	Director
10.	Head of Equity Derivative Department	Director
11.	Head of Stock Borrowing and Lending Department	Director
12.	Head of Derivative Products	Director
13.	Head of Research Department	Director
14.	Head of Marketing Communication Department	Director
15.	Head of Human Resource Department	Director
16.	Head of Corporate Strategy Department	Director
17.	Head of Business Development Department	Director

The Management Committee serves a role in business operation supervision to ensure compliance with specified objectives and goals. The roles and responsibilities of the Management Committee are as follows:

- 1) Prepares a business and annual action plan, financial goals, annual budget, and performance indicators according to the organization strategy in order to be presented to the Executive Board
- 2) Reviews operating results and determines business practices to be in line with competitive conditions
- 3) Considers the following issues:
 - 3.1) Acknowledges the strategy and operational plan of the important projects of the Company, considers and approves the resource allocation as stipulated by the Company's regulations, follows up the operation and important decision making about the projects to make sure that such projects are successful
 - 3.2) Acknowledge new product releases/new services/new operational processes
 - 3.3) Approve important resource allocation plans of the Company (such as office space usage)
 - 3.4) Screen all types of work that have not been screened by any management committee or Chief Executive Officer in order to present to the Executive Board
- 4) Report and exchange ideas on various important issues

(6) Damage Examination Committee

As of 31 December 2020, the Damage Examination Committee of the Company comprises of 4 members, where Head of Compliance Department serves as the secretary to the Damage Examination Committee.

	Full Name	Position
1.	Chief Executive Officer	Chairman
2.	Chief Operating Officer	Director
3.	Head of Compliance Department	Director
4.	Head of Human Resource Department	Director

The Company sets out the roles and responsibilities of the Damage Examination Committee, namely, damage examination of various cases for the relevant department to implement.

(7) Complaint Consideration Committee

As of 31 December 2020, the Complaint Consideration Committee of the Company comprises of 5 members, where Head of Compliance Department serves as the secretary to the Complaint Consideration Committee.

	Full Name	Position
1.	Chief Executive Officer	Chairman
2.	Chief Operating Officer	Director
3.	Head of Compliance Department	Director
4.	Head of Human Resource Department	Director
5.	Executive Director of Brokerage Business *	Director

Remark: * Executive Director of Brokerage Business will be reselected in accordance with types of complaint.

The Complaint Consideration Committee serves a role in receipt of complaints proposed by the compliance department or internal audit department to seek preliminary resolution prior to proposing to the Damage Examination Committee or the Board of Directors for further proceeding. The roles and responsibilities of the Complaint Consideration Committee are as follows:

- 1) Ensures that the Company has protocols and procedures to manage the stakeholders' complaints
- 2) Ensures the establishment of the compliant channel
- 3) Establishes the clear policy and procedures for whistleblowing
- 4) Ensures that the Company has the appropriate protective measure for whistleblowers who act in good faith

(8) Purchase Committee

As of 31 December 2020, the Purchase Committee of the Company comprises of 5 members, where Ms. Chorpetch Riamdee serves as the secretary to the Purchase Committee.

	Full Name	Position
1.	Mrs. Pornpring Suksantisuwan	Chairman
2.	Chief Operating Officer	Director
3.	Chief Technology Officer	Director

	Full Name	Position
4.	Ms. Chorpetch Riamdee	Director
5.	Ms. Kaewjai Punthawanun	Director

The Purchase Committee serves a role in policies establishment and approval of procedures for purchasing, leasing and inspecting the Company's properties, including other investments and property insurance to ensure that they are complied with good internal control, namely:

- 1) Set approval limits according to type of assets and propose to the Board of Directors for approval;
- 2) Ensure that each department complies with the guidelines and procedures of the Company strictly;
- 3) Consider the proposals of dealers and vendors offering products or services appropriately in order to achieve the utmost benefit for the Company.

(9) Brokerage Business Committee

As of 31 December 2020, the Brokerage Business Committee of the Company comprises of 8 members, where Ms. Warunnich Phongphoemmas serves as the secretary to the Brokerage Business Committee.

	Full Name	Position
1.	Head of Brokerage Business	Chairman
2.	Delegated director from the Executive Board	Director
3.	Chief Operating Officer	Director
4.	Head of Compliance Department	Director
5.	Chief Financial Officer	Director
6.	Chief Technology Officer	Director
7.	Executive Director of Retail Brokerage Segment and Executive Director of E-business Brokerage Segment	Director
8.	Head of Corporate Strategy Department	Director

The Brokerage Business Committee has a role to oversee the Company's securities trading business to be in line with the policies and goals of the Company. The Brokerage Business Committee has the duties and responsibilities as follows:

- 1) Determines the direction, strategy, and priority of improving the securities trading business
- 2) Solves problems and makes important decisions at the operational level to be in line with certain competitive conditions
- 3) Allocates resources for various projects in order to achieve the objectives of the securities trading
- 4) Monitors the progress of the operations of various securities business projects
- 5) Submitting opinions for consideration by the Management Committee and/or the Executive Board in the case that it exceeds the authority of the Brokerage Business Committee or when considering that the projects and/or operations have a high risk

(10) Risk Management Committee

As of 31 December 2020, the Risk Management Committee of the Company comprises of 4 members, where head of risk management serves as the secretary to the Risk Management Committee.

	Full Name	Position
1.	Delegated director from the Executive Board	Chairman
2.	Chief Operating Officer	Director
3.	Chief Financial Officer	Director
4.	Executive Director of Brokerage Business *	Director

Remark: * Executive Director of Brokerage Business will be reselected every quarter after finishing the terms.

The Risk Management Committee is responsible for risk management at the organization level, determination of policies and strategies to ensure that the Company has a good risk management process, namely, report when risks occur, risk assessment, risk control and monitoring in order to avoid concentration of risks beyond acceptable level. The Risk Management Committee has duties and responsibilities as follows:

- 1) Considers and approves the appropriateness of customers' credit limit according to the policy set by the Board of Directors
- 2) Monitors private fund operations and investment in ports to comply with regulations and policies set by the Board of Directors.
- 3) Considers and determines penalties in the case that fund managers violate the Company's rules and/ or regulations set by the authorities.
- 4) Reviews the policies and operational guidelines related to various areas of risks to present to the Board of Directors for approval
- 5) Considers and approves product and/or new services availability before presenting to the Board of Directors for approval
- 6) Considers and approves the Company's Business Continuity Plan (BCP) and annual testing plan.
- 7) Considers and takes any actions related to compliance with official regulations
- 8) Carries out other actions related to corporate risk management as assigned by the Executive Board and/or the Board of Directors

(11) Investment Committee

As of 31 December 2020, the Investment Committee of the Company comprises of 4 members, where head of risk management serves as the secretary to the Investment Committee.

	Full Name	Position
1.	Chief Executive Officer	Chairman
2.	Head of Research Department	Director
3.	Head of Electronic Trading Department	Director

	Full Name	Position
4.	Executive Director of Brokerage Business	Director

The Investment Committee has a role and responsibility in managing the investment risk of the Company, investment of customers' money, set policies and strategies for the Company to have a process for managing investment risks, namely, report when risks occur, risk assessment, and risk control and monitoring. Investment Committee has duties and responsibilities as follows:

- 1) Review the Company's investment strategy including
 - 1.1) Short-term and long-term investment strategies of the Company's investment portfolios, private fund, and customers' investment allocation plan
 - 1.2) Consider, select, and review the investment universe for various investment portfolios
 - 1.3) Consider and conduct product screening for sale to investors such as debt instruments, foreign products, foreign investment units, and other products
 - 1.4) Consider and endorse the strategies, targets, and annual work plans of the Derivative Warrant (DW) transactions proposed by the Equity Derivatives Department in order to present to the Board of Directors
 - 1.5) Supervise the operations of departments related to derivative warrants (DW) transactions to be in line with policies, strategies, goals, and operational plans, and consider their performance
 - 1.6) Consider, give opinions, and approve details and specifications of Derivative Warrant (DW) offered for sale
 - 1.7) Policy for investment risk control of the Company for both day trade and long-term investment, distribution of investment risks of the Company in accordance with the appropriate investment proportion
 - 1.8) Consider and approves investment limits in accordance with the policy stipulated by the Company
 - 1.9) Report the investment situation of the Company to the Board of Directors to be able to monitor the Company's investments effectively
 - 1.10) Manage cash of the Company and customers for maximum benefit under the Company's policy and official rules set forth in that matter
 - 1.11) Consider and approve any operations related to investments which are not as described above, except to set a limit for securities holding and accumulated deficit
- 2) Consider and review the policies and operational guidelines related to the Company's investments to present to the Board of Directors for approval
- 3) Consider and take any actions related to compliance with official regulations
- 4) Consider and approve the list of securities for Credit Balance Account
- 5) Conduct risk assessment of the concentration of Credit Balance portfolios
- 6) Carry out other matters related to investment risk management as assigned by the Executive Board and/or the Board of Directors

(12) Private Fund Committee

As of 31 December 2020, the Credit Committee of the Company comprises of 3 members, where Ms. Wanthani Chanmani Wong serves as the secretary to the Credit Committee.

	Full Name	Position
1.	Chief Executive Officer	Chairman
2.	Fund Manager	Director
3.	Assistant Fund Manager	Director

Remark: * Private Fund Committee's meetings are held on a monthly basis.

The Company is committed to complying with the principles of good corporate governance and preventing conflicts of interest that may occur in the future. Private Fund Committee is, therefore, established to be responsible for conducting business relating to private fund. The Private Fund Committee has the duties and responsibilities as follows:

- 1) Ensure that the investment management system procedures before and after investment
- 2) Determine investment policy and strategy that are suitable for customers
- 3) Determine guidelines for selecting each asset and/ or investment universe by ensuring that there is an appropriate investment analysis both quantitative and qualitative and that there is an analysis of expected returns, which is in line with the determined strategy, policy, and product due diligence
- 4) Determine guidelines for placing order for securities trading for clients with the most regard to clients' benefits and ensure that customers know that trading orders will be done through related affiliated companies or through other companies
- 5) Ensure fair allocation of fund for customers and funds
- 6) Assign fund managers to record reasons for investment decisions appropriately and efficiently
- 7) Supervise and inspect investments in accordance with investment policy and ratios agreed with customers, as well as follow up on fund performance tracking for investment adjustment or take other appropriate actions
- 8) Determine reasonable fees and charges made on customers as well as ensure that there is disclosure of fees and expenses
- 9) Establish a performance benchmark that is fair, accurate, and complete in accordance with international standards so that investors can assess the Company's investment capabilities. The benchmark must be consistent with the investment policy and calculated using total returns (if any)
- 10) Ensure clear principles regarding the acceptance and transfer of assets of the fund in various cases as agreed with the customers
- 11) Consider and approve the selection of partners, service providers in private fund management business, such as securities brokerage companies, custodian, and other departments related to private fund management business services, as well as consider and approve the service review of the aforementioned service providers
- 12) Consider and approve the exercise of voting rights of various agendas in shareholders' meetings in order to protect the interests of customers and to show the intention of participation in pushing listed companies to have good corporate governance principles

13) Report investment performance to the Executive Board

(13) Risk of Private Fund Committee

As of 31 December 2020, the Risk of Private Fund Committee of the Company comprises of 3 members, where Head of Risk Management Department serves as the secretary to the Risk of Private Fund Committee.

	Full Name	Position
1.	Delegated director from the Executive Board	Chairman
2.	Chief Operating Officer	Director
3.	Head of Risk Management Department	Director

Risk of Private Fund Committee has a role in managing and controlling risks in various areas relating to private fund business. The Risk of Private Fund Committee has the duties and responsibilities as follows:

- 1) Arrange for a risk management process and a policy to manage and control risks arising from business operations in various areas in accordance with the risk profile, as well as ensure awareness of risks and good corporate governance under a rapidly changing, complicated, and interrelated business environment; review, update, and establish process and policy to be up to date and in line with market conditions and certain significant changes, which shall also be approved by the Board of Directors
- 2) Ensure that there is investment risk management, which will be managed as follows: (Guidelines for investment risk management in accordance with the relevant official announcements)
 - (1) Market risk arising from price movements that may cause profits or losses from investment
 - (2) Liquidity risk arising from the inability to sell assets or the termination the futures contracts at market price due to lack of liquidity or the occurrence of any crises
 - (3) Credit risk arising from the issuer/counterparty not fulfilling obligations
 - (4) Operational risk caused by human error or inadequate system and operation control, as well as risks that cause damage and inability to conduct business
- 3) Ensure that there is a risk manager with knowledge, competence, and experience that can perform duties independently from risk takers and not causing conflicts of interest
- 4) Supervise investments of the Fund Manager to be in line with the risk management policy and practices
- 5) Follow up on the solutions and participate in decision making if there is an investment that is not in accordance with the risk management policy or risk limit
- 6) Report investment performance to the Executive Board

Directors and Company Secretary Profiles



Mr. Chatchaval Jiaravanon

Age: 59 years old

Nationality: Thai

Current positions

- Chairman of the Board of Directors
- Authorized Director



Mr. Varah Sucharitakul

Age: 57 years old

Nationality: Thai

Current positions

- Deputy Chairman of the Board of Directors

Date of appointment

- 23 July 2002

Holding of the Company's shares

- Direct: None
- Spouse and minor child: None

Relationship with directors/executives

- – None –

Education

- Bachelor of Business Administration, University of Southern California, USA

Training

- Director Accreditation Program (DAP) 71/2008
- Corporate Governance for Capital Market Intermediaries (CGI) 13/2016
- Executive Course (9), Capital Market Academy, the Stock Exchange of Thailand

Positions in other listed companies

- Director and Member of the Audit Committee, Frasers Property (Thailand) PLC
- Director, Aeon Thanasinsap (Thailand) PLC
- Director, SVI PLC
- Director and Managing Director Group Investment, True Corporation PLC
- Director, WP Energy PLC

Positions in non-listed companies/organizations

- Director, True Visions Group Co., Ltd.
- Managing Director and Chief Executive Officer, Telecom Holding Co., Ltd.
- Director, Zaap Party Co., Ltd.
- Director, True Media Solutions Co., Ltd.
- Director, True e-Logistics Co., Ltd.
- Director, Panther Entertainment Co., Ltd.
- Director, Satellite Service Co., Ltd.
- Director, Cineplex Co., Ltd.

Date of appointment

- 19 June 2009

Holding of the Company's shares

- Direct: None
- Spouse and minor child: None

Relationship with directors/executives

- – None –

Education

- Master of Business Administration, University of New Hampshire, USA

Training

- Director Certification Program (DCP) 21/2002
- Corporate Governance for Capital Market Intermediaries (CGI) 17/2016

Positions in other listed companies

- Executive Director, Finansa PLC

Positions in non-listed companies/organizations

- Executive Director, Finansa Securities Co., Ltd.
- Director, Finansa Capital Co., Ltd.
- Director, SBI Royal Securities PLC, Phnom Penh, Cambodia

**Mr. Chuangchai Nawongs**

Age: 60 years old

Nationality: Thai

Current positions

- Authorized Director
- Chief Executive Officer
- President

**Mr. Somphop Keerasuntonpong**

Age: 54 years old

Nationality: Thai

Current positions

- Authorized Director
- President

Date of appointment

- 19 June 2009

Holding of the Company's shares

- Direct: 100,000 shares
- Spouse and minor child: None

Relationship with directors/executives

- – None –

Date of appointment

- 2 June 2003

Holding of the Company's shares

- Direct: None
- Spouse and minor child: None

Relationship with directors/executives

- – None –

Education

- Master of Business Administration, Bangkok University

Training

- Director Accreditation Program (DAP) 23/2004
- Corporate Governance for Capital Market Intermediaries (CGI) 2/2015

Positions in other listed companies

- – None –

Positions in non-listed companies/organizations

- Director (Authorized), FSS International Investment Advisory Securities Co., Ltd.
- Director, SBI Royal Securities PLC, Phnom Penh, Cambodia

Education

- MBA General Administration, Pittsburg State University, USA

Training

- 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

Positions in other listed companies

- – None –

Positions in non-listed companies/organizations

- – None –



Mrs. Pornpring Suksantisuwan

Age: 63 years old

Nationality: Thai

Current positions

- Authorized Director



Ms. Kanchana Vongratanakulthorn

Age: 65 years old

Nationality: Thai

Current positions

- Director

Date of appointment

- 16 October 2008

Holding of the Company's shares

- Direct: None
- Spouse and minor child: None

Relationship with directors/executives

- – None –

Education

- Master of Business Administration, American University of Human Sciences
- Bachelor of Accountancy, Chulalongkorn University

Training

- Director Accreditation Program (DAP) 48/2005
- Director Certification Program (DCP) 105/2228
- Corporate Governance for Capital Market Intermediaries (CGI) 2/2015
- Executive Course (7), Capital Market Academy, the Stock Exchange of Thailand

Positions in other listed companies

- – None –

Current positions in non-listed companies/organizations

- 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
- Independent Director, Blue Whale Asset Co., Ltd.
- Member of Finance and Property Committee, King Mongkut's Institute of technology Ladkrabang

Date of appointment

- 28 May 2020

Holding of the Company's shares

- Direct: None
- Spouse and minor child: None

Relationship with directors/executives

- – None –

Education

- Bachelor of Business Administration, Sukhothai Thammathirath

Training

- Director Certificate Program (DCP) 2019

Positions in other listed companies

- Independent Director and Member of the Audit Committee, UBIC (Asia) PLC

Current positions in non-listed companies/organizations

- Advisor, Asset Quality Management Department
- Director, ICBC (Thai) Leasing Co., Ltd
- Director, ICBC (Thai) Insurance Broker Co., Ltd
- Director, Chonburi Motors Express Co., Ltd



Pol. Gen. Visanu Prasattongosoth

Age: 59 years old

Nationality: Thai

Current positions

- Independent Director
- Chairman of the Audit Committee



Mr. Phaiboon Siripanoosathien

Age: 58 years old

Nationality: Thai

Current positions

- Independent Director
- Member of the Audit Committee

Date of appointment

- 16 September 2009

Holding of the Company's shares

- Direct: 3,655,614 shares
- Spouse and minor child: None

Relationship with directors/executives

- – None –

Education

- Master of Business Administration, University of San Francisco, USA
- Master of Political Science, Sukhothai Thammathirat Open University

Training

- 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
- Executive Course (2), Capital Market Academy, the Stock Exchange of Thailand

Positions in other listed companies

- Director, Bangkok Airways PLC
- Independent Director, Chewathai PLC

Positions in non-listed companies/organizations

- Inspector General Office Royal Thai Police
- Director, Thai KODAMA Co., Ltd
- Director, Sustainable Energy Corporation Co.,Ltd
- Director, Bira Property Co.,Ltd
- Director, Mae Aroon Co.,Ltd
- Director, Modern Manu Co.,Ltd

Date of appointment

- 28 February 2008

Holding of the Company's shares

- Direct: None
- Spouse and minor child: None

Relationship with directors/executives

- – None –

Education

- Master of Political Science, Sukhothai Thammathirat Open University

Training

- 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

Positions in other listed companies

- Independent Director and Member of the Audit
- Chairman of the Executive Committee, Amanah Leasing PLC

Positions in non-listed companies/organizations

- – None –



Mr. Kittisak Bencharit

Age: 71 years old

Nationality: Thai

Current positions

- Independent Director
- Member of the Audit Committee

Date of appointment

- 22 October 2009

Holding of the Company's shares

- Direct: None
- Spouse and minor child: None

Relationship with directors/executives

- – None –

Education

- Bachelor of Economics, University of Wisconsin, USA

Training

- 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 (AAP) 19/2015
- Board that Make a Difference (BMD) 5/2017

Positions in other listed companies

- Independent Director and member of the Audit Committee, Thonburi Medical Centre PLC
- Independent Director and member of the Audit Committee, Exotic Food PLC
- Advisor of CEO and Directors, Premier Enterprise PLC
- Positions in non-listed companies/organizations
- Director, Premier Capital (2000) Co., Ltd.
- Director, Premier Brokerage Co., Ltd.

Ms. Phatra Kanchanapraphat

Nationality: Thai

Current positions

- Company Secretary

Date of appointment

- 1 October 2015

Holding of the Company's shares

- Direct: None
- Spouse and minor child: None

Relationship with directors/executives

- – None –

Education

- Master of Business Administration, National Institute of Development Administration

Training

- Financial Advisors Course, Association of Thai Securities Companies
- Successful Formulation and Execution Strategy Course (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 Experience
- Vice President, Corporate Finance Department, ACL Securities Co., Ltd.

Positions in other listed companies

- – None –

Positions in non-listed companies/organizations

- – None –

Executive Profiles



Ms. Supin Suravichai

Age: 55 years old

Nationality: Thai

Current positions

- Chief Operating Officer



Mr. Kosit Thammatada

Age: 49 years old

Nationality: Thai

Current positions

- Chief Technology Officer
- Executive Director of E-Business_ Technical Department

Date of appointment

- 1 December 2017

Holding of the Company's shares

- Direct: None
- Spouse and minor child: None

Relationship with directors/executives

- – None –

Education

- Master Degree, Association of Chartered Certified Accountants London School of Accountancy Experience

- RHB Securities PLC

Positions in other listed companies

- – None –

Positions in non-listed companies/organizations

- – None –

Date of appointment

- 21 November 2016

Holding of the Company's shares

- Direct: 100 shares
- Spouse and minor child: None

Relationship with directors/executives

- – None –

Education

- Bachelor Degree, Faculty of Science, King Mongkut's University of Technology Thonburi

Experience

- Managing Director, AEC Securities PLC
- Executive Vice President, Finansia Syrus Securities PLC

Positions in other listed companies

- – None –

Positions in non-listed companies/organizations

- – None –

**Mr. Somchai Keawjaroenpisan**

Age: 57 years old

Nationality: Thai

Current positions

- Deputy Head of Brokerage Business and Executive Director of Brokerage Business Unit 5

**Mrs. Nusara Rooncharoen**

Age: 54 years old

Nationality: Thai

Current positions

- Deputy Head of Brokerage Business and Executive Director of E-Business Marketing Sales Department

Date of appointment

- 20 February 2014

Holding of the Company's shares

- Direct: None
- Spouse and minor child: None

Relationship with directors/executives

- – None –

Education

- Master of Business Administration (Finance), Kasetsart University

Experience

- Senior Executive Vice President, Finansia Syrus Securities PLC
- Senior Executive Vice President, Finansia Securities Co., Ltd.

Positions in other listed companies

- – None –

Positions in non-listed companies/organizations

- – None –

Date of appointment

- 1 August 2018

Holding of the Company's shares

- Direct: None
- Spouse and minor child: None

Relationship with directors/executives

- – None –

Education

- Master of Business Administration, Siam University

Experience

- Executive Director, Finansia Syrus Securities PLC
- Senior Executive Vice President, Finansia Syrus Securities PLC
- Executive Vice President, Finansia Securities Co., Ltd.

Positions in other listed companies

- – None –

Positions in non-listed companies/organizations

- – None –

**Mr. Kuntra Ladavalya Na Ayudhya**

Age: 52 years old

Nationality: Thai

Current positions

- Executive Director of Brokerage Business Unit 1

**Mr. Chatchai Chumsiri**

Age: 60 years old

Nationality: Thai

Current positions

- Executive Director of Brokerage Business Unit 2

Date of appointment

- 21 February 2005

Holding of the Company's shares

- Direct: 205,185 shares
- Spouse and minor child: None

Relationship with directors/executives

- – None –

Education

- Master of Finance, University of La Verne, USA

Training

- Executive Course (21), Capital Market Academy, the Stock Exchange of Thailand
- Top Executive Program in Commerce and Trade (10) Experience
- Senior Executive Vice President, Syrus Securities PLC

Positions in other listed companies

- – None –

Positions in non-listed companies/organizations

- – None –

Date of appointment

- 1 September 2008

Holding of the Company's shares

- Direct: 25,029 shares
- Spouse and minor child: None

Relationship with directors/executives

- – None –

Education

- Bachelor of Marketing, Bangkok University

Experience

- Senior Executive Vice President, Syrus Securities PLC

Positions in other listed companies

- – None –

Positions in non-listed companies/organizations

- – None –

**Mr. Nithivat Dhambhirasing**

Age: 60 years old

Nationality: Thai

Current positions

- Executive Director of Brokerage Business Unit 3

**Mr. Pothorn Choemvarachart**

• Age: 63 years old

• Nationality: Thai

Current positions

- Executive Director of Brokerage Business Unit 4

Date of appointment

- 19 February 2010

Holding of the Company's shares

- Direct: None
- Spouse and minor child: None

Relationship with directors/executives

- – None –

Education

- Executive MBA Sasin, Chulalongkorn University (EMBA)

Training

- 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.

Positions in other listed companies

- – None –

Positions in non-listed companies/organizations

- – None –

Date of appointment

- 19 February 2010

Holding of the Company's shares

- Direct: None
- Spouse and minor child: None

Relationship with directors/executives

- – None –

Education

- Master of Management and Human Relation, Abilene Christian University, Texas, USA

Experience

- Managing Director, Finansa Securities Co., Ltd.

Positions in other listed companies

- – None –

Positions in non-listed companies/organizations

- – None –



Ms. Ubonrut Sripunyawitch

Age: 54 years old

Nationality: Thai

Current positions

- Executive Director of
Brokerage Business Unit 7



Ms. Kanoknapat Sithivaraporn

Age: 49 years old

Nationality: Thai

Current positions

- Executive Director of
Brokerage Business Unit 8

Date of appointment

- 1 February 2018

Holding of the Company's shares

- Direct: 41 shares
- Spouse and minor child: None

Relationship with directors/executives

- – None –

Education

- Bachelor of Laws, Ramkhamhaeng University

Experience

- Senior Vice President, Finansia Syrus Securities PLC

Positions in other listed companies

- – None –

Positions in non-listed companies/organizations

- – None –

Date of appointment

- 1 August 2015

Holding of the Company's shares

- Direct: None
- Spouse and minor child: None

Relationship with directors/executives

- – None –

Education

- Master of Business Administration (International Business), The George Washington University, Washington D. C, USA

Training

- Executive Development Program (EDP) 8/2011,
- Thai Listed Companies Association

Experience

- Senior Executive Vice President, Finansia Syrus Securities PLC
- Executive Vice President Retail Sales Department, Far East Securities Co., Ltd.
- Asset Manager, Special Asset Management, Tisco Financial PLC

Positions in other listed companies

- – None –

Positions in non-listed companies/organizations

- – None –

**Mr. Pannatat Samitthisakda**

Age: 56 years old

Nationality: Thai

Current positions

- Executive Director of
Brokerage Business Unit 10

**Mr. Somyot Kittisukcharoen**

Age: 46 years old

Nationality: Thai

Current positions

- Executive Director of
Brokerage Business Unit 12 and 15

Date of appointment

- 1 July 2013

Holding of the Company's shares

- Direct: None
- Spouse and minor child: None

Relationship with directors/executives

- – None –

Education

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

Experience

- Senior Executive Vice President, Finansia Syrus Securities PLC
- Assistant Managing Director, Globlex Securities Co., Ltd.
- Senior Executive Vice President (Securities), KGI Securities (Thailand) PLC

Positions in other listed companies

- – None –

Positions in non-listed companies/organizations

- – None –

Date of appointment

- 1 January 2017

Holding of the Company's shares

- Direct: None
- Spouse and minor child: None

Relationship with directors/executives

- – None –

Education

- Master of Finance, Bangkok University

Experience

- Senior Executive Vice President, Finansia Syrus Securities PLC

Positions in other listed companies

- – None –

Positions in non-listed companies/organizations

- – None –

**Ms. Raveewan Chaiyakit**

Age: 50 years old

Nationality: Thai

Current positions

- Executive Director of
Brokerage Business Unit 16

**Mrs. Manida Sithseree**

Age: 52 years old

Nationality: Thai

Current positions

- Executive Director of
Local Institution Department

Date of appointment

- 1 March 2018

Holding of the Company's shares

- Direct: None
- Spouse and minor child: None

Relationship with directors/executives

- – None –

Education

- Master of Science Program in Applied Statistics,
National Institute of Development Administration
Experience

- Senior Executive Vice President, Finansia Syrus
Securities PLC

Positions in other listed companies

- – None –

Positions in non-listed companies/organizations

- – None –

Date of appointment

- 1 May 2018

Holding of the Company's shares

- Direct: None
- Spouse and minor child: None

Relationship with directors/executives

- – None –

Education

- Master of Business Administration,
University of Southern California

Experience

- Head of Local Institution Department,
CIMB Securities (Thailand) Co., Ltd.

Positions in other listed companies

- – None –

Positions in non-listed companies/organizations

- – None –

**Mr. Pitsanu Wathanawanapong**

Age: 49 years old

Nationality: Thai

Current positions

- Executive Director of Wealth Management Department

Date of appointment

- 16 July 2018

Holding of the Company's shares

- Direct: None
- Spouse and minor child: None

Relationship with directors/executives

- – None –

Education

- Master of Business Administration, Srinakharinwirot University

Positions in other listed companies

- – None –

Positions in non-listed companies/organizations

- – None –

Chief Financial Officer and Chief Accountant Profiles



Ms. Chorpetch Riamdee

Age: 45 years

Nationality: Thai

Current positions

- Chief Financial Officer

Ms. Doungdaun Noiwan

Age: 52 years

Nationality: Thai

Current positions

- Chief Accountant

Date of appointment

- 15 August 2017

Holding of the Company's shares

- Direct: None
- Spouse and minor child: None

Relationship with directors/executives

- – None –

Education

- Master of Business Administration, Ramkhamhaeng University

Training

- Training course focus on TFRS 9, TFRS 15, and TFRS 16: Summary, impact, practice, and case study conducted by the Stock Exchange of Thailand
- New TFRS conducted by NYC Management Co., Ltd.

Experience

- Vice president of Accounting and Finance Department, Asia Plus Group Holdings PLC
- Vice president of Accounting and Finance Department, Land and Houses Securities PLC

Positions in other listed companies

- – None –

Positions in non-listed companies/organizations

- – None –

Date of appointment

- 17 March 2020

Holding of the Company's shares

- Direct: None
- Spouse and minor child: None

Relationship with directors/executives

- – None –

Education

- Bachelor of Accountant, Ramkhamhaeng University
- Master of Business Administration, Chulalongkorn University

Training

- Update TFRS9 & TFRS16 Overall
- TFRS15 & TFRS16

Positions in other listed companies

- – None –

Positions in non-listed companies/organizations

- – None –

Positions of Directors and Executives in Subsidiary, Associate, and Related Company

Company Lists	Subsidiary	Associate	Related Company
Full Name	FSS International Investment Advisory Securities Co., Ltd.	SBI Royal Securities PLC	Finansa PLC Finansa Securities Co., Ltd. ICBC (Thai) PLC True Corporation PLC True Vision Group Co., Ltd. Zaap Party Co., Ltd. Director, The Ultra Wealth Co., Ltd.
1. Mr. Chatchaval Jiaravanon			✓
2. Mr. Varah Sucharitakul		✓	✓
3. Mr. Chuangchai Nawongs	✓	✓	
4. Mr. Somphop Keerasuntonpong			
5. Mrs. Pornpring Suksantisuwan	✓		
6. Ms. Kanchana Vongratanakulthorn			✓
7. Pol. Gen. Visanu Prasattongsoth			
8. Mr. Phaiboon Siripanoosathien			
9. Mr. Kittisak Bencharit			
10. Ms. Supin Suravichai			
11. Mr. Kosit Thammatada			
12. Ms. Chorpetch Riamdee			
13. Mr. Somchai Keawjaroenpisan			
14. Mrs. Nusara Rooncharoen			
15. Mr. Kuntra Ladavalya Na Ayudhya			
16. Mr. Chatchai Chumsiri			
17. Mr. Nithivat Dhambhirasing			
18. Mr. Pothorn Choemvarachart			
19. Ms. Ubonrut Sripunyawitch			
20. Ms. Kanoknapat Sithivaraporn			
21. Mr. Pannatat Samitthisakda			
22. Mr. Somyot Kittisukcharoen			
23. Ms. Raveewan Chaiyakit			
24. Mrs. Manida Sithseree			
25. Mr. Pitsanu Wathanawanapong			

Remark: ✓ means Director

Changes in Securities Holding of directors and executives as of 31 December 2020

Full Name	Position	Number of shares		
		31	31	Increase
		December 2020	December 2019	(Decrease)
1. Mr. Chatchaval Jiaravanon	Chairman of the Board of Directors	-	-	-
2. Mr. Varah Sucharitakul	Deputy Chairman of the Board of Directors	-	-	-
3. Mr. Chuangchai Nawongs	Chief Executive Officer and President	100,000	100,000	-
4. Mr. Somphop Keerasuntonpong	President	-	-	-
5. Mrs. Pornpring Suksantisuwan	President	-	-	-
6. Ms. Kanchana Vongratanakulthorn	Director	-	-	-
7. Pol. Gen. Visanu Prasattongosoth	Independent Director and Chairman of the Audit Committee	3,655,614	3,655,614	-
8. Mr. Phaiboon Siripanoosati	Independent Director and Audit Committee	-	-	-
9. Mr. Kittisak Bencharit	Independent Director and Audit Committee	-	-	-
10. Ms. Supin Suravichai	Chief Operating Officer	-	-	-
11. Mr. Kosit Thammatada	Chief Technology Officer and Executive Director, E-Business_Technical	100	100	-
12. Ms. Chorpetch Riamdee	Chief Financial Officer	-	-	-
13. Mr. Somchai Keawjaroenpisan	Deputy Head of Brokerage Business and Executive Director of Brokerage Business Unit 5	-	-	-
14. Mrs. Nusara Rooncharoen	Deputy Head of Brokerage Business and Executive Director of E-Business Marketing Sales Department	-	-	-
15. Mr. Kuntra Ladavalaya Na Ayudhya	Executive Director of Brokerage Business Unit 1	205,185	205,185	-
16. Mr. Chatchai Chumsiri	Executive Director of Brokerage Business Unit 2	25,029	25,029	-
17. Mr. Nithivat Dhambhirasing	Executive Director of Brokerage Business Unit 3	-	-	-
18. Mr. Pothorn Choemvarachart	Executive Director of Brokerage Business Unit 4	-	-	-
19. Ms. Ubonrut Sripunyawitch	Executive Director of Brokerage Business Unit 7	41	41	-
20. Ms. Kanoknapat Sithivaraporn	Executive Director of Brokerage Business Unit 8	-	-	-
21. Mr. Pannatat Samitthisakda	Executive Director of Brokerage Business Unit 10	-	-	-
22. Mr. Somyot Kittisukcharoen	Executive Director of Brokerage Business Unit 12 and 15	-	-	-
23. Ms. Raveewan Chaiyakit	Executive Director of Brokerage Business Unit 16	-	-	-
24. Mrs. Manida Sithseree	Executive Director of Local Institution Department	-	-	-
25. Mr. Pitsanu Wathanawanapong	Executive Director of Wealth Management Department	-	-	-

Corporate Governance

The Board of Directors values the systematic management and corporate governance practice by establishing the Company's corporate governance policy to build confidence among shareholders, investors and stakeholders. The Company aims to strictly implement the Corporate Governance Code 2017 and relevant guidelines which set out by the SET and the SEC; and ensures that Company's corporate governance policy is reviewed and improved at least once per year to be in line with the continual development and changing situation.

In this regard, the Company has disclosed the corporate governance policy on the Company's website at www.fnsyus.com.

Corporate Governance Policy

Principle 1: Establish clear leadership role and responsibilities of the Board

- (1.1) The Company specifies that the Board shall be responsible for determining the direction of the organization; defining clear objectives and goals; determining strategies, business plan, budget both financial and non-financial; communicating them to relevant employees for understanding and practices in the same direction; as well as monitoring, evaluating, and reporting on performance.
- (1.2) The Company specifies that the Board shall be responsible for encouraging sustainable corporate culture; monitoring and ensuring that impacts on stakeholders are taken into account fairly and ethically when conducting business; improving competitiveness and performance with long-term perspective; and communicating them to all the employees for understanding and practices in the same direction.
- (1.3) The Company specifies in the Board of Directors' Charter that the Board should perform their responsibilities in compliance with their 4 types of fiduciary duties as follows:
 - Duty of Care
Prudently consider business options and make a reasonable decision based on the information after proper due diligence has been applied to the situation
 - Duty of Loyalty
Act responsibly for the Company at all times and to always act in the best interests of the Company rather than oneself to prevent conflicts of interest
 - Duty of Obedience
Act in accordance with the law, objectives, regulations of the Company, resolutions of the Board of Directors, resolutions of shareholders' meetings, and good corporate governance principles
 - Duty of Disclosure
Disclose the accurate, adequate, complete information to relevant authorities in a timely manner

Moreover, the Board should perform their responsibilities in accordance with the relevant law, principles, and regulations in order to build credibility and encourage sustainable growth.

In addition to the Board of Directors' Charter, which is review on an annual basis, the Company specifies that the Board is responsible for considering and authorizing in writing the Management to act on behalf of the Board within the framework as the Board deems appropriate; monitoring and ensuring that the Management fulfills its duties; and reviewing the distribution of duties regularly.

Principle 2: Define objectives that promote sustainable value creation

- (2.1) The Company specifies duties and responsibilities of the Board in the Board of Directors' Charter that the Board shall be responsible for defining clear objectives and goals; communicating them to all the employees for understanding and practices in the same direction, and monitoring and ensuring that impacts on stakeholders are taken into account fairly and ethically when conducting business.
- (2.2) The Company specifies that the Board shall be responsible for determining the direction of the organization; defining clear objectives and goals; determining strategies, business plan, budget both financial and non-financial; communicating them to relevant employees for understanding and practices in the same direction. The Board shall analyze the environment, factors, risks; assess the impact on stakeholders; and take care of stakeholders appropriately, ethically, and legally. Also, the Board shall encourage the use of innovation and technology in improving competitiveness and business value; allocating significant resources for business operation. In addition, the Board shall monitor, review, and oversee the performance in order to achieve sustainable growth.

Principle 3: Strengthen Board effectiveness

- (3.1) The Company specifies duties and responsibilities of the Board in the Board of Directors' Charter that the Board shall be responsible for determining and reviewing the Board structure, in terms of qualifications, size, and composition; as well as disclosure such information in the annual reports and the Company's website.
- (3.2) The Company specifies duties and responsibilities of Chairman of the Board and Chief Executive Officer in the Board of Directors' Charter so that none will have absolute power and that there is a system of checks and balances between the Board and the Management. Besides, the Board of Directors' Charter specifies that the Board shall be able to establish sub-committees to consider specific issues, examine information, and propose guidelines for considering and reaching mutual resolutions. Also, the Board shall disclose responsibilities, meeting attendance, and performance of sub-committees.
- (3.3) Even though the Company does not have Nomination Committee, the Company ensures that the policy and procedures for the selection and nomination of directors are transparent by disclosing in advance on the Company's website the opportunity for shareholders to nominate qualified and trustworthy persons for election as directors. In the case that no one is nominated as director, the Board shall consider profiles and qualifications, which are reviewed on a regular basis, and nominate such persons to be elected as directors by shareholders' approval.
- (3.4) The Board established the Remuneration Committee, responsible for considering whether the remuneration structure is appropriate for the directors' respective roles and responsibilities; disclosing policy and procedures in determining directors' remuneration, which is linked to the Company's performance and size, directors' roles

and responsibilities, and compared to that of companies with similar performance, size and in the same industry, for further shareholders' approval.

- (3.5) The Company specifies duties and responsibilities of the Board in the Board of Directors' Charter that the Board performs their responsibilities in compliance with their fiduciary duties, and that the Board shall director position in no more than 5 listed companies, as disclosed in the annual report, in order to allocate sufficient time to discharge their duties and responsibilities effectively. Moreover, directors shall participate in more than 75% of the meetings held in a year since their appointment. While voting, two third of the total number of directors shall be present. With regard to directors or executives who have interest, the Company specifies that directors are responsible for preventing conflicts of interest, use of inside information, providing anti-corruption guidelines, which will be informed to shareholders as appropriate.
- (3.6) The Company specifies duties and responsibilities of the Board that the Board shall ensure that the Company's governance framework and policies extend to and are accepted by subsidiaries and other businesses in which it has a significant investment as appropriate; determine scope of duties and responsibilities of the persons appointed as the representatives of the Company; oversee and ensure that the internal control system of the subsidiaries is appropriate and sufficient; ensure disclosure of financial status and business operating results; conduct significant transactions in accordance with the relevant laws and regulations; enter into contracts or agreements for clear authority in management and decision-making.
- (3.7) The Company conducts a formal annual performance evaluation of the Board, the Audit Committee, and the Chief Executive Officer. The Company adapted Board Evaluation Form of the Stock Exchange of Thailand, which comprises of evaluation of the whole committee and individual director, both self-assessment and cross assessment. The criteria and results of which are disclosed in the annual report and are informed to the Board to be used to strengthen the effectiveness of the Board.
- (3.8) The Company is aware of the importance of participation in training courses offered by the Thai Institute of Directors (IOD) and/or specified by the Securities and Exchange Commission to update and refresh the Board's and the Management's skills and knowledge necessary for effective performance and adhering to the principles of corporate governance. Besides, the Company has applied a membership of the Thai IOD for all directors for news and additional knowledge. If the Company is informed about training opportunities or receives training materials related to the Board, the Company will send the information to the Board for acknowledgement and further study. The information about each director's trainings are disclosed in the annual report (56-2) and form 56-1. In the case that there is a newly appointed director, the Company will provide director orientation to create understanding about organizational structure, nature of business, duties and responsibilities, relevant rules and regulations for effective performance.
- (3.9) The Company specifies the regulations regarding the Board meetings in the Board of Directors' Charter that the meetings shall be held at least 6 times per year, scheduled and informed the Board in advance since the last Board meeting of each year for directors to allocate time to attend the meetings. For the committees not having meeting every month, the Management shall also report the results of those months not having a meeting to the Board. Besides, the Board should ensure that the Board and the Management are free to propose any issue beneficial to the Company to be included as an agenda and encourage the Management to attend Board meetings

as the persons directly related to the issues and to be familiar with them for succession planning in the future. Moreover, the Board is responsible for appointing a Company Secretary with necessary knowledge and experience to support the Board in performing its duties. The Board shall also ensure that Company Secretary give advice related to laws and regulations that are necessary, prepare meeting materials and other important documents, give advice on the Board's activities, and communicating to relevant persons to act in accordance with the Board's resolutions. The Company Secretary should be knowledgeable and trained in certified training courses.

Principle 4: Ensure effective CEO and people management

- (4.1) Even though the Company does not have Nomination Committee, the Board has developed succession plans for the Chief Executive Officer, Presidents, and key executives. Internal or external employees who possess appropriate qualifications can apply for the positions to prepare for the event that the Chief Executive Officer or executives cannot fulfill their responsibilities. The succession plans are as follows:
- Positions that need succession plans are the Chief Executive Officer, Presidents, and Executive Directors of each department.
 - The Board will establish the criteria for knowledge and experience and the urgency of each position.
 - The Board will determine the qualified executives for each available positions.
 - The Board will consider the qualifications of each executive to determine the individual development plan.
 - The Board may assign the Chief Executive Officer and Presidents to be responsible for training the qualified executives.
 - The Board may determine rotation of responsibilities of qualified executives and assign the Senior Executive Vice Presidents to attend the Board meetings for understanding, experience, readiness in management of the Company.
 - The Board may discuss about the performance and individual development plan of qualified executives in the Board meetings.
 - The Board may assign the Chief Executive Officer to report the status of succession plans on an annual basis.
- (4.2) The Remuneration Committee should consist of at least 1 independent director. The Board should ensure that the compensation structure rewards individual performance, incentivizes the chief executive officer, key executives, employees and staff at all levels to act in support of the Company's objectives and values, and fosters long-term commitment by aligning incentives with future company performance.
- (4.3) The Board should understand the Company's shareholder structure and ensure that it does not affect the Board's exercise of its duties and responsibilities. The Board should also oversee that information is properly disclosed when there are any conditions that have an impact on the control over the Company. In this regards, the Company has director orientation to create understanding of such issues.

- (4.4) The Board should ensure that the Company is properly staffed and that human resources management aligns with the company's objectives, which includes encouraging employees to save money to prepare for retirement. The Company has continual employee development plan which is employee orientation starting from the first day of employment to create understanding about the Company's structure, nature of business, and relevant work system. The Company also encourages employees to participate in training courses related to securities and financial business and new products. For employees working in branches, they will participate in training courses in the head office before working in their branches. Training courses are also available during employment.

Principle 5: Nurture innovation and responsible business

- (5.1) The Company prioritizes and promote a corporate culture that embraces innovation that creates benefits for the Company, customers, society and environment and also stakeholders under the laws and ethics; which is planned, regularly reviewed, and supervised.
- (5.2) The Company operates business with fairness, respecting the rules and regulations of the society; complying with the rules, regulations, and laws strictly in order to prevent damage that may occur to stakeholders; and providing opportunities for various stakeholder groups to participate in the business operation.

➤ **Employees**

The Company values all of its employees indiscriminately and equally by focusing on the safety supervision, welfare and employee benefit. The Company also supports and values the development of competencies and work efficiency by encouraging them to participate in training courses and seminars. In addition, the Company focuses on team working and builds a positive attitude toward the Company.

➤ **Customers**

The Company values all of its customers indiscriminately and equally, and aware of the importance of the customers' information. Therefore, it established the safeguard to prevent the uses or disclosures of the customers' information to ensure that the supervision of the customers' information is efficient and safe. For the public relations and sales promotion, the Company mainly focuses on the customers' understanding. It, therefore, advertise the products and services precisely and not exaggerated. In addition, the Company has conducted the survey and implemented the customers' feedback to improve and develop the products and services with the aim to achieve the highest level of customers' satisfaction.

➤ **Trading partners**

The Company values the selection of suitable trading partners and treats them fairly under the trading conditions and agreements without receiving or paying any interests which considered unfaithful to its trading partners. The Company shall consider each trading partner based on its stable and transparent financial record; not having prohibited characteristics concerning corruptions; compliance with the laws; having awareness of human rights, society and environment; having capability of manufacturing; and delivering quality goods and services according to the Company's demand with impressive after-

sales service. Moreover, the Company has discussed with its trading partners to develop each other's business on a sustainable basis.

➤ Creditors

The Company determines to preserve sustainable relationship and strictly comply with contracts; arrangements and conditions entered into with the creditors i.e. objectives of loans, repayment, fund management and retention of collateral by reporting accurate financial status and financial information on a regular basis. If the Company fails to comply with any discussed obligations or the loan default is likely to occur, the Company shall immediately inform the creditor to mutually seek for a solution. However, the Company has conducted capital management and maintained net capital, and constantly monitors them to ensure that the Company possess adequate liquidity and comply with the regulations of the relevant authority.

➤ Community and Society

The Company has supported various activities to help community and society where appropriate for the purpose to build the employees' conscious towards community and society e. g. donation for disadvantaged people and victims by donating money or goods to various foundation or charities., conducting lectures for students or investors, or conducting the internship program for university students, etc.

➤ Environment

The Company encourages its employees to protect environment, utilize limited energy and resources in the most efficient manner by encouraging the employees to save energy in the workplace e. g. water and electricity saving, use of environment-friendly office supplies, reducing paper usage by electronic systems and reusing non-confidential documents, etc.

➤ Competitors

The Company intends to develop its business to grow steadily and be comparable to its competitors of the same business. The company never set out any policies to destroy its competitors and treat them based on international standard under the antitrust law. In addition, it never fraudulently obtains any confidential information or trade secrets of its competitors and always adheres to the transparent business conduct.

➤ Anti-Corruption

The Company prioritizes business operation with honesty, transparency, morality, and responsibility to society according the good corporate governance principles and is aware of the harmful effect and the obstacles to development of an organization caused by corruption. The Company, therefore, has participated in Thailand's Private Sector Collective Action Coalition Against Corruption (CAC) since 27 August 2014 to show its intention of anti-corruption.

- (5.3) The Board should ensure that management allocates and manages resources efficiently and effectively throughout all aspects of the value chain to enable the Company to meet its objectives and ensure that management continuously reviews, adapts, and develops the Company's use and optimization of resources for sustainable development.

- (5.4) The Board established the IT Security Committee responsible for determining policies and procedures regarding operational control and information security, review the policies and procedures as appropriate and in line with the changes of risks that may affect information security. This includes providing information security system to ensure secret security, trustworthiness, and data availability; preventing misuse of information, change of information without permission; and supervising the use of information technology in accordance with relevant laws, regulations, and standards.

Principle 6: Strengthen effective risk management and internal control

- (6.1) The Company prioritizes operational control system, internal control and audit; and established risk management policies in order to regularly conduct risk assessment which may affect the business; determined measures to prevent risks from the use of inside information, conflicts of interest, and various risks in accordance with good internal control principles; established a clear management structure, separating responsibilities in order for check and balance.
- (6.2) The Company specifies that the Board shall establish the Audit Committee, which comprise of at least 3 independent directors who possess qualifications in accordance with the regulations of the Office of SEC. The Audit Committee is responsible for ensuring that there is appropriate risk management and internal control system, establishing internal audit department that is independent, and disclosing their opinions of the issues in the annual report. The duties and responsibilities of the Audit Committee are written in the Board of Directors' Charter.
- (6.3) The Company has the policy regarding the wrongful use of inside information by directors, executives, and employees for their own and one's benefits as follows:
- Directors are responsible for notifying the trading of the Company's shares to the Board at least 1 day in advance and the change of their interests to the Board meeting. Employees are responsible for notifying the trading of the Company's shares in accordance with the Company's policy.
 - Executives and employees related to accounting and financial information that has not been made public are prohibited from trading shares since the date specified by the Company and illegally sharing information to others. Directors are prohibited from trading the Company's shares since the date of receipt Board materials related to quarterly and annual financial statements. The trading shall be done after such information is made public after 1-2 days.
 - In the event that the Company is aware of the issue of certain security, the trade of the aforementioned security can be done in 3 business days after such security has been registered.
 - Front office employees or investment consultants must not trade securities on behalf of customers to prevent front-running and must not take care of their own or related persons' trading accounts. Employees related to stock analysis must not trade stocks that are in the process of being analyzed until the analyses are made public.
- (6.4) The Company established Complaint Consideration Committee which assigned Compliance Department to receive complaints from customers or shareholders. The complaints can be sent through 4 channels as follows:

- Send to Compliance Department at

Finansia Syrus Securities Public Company Limited
999/9 The Offices at Central World, 18th Floor,
Rama I Road, Pathumwan, Bangkok 10330

- Tel. : 02 658 9001-8 or Fax: 02 658-9009
- Email: compliance@fnsyus.com
- The Company's website: www.fnsyus.com
- The Complaint Consideration Committee is responsible for ensuring appropriate protective measure for whistleblowers who act in good faith.

Principle 7: Ensure disclosure and financial integrity

- (7.1) The Board prioritizes disclosure integrity both finance-related and non-finance-related as well as other information to show transparency. The Company ensures timely disclosure of information in line with regulations of the SEC and the SET as follows:
- Form 56-1
 - Annual report
 - Financial statements and management discussion and analysis
 - Financial reports including adequacy of the internal control system; auditors' opinion on the internal control system; auditors' observation regarding the internal control system; auditors' opinion through other channels (if any) ; the Audit Committee's opinion; consistency with objectives, strategies, and policies.
 - Information which may cause conflicts of interest
- (7.2) The Board assigned the Management to monitor the Company's financial status and report to the Board regularly; as well as ensure that no transaction would affect the Company's business continuity, liquidity, or solvency.
- (7.3) The Board should ensure that business operation is done carefully and in accordance with regulations regarding information disclosure. Moreover, the Board ensure that there are mitigation plans for financial difficulties, taking into account stakeholders ethically, and that there is regular report on the issue.
- (7.4) The Company disclosed its Corporate Governance Policy, Anti-corruption Policy, and Code of Conduct, which includes fair treatment towards employees and stakeholders, respect for human rights, and social and environmental responsibilities.
- (7.5) The Company discloses information through appropriate channels, being cautious about information which may affect securities prices. The Company assigned clear responsibility for the issue. However, Policy for dealing with information which may affect securities prices are being reviewed for more clearness.

(7.6) The Company disclosed the following information on the Company's website:

- Vision, mission, and corporate value
- Nature of business
- Directors and executives
- Financial statements and Report on financial status and operating results
- Form 56-1 and annual report
- Shareholding structure
- Group structure
- Notice to shareholders' meetings
- Articles of Association
- Corporate Governance Policy
- Board of Directors' Charter
- Code of Conduct
- Contact information

Principle 8: Ensure engagement and communication with shareholders

(8.1) The Company prioritizes the rights of shareholders, thus promoting the rights of shareholders which includes shareholders who are institutional investors. The Company allows shareholders to study information before the date of the shareholders' meeting by complying with the rules prescribed by law. In organizing the Annual General Meeting of Shareholders, the Company proceeded as follows:

- 1) According to Articles of Association, the following matters that may have an impact on the operations direction are included in the agenda of the shareholders' meeting and passed the consideration and/or approval from the shareholders
 - Report of the Board showing the Company's business
 - To approve balance sheet and profit and loss account
 - To approve appropriation of net profits and dividend payment
 - Re-election of directors to replace those who are due to retire by rotation and directors' remuneration
 - Appointment of auditors and audit fees
 - Other businesses
- 2) The Company gives rights to shareholders and minority shareholders to propose matters to be included in the meeting agenda and to nominate directors in advance by disclosing through the channels of the Stock Exchange of Thailand and through the Company's website at www.fnsyrus.com. The qualifications of the shareholders to propose the meeting agenda must comply with Section 89/28 of the Securities and Exchange Act 1992 and the Notification of the Securities and Exchange Commission, which is, shareholders of the Company, one or more shareholders, holding shares and

having voting rights combined not less than 5% of the total voting shares of the Company. Regarding the proposal of the meeting agenda, the Company has specified the following criteria:

- Matters that will not be considered as a meeting agenda
 - Matters prescribed in Section 89/28 of the Securities and Exchange Act B. E. 2535, and amendment, namely:
 - (1) Matters not in accordance with the criteria specified in no. 2) (Qualifications of shareholders: one or more shareholders, holding shares and having voting rights combined not less than 5 percent of the total voting shares of the Company)
 - (2) Matters related to normal business operations of the Company. And the facts referred by the shareholders Did not show reasonable grounds for suspicion
 - (3) Matters beyond the Company's authority
 - (4) Matters that have been proposed to the shareholders' meeting for consideration in the past 12 months and the said matter is supported by a vote of less than 12 percent of the total voting rights of the Company unless the facts have changed significantly from the facts presented to the previous shareholders' meeting.
 - (5) Any other cases as specified by the Capital Market Supervisory Board
 - Matters that are contrary to the laws, notifications, and regulations of governmental organizations or the Company's regulators, or contrary to the objectives, regulations, and resolutions of the shareholders' meeting and good corporate governance of the Company
 - Matters that have been completed by the Company
 - Matters in which shareholders provide incomplete or incorrect information or cannot be contacted or do not comply with the rules specified by the Company
 - Matters that are for the benefit of a particular person or group of people
 - Matters that are under the authority of the Board unless it could cause significant damage to shareholders as a whole
- Qualified shareholders must fill out the "Proposal of Agenda for the Annual General Meeting of Shareholders" of Finansia Syrus Securities Public Limited Company ("Agenda Proposal Form") along with the required documents and send to the Company Secretary at companysecretary@fnsyrus.com for the Executive Committee to consider and scrutinize before proposing to the Board of Directors. However, shareholders must submit the original forms and sign as evidence in a timely manner at the address as follows:

Office of the Company Secretary and Shareholder Engagement
Finansia Syrus Securities Public Limited Company
999/9 The Offices at Central World, 18th Floor,
Rama I Road, Pathumwan, Bangkok 10330

In the event that several shareholders combine to propose the agenda for the Annual General Meeting of Shareholders, the shareholders must fill out the agenda proposal form, signed as evidence, and send in one package.

- Matters that have been approved by the Board of Directors will be included in the meeting agenda and informing in the Notice that the agenda is proposed by shareholders.
- Matters that does not pass the opinion of the Board of Directors will be included as an agenda for acknowledgement and explain the reason in the Annual General Meeting of Shareholders. The Board's opinion is final.
- Shareholders who will nominate candidates to be elected as directors must meet all of the above qualifications
- Qualified shareholders must fill out the "Nomination form proposing a person for election as a director ("Nomination form") with required documents and send to the company secretary at companysecretary@fnsyrus.com for submission to the Board of Directors. Shareholders must submit the original form and sign as evidence as well as showing the required documents to the Company within the time frame at the address as follows:

Office of the Company Secretary and Shareholder Engagement
Finansia Syrus Securities Public Limited Company
999/9 The Offices at Central World, 18th Floor,
Rama I Road, Pathumwan, Bangkok 10330

In the event that several shareholders combine to propose the agenda for the Annual General Meeting of Shareholders, the shareholders must fill out the agenda proposal form, signed as evidence, and send in one package.

- Persons who are nominated as directors must qualify the following criteria:
 - Possess the right qualifications and not possess any prohibited qualifications under the Public Limited Company Act 1992, the Securities and Exchange Act 2008 and the Capital Market Supervisory Board
 - Possess knowledge and qualifications that are beneficial to the Company
 - Do not own positions in more than 4 listed companies
- Persons approved by the Board of Directors will be included in the agenda of the Annual General Meeting of Shareholders and announced as persons proposed by shareholders in the Notice of the Annual General Meeting of Shareholders.

3) These following information is included in the Notice of the Annual General Meeting of Shareholders:

- Date, time, and venue
- Agendas of the meeting, which are separated as for acknowledgement or approval. Re-election of directors and remuneration of directors are separate agendas.

- Purpose and reason for each agenda, which are separated as for acknowledgement or approval, together information for consideration
 - Dividend payment - The Company has specified the dividend payment policy and the proposed dividend payment rate for both the year proposed and historical comparison data.
 - Re-election of directors - The Company gives the shareholders the opportunity to vote for the election of individual directors. Directors' information such as name, age, education, experience, number of positions held in listed companies, recruitment criteria and methods, type of director proposed, including the attendance of the meeting in the previous year and the date of appointment as a director in the case that the current directors shall assume their positions.
 - Remuneration of directors - The Company has specified criteria for determining remuneration for directors and compensation, both monetary and other benefits, in both the proposed year and the previous year.
 - Appointment of auditors and audit fees - The Company specified the names of the auditors, company, duration and experience, period of being the auditor for the Company, independence of the auditors, and the remuneration of the auditors which consists of audit fees and non-audit fees of both the proposed year and the previous year.
 - Proxy form A and B (form C will be available on the Company's website)
 - Other information regarding the Annual General Meeting of Shareholders such as guidelines for vote casting, profiles of independent director to be appointed as proxy, lists of documents to be presented for registration, map of meeting venue etc.
- 4) The Company assigned the Thailand Securities Depository Co., Ltd. which is the share registrar of the Company to deliver the Notice and relevant documents of the meeting to shareholders within no less than 21 days before the meeting date while also notifying through the news system of the Stock Exchange of Thailand that the Notice of the meeting was published on the Company's website as an additional way to access information no less than 30 days before the meeting in both Thai and English languages.
- 5) The Company gives opportunity to shareholders to submit questions relating to the agenda of the shareholders' meeting to the Board in advance. The questions can be sent to the Company. The Company has set and published the criteria for sending questions in advance on the Company's website.
- Shareholders shall be send questions together shareholders' information as follows:
 - Name, address, phone number/fax, and email
 - Questions, agenda to inquire, and supporting information (if any)
 - Channel to receive questions
 - Fax: 02 658 9110
 - Time frame to receive questions

- Shareholders can send questions related to meeting agendas no less than 14 days prior to the meeting.
 - Company Secretary will gather questions and send to Chief Executive Officer for consideration.
 - The Company will answer questions received in advance on the meeting date.
- 6) The Company give opportunity to shareholders who cannot attend the meeting in person to vote by assigning proxy or giving authority to independent directors to vote on their behalf.
- (8.2) In order for the shareholders to participate and take the time to study and make important decisions, the Company gives opportunity to the shareholders to propose the meeting agenda and nominate a person to be elected as a director to replace those who are due to retire at least 3 months in advance. The right has been announced through the news system of the Stock Exchange of Thailand and on the Company's website in order to prevent additional agenda. The Company sets the date, time, and meeting venue taking into consideration the convenience of the shareholders and specifies the documents or evidence that must be presented before attending the meeting at an appropriate in order not to limit the opportunity for shareholders to attend the meeting. However, in the event that shareholders cannot attend the meeting in person, the shareholders can assign proxy to attend on their behalf. In this regard, the Company provides proxy forms together with the Notice of the meeting and nominate independent directors as proxies in the event that shareholders cannot attend the meeting in person, giving shareholders the right to vote by allowing the independent directors to vote on their behalf.

Before the meeting, the Company notifies shareholders of the number and proportion of shareholders attending the meeting in person and by proxy. In addition, the directors and executives who attend the meeting were also introduced, as well as rules for meetings and voting. As for vote counting, the Company will inform before voting in each agenda because there may be different voting methods for each agenda.

In order to comply with Section 105 of the Public Limited Companies Act B. E.2535 (and amendments), the Chairman of the meeting has the duty to control the meeting in accordance with the regulations of the Company, laws, and regulations and gives shareholders the opportunity to ask questions or express opinions on various issues related to the Company.

The Company has appointed auditors and legal advisors to oversee the shareholders' meeting to be transparent, legally, and in accordance with the Company's regulations. The Company provides seats for representatives of shareholders and legal advisors to observe and check the transparency of the vote counting, the results of which are disclosed to the meeting immediately after each agenda ends and in the minutes of the meeting.

As for the appointment of directors to replace those who are due to retire by rotation or agendas which consist of many items, the Company gives shareholders the right to appoint individual director or to vote separately on each item.

In order for the meeting to be more accurate and transparent, the Company has use a barcode system to facilitate the meeting, reduce the time use in the registration process, vote counting, and increase the efficiency of showing results to the meeting.

- (8.3) The Company notifies the resolutions of the shareholders' meeting through the news system of the Stock Exchange of Thailand within the date of the meeting by specifying the details in each agenda, including the result of the resolution, the method of vote counting and voting results for each category (agree, disagree, abstain, and invalid ballot) which shows in the form of shares and percentage. Regarding the preparation of the meeting minutes, the Company recorded the names of the directors and executives who attended the meeting, proportion of directors attending and not attending the meeting, voting and vote counting methods, voting results, resolutions from the meeting, as well as names and issues of shareholders who have questions and explanations of the Company in each agenda correctly and completely. The said documents are sent to the Stock Exchange of Thailand and published on the Company's website within 14 days from the date of the shareholders' meeting.

Code of Conduct

The Company values and determines to operate and manage its business with honesty, transparency, morality and social responsibility in compliance with the good governance and corporate governance, along with resource allocation in order to carry out both internal and external activities of the organization to gain the utmost benefit by considering the impact on the organization, social and environment to strive towards sustainable growth.

Anti-Corruption

The Company has participated in Thailand's Private Sector Collective Action Coalition Against Corruption (CAC) since 27 August 2014 to show its intention to encourage all level of officers to be aware of the harmful effect and the obstacles to development of an organization caused by corruption, and to have good conscience towards prevention of such harm. In this regard, officers shall not offer or demand compensation, bribe, arrangement or other benefits which lead to direct or indirect inducement for an unlawful action or inaction. In addition, the officers shall carry out their duties with care to prevent themselves or the Company from being used as the opportunity or medium to carry out any acts which may induce corruption. In 2015, the Company's Anti-Corruption progress indicator from Thaipat Institute is in the level of 4 – certified, namely, the Company has shown the implementation and review to ensure the adequacy of the procedure by the Audit Committee or the auditor approved by the SEC. The Company has been certified as the member of Thailand's Private Sector Collective Action Coalition Against Corruption and has been independently audited to ensure its compliance with the anti-corruption policy from the external authorization.

In addition, if there is any knowledge of fraud and corruption related to the Company, the persons must not ignore and must inform the responsible persons through the complaint channel, as well as cooperate in the investigation of facts.

Conflict of Interest

The Company operates its business by taking into account the benefit of the organization and stakeholders and regards thereof as the important policy, thus it sets out the practice to show its intention to operate its business with transparency and accountability and then sets out the duties and responsibilities for its employees in all level to avoid any acts that may cause damage to the Company or obtain less benefits than it should by taking unfair advantage for themselves or commercially related persons of the Company, for example, customers, business partners, etc. Moreover, the employees shall not hold the competitors' shares. If employees acquire such shares before becoming the Company's employees, or before the Company started operating the same business as the competitor's, or inherit such shares; they will be obligated to report to their superior so that the responsible department will be able to supervise such matters to ensure the transparency and clarity.

Respect for Human Rights

The Company determines to create and preserve the organizational culture which adheres to the respect for human rights by respecting and treats every person fairly in conformity with the human right principles, and shall not discriminate on the basis of gender, race, nationality, religion, language, age, skin color, education, social status, or other differences.

Giving or Receiving Gifts, Anything of Value, or Other Benefits

It is possible to give or receive gifts, anything of value or other benefits such as giving or receiving of hospitality, participation in activities, domestic or international travel, including income and expense in relation to the Company's stakeholders. However, such benefits shall only be given or received in a transparent manner and under an appropriate circumstance, or during the festival season and tradition. Employees shall not, in any way, demand or receive anything which is unconventional or inappropriate. In addition, such benefits shall not have inappropriately excessive value and shall not be cash or anything equivalent. For other cases, employees are obligated to report to their superior.

Use of Intellectual Property and Technology

The intellectual property and technology is the important factor that promotes the efficiency of business operation. Therefore, it is the roles and responsibilities of employees to protect the Company's intellectual properties and technologies from deterioration, loss or unlawfully use. Employees shall use the intellectual property and technology cautiously and carefully subject to relevant laws, rules and obligations; and shall not infringe any intellectual property rights, or use other person's technologies in an unlawful manner.

Trading in the Company's Stock and Use of Inside Information

The Company is a listed company in the Stock Exchange of Thailand and adheres to fair and indiscriminate disclosure of information to all shareholders. The roles and responsibilities of employees are not to disclose any nonpublic information for the purpose to exploit such information directly or indirectly. This shall include tipping off to the third parties as to whether they will receive any benefits therefrom, and protection of the Company's confidential information from leakage or release to unrelated individuals. In addition, employees shall not buy or sell the Company's shares before the disclosure of financial statement or financial status as well as other important information. They shall wait at least 1-2 days after the public disclosure. In this regard, employees shall notify the Company of the purchase or sale of the Company's shares according to the regulations specified by the Company, namely, conduct the written report and deliver a copy of transaction document to Compliance Department within the fifteenth day of the next month, in case of trading activities, or every 6 months, in case of inactivity, to ensure the transparency and clarity; and to prevent the inside information or important information from being unlawfully used which may affect the stock's price or cause damage to the Company.

Since the Company operates securities business which is regulated by the SEC, the SET, and other related authorizations, there is additional requirement for the employees who works in the front office and customer's decision-making unit, or responsible for the Company's investment fund which prohibits them to send orders for their accounts to prevent the front-running activity, and to act as the account officers of their own accounts or any persons related to them. The employees who are responsible for preparation of the stock analysis shall not buy any stocks which are being analyzed within the period specified by the Company.

Possession and Dissemination of Innovation

Since the technology has played more roles in facilitating everyday life, the Company determines to implement technology as the key factor in business operation. Therefore, it has developed the online trading system called “Finansia HERO” to increase convenience for the customer to execute transactions on mobile phones or other portability devices as well as computers, regardless of times and places, with more variety of features to support the demand of each type of investors. The investors can choose their application screen to match their uses or customize their screen. As this is the new development, the Company has conducted the trainings and seminars of the system usage and investment for the interested investors who are customers and noncustomers, and expand to university students, in order to efficiently utilize their knowledge and instruction in the investment at their own wishes. This system was created and designed to support and satisfy every aspect of investment based on the information safety and customer’s convenient so as to provide good experience and create customer satisfaction in all investment opportunities.

Internal Control and Internal Audit System, Risk Management and Financial Report

The Company determines to sustainably increase value and stability in its business. Therefore, it established the policy on internal control, internal audit, risk management and financial report to be in line with the corporate governance with the efficient and effective internal control and internal audit following to the international standards. The Company also manages all risks to be in an appropriate level, consistently follows up and review the working system and sets out the roles and responsibilities of the management to supervise the conducting of financial report to ensure that it will be accurate, complete and timely in accordance with acceptable accounting standard so as to build trust among shareholders, investors and all groups of stakeholders

Stakeholder Engagement

The Company aware and encourages the cooperation between the Company and the different groups of stakeholders, and focus on the sufficient disclosure of the relevant information. In this regard, the Company has carried out the following acts so that the stakeholders can participate efficiently:

Shareholders

The Company operates the business to create satisfaction and benefit to shareholders in a long term, and also ensure that the information disclosure is inclusive and trustworthy. All shareholders hold equitable rights to vote except for those who have vested interests in such matter unless it is the case of voting on the election of directors.

Employees

The Company values all of its employees indiscriminately and equally by focusing on the safety supervision, welfare and employee benefit. The Company also supports and values the development of competencies and work efficiency by encouraging them to participate in training courses and seminars. In addition, the Company focuses on team working and builds a positive attitude toward the Company.

Customers

The Company values all of its customers indiscriminately and equally, and aware of the importance of the customers' information. Therefore, it established the safeguard to prevent the uses or disclosures of the customers' information to ensure that the supervision of the customers' information is efficient and safe. For the public relations and sales promotion, the Company mainly focuses on the customers' understanding. It, therefore, advertise the products and services precisely and not exaggerated. In addition, the Company has conducted the survey and implemented the customers' feedback to improve and develop the products and services with the aim to achieve the highest level of customers' satisfaction.

Trading partners

The Company values the selection of suitable trading partners and treats them fairly under the trading conditions and agreements without receiving or paying any interests which considered unfaithful to its trading partners. The Company shall consider each trading partner based on its stable and transparent financial record; not having prohibited characteristics concerning corruptions; compliance with the laws; having awareness of human rights, society and environment; having capability of manufacturing; and delivering quality goods and services according to the Company's demand with impressive after-sales service. Moreover, the Company has discussed with its trading partners to develop each other's business on a sustainable basis.

Creditors

The Company determines to preserve sustainable relationship and strictly comply with contracts; arrangements and conditions entered into with the creditors i.e. objectives of loans, repayment, fund management and retention of collateral by reporting accurate financial status and financial information on a regular basis. If the Company fails to comply with any discussed obligations or the loan default is likely to occur, the Company shall immediately inform the creditor to mutually seek for a solution. However, the Company has conducted capital management and maintained net capital, and constantly monitors them to ensure that the Company possess adequate liquidity and comply with the regulations of the relevant authority.

Community and Society

The Company has supported various activities to help community and society where appropriate for the purpose to build the employees' conscious towards community and society e. g. donation for disadvantaged people and victims by donating money or goods to various foundation or charities., conducting lectures for students or investors, or conducting the internship program for university students, etc.

Environment

The Company encourages its employees to protect environment, utilize limited energy and resources in the most efficient manner by encouraging the employees to save energy in the workplace e. g. water and electricity saving, use of environment-friendly office supplies, reducing paper usage by electronic systems and reusing non-confidential documents, etc.

Competitors

The Company intends to develop its business to grow steadily and be comparable to its competitors of the same business. The company never set out any policies to destroy its competitors and treat them based on international standard under the antitrust law. In addition, it never fraudulently obtains any confidential information or trade secrets of its competitors and always adheres to the transparent business conduct.

Corporate Governance in other areas

Board of Directors' meetings

(1) Board of Directors

The Board of Directors set its meeting schedule to be 10 times in total. The details of directors' attendance are as follows:

Name	Attendance/Total meeting per year
1. Mr. Chatchaval Jiaravanon	9/10
2. Mr. Varah Sucharitakul	8/10
3. Mr. Chuangchai Nawongs	10/10
4. Mr. Somphop Keerasuntonpong	9/10
5. Mrs. Pornpring Suksantisuwan	10/10
6. Mr. Yang Liu *	4/5
7. Ms. Kanchana Vongratanakulthong*	4/5
8. Pol. Gen. Visanu Prasattongsoth	10/10
9. Mr. Phaiboon Siripanoosathien	10/10
10. Mr. Kittisak Bencharit	10/10

Ms. Phatra Kanchanaprapat acts as the Company Secretary.

Remark: 1) Some of the directors were unable to attend all meetings since they traveled abroad.

2) * Mr. Yang Liu, a director, resigned from his position, effective from 13 May 2020.

3) * Ms. Kanchana Vongratanakulthong took a position of a director effective from 28 May 2020.

(2) Audit Committee

The Audit Committee set its meeting schedule to be 10 times in total. The details of directors' attendance are as follows:

Name	Attendance/Total meeting per year
1. Pol. Gen. Visanu Prasattongsoth	10/10
2. Mr. Phaiboon Siripanoosathien	10/10
3. Mr. Kittisak Bencharit	10/10

Mrs. Parichart Khantasima acts as the Secretary of the Audit Committee.

Development of directors and executives

The Company aware and values the importance of encouraging the directors and executives to attend the training courses held by the Thai Institute of Directors and/or other courses specified by the SEC for the purpose to improve their knowledge and competency which is useful for carrying out their duties as directors and executives and perform their duties efficiently and in accordance with the corporate governance.

All directors have been registered as the member of the Thai Institute of Directors (IOD) by the Company in order to receive news and knowledge and if the Company received the training information or training documents relating to the Board of Directors, the Company will send such information to the directors to acknowledge and study accordingly. The details of the directors' attendance in training course are as follows:

Name	DCP	DAP	ACP	CSP	FND	SFE	HRP	CGI	AACP	BMD
1. Mr. Chatchaval Jiaravanon	-	2008	-	-	-	-	-	2016	-	-
2. Mr. Varah Sucharitakul	2002		-	2008	-	-	-	2016	-	-
3. Mr. Chuangchai Nawongs	-	2004	-	-	-	-	-	2015	-	-
4. Mr. Somphop Keerasuntongpong	-	2004	-	-	-	-	-	2015	-	-
5. Mrs. Pornpring Suksantisuwan	2008	2005	-	-	-	-	-	2015	-	-
6. Mr. Yang Liu*	-	-	-	-	-	-	-	-	-	-
7. Ms. Kanchana Vongratanakulthong*	2019	-	-	-	-	-	-	-	-	-
8. Pol. Gen. Visanu Prasattongsoth	-	2004	2005	-	2005	-	-	2015	2015	-
9. Mr. Phaiboon Siripanoosation	2008	-	2009	-	-	2011	2013	2015	-	-
10. Mr. Kittisak Bencharit	2006	-	2010	-	-	-	-	2014	2015	2017

Remark:

1) In 2020, the Company did not send any director to participate the training course.

2) Courses:

DCP: Director Certification Program

DAP: Director Accreditation Program

ACP: Audit Committee and Continuing Development Program

CSP: Company Secretary Program

FND: Finance for Non finance Director Program

SFE: Successful Formulation & Execution of Strategy

HRP: How to Develop a Risk Management Plan

CGI: Corporate Governance for Capital Market Intermediaries

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

BMD: Board that Make a Difference

* Mr. Yang Liu, a director, resigned from his position, effective from 13 May 2020.

* Ms. Kanchana Vongratanakulthong took a position of a director effective from 28 May 2020.

Assessment of Performance

The Board of Directors' Meeting No.10/2020 approved the assessment of the performance of the Board of Directors, the Audit Committee and the Chief Executive Officer to make them aware of their responsibilities, to review their functions, and to develop their performances. The implemented evaluation forms are developed from the assessment forms of the SET. The content of which was adjusted to fit and be in line with the structure of the Company and the Office of the Company Secretary and Shareholder Engagement is responsible for delivering such evaluation forms to all directors, then all evaluation forms will be collected and calculated the results in order to propose to the Board of Directors accordingly. The Company's assessment forms are divided into 5 parts, namely:

1) Board of Directors Assessment Form

The individual director of the Company will conduct an assessment of the performance of the Board of Directors in overall aspect using assessment criteria, namely, (1) Structure and Characteristics of the Board of Directors, (2) Roles, Duties and Responsibilities of the Board of Directors, (3) the Board of Directors' Meetings, (4) Performance of Board of Directors' Duties, (5) Relationship with the Management and (6) Personal Development of Directors and Executives.

2) Individual Director Assessment Form

The individual director of the Company will conduct an assessment of the performance of other director using assessment criteria, namely, (1) Structure and Characteristics of the Board of Directors, (2) the Board of Directors' Meetings and (3) Roles, Duties, and Responsibilities of the Board of Directors.

3) Audit Committee Assessment Form

The individual member of the Audit Committee will conduct an assessment of the performance of the Audit Committee in overall aspect using assessment criteria, namely, (1) Structure and Characteristics of the Audit Committee, (2) the Board of Directors' Meetings, (3) Roles, Duties and Responsibilities of the Audit Committee and (4) Other matters, i.e., self-development of directors and development of executives.

4) Individual Member of the Audit Committee Assessment Form

The individual member of the Audit Committee will conduct an assessment of the performance of other director using assessment criteria, namely, (1) Structure and Characteristics of the Board of Directors, (2) the Board of Directors' Meetings and (3) Roles, Duties and Responsibilities of the Board of Directors.

5) Chief Executive Officer Assessment Form

The individual director of the Company will conduct an assessment of the performance of the Chief Executive Officer in overall aspect using assessment criteria, namely, (1) Leadership, (2) Strategy Formulation, (3) Strategy Implementation, (4) Financial Planning and Performance, (5) Relationships with the Board of Directors, (6) External Relations, (7) Human Resources Management and Relations, (8) Succession, (9) Product and Service Knowledge and (10) Personal Qualities. In addition, there is a section for comment and recommendation section to develop the Chief Executive Officer.

The rating system consists of 5 levels, namely:

0 = Strongly disagree or there has been no implementation of the matter;

1 = Disagree of there has been little implementation of the matter

2 = Agree or there has been initial implementation of the matter

3 = Agree to a certain extent or there has been progressive implementation of the matter

4 = Strongly agree or there has been complete implementation of the matter

Assessment Results

1) The Board of Directors

- The average score result was 3.84 from the total of 4.00 or equivalent to 95.90 percent.
- The overall performance of the Board of Director is excellent.

2) Individual Director of the Company

- The average score result was 3.77 from the total of 4.00 or equivalent to 94.21 percent.
- The performances of most directors are very good.

3) The Audit Committee

- The average score result was 3.83 from the total of 4.00 or equivalent to 95.69 percent.
- The overall performance of the Audit Committee is excellent.

4) The Individual Member of the Audit Committee

- The average score result was 4.00 from the total of 4.00 or equivalent to 100 percent.
- The performances of most members of the Audit Committee are excellent.

5) Chief Executive Officer

- The average score result was 3.93 from the total of 4.00 or equivalent to 98.14 percent.
- The performance of the Chief Executive Officer is excellent.

Directors and Executives Remuneration

1) Financial Remuneration

➤ Board of Directors and Audit Committee

Unit: THB

Full Name	2020		2019	
	Meeting Allowance	Bonus	Meeting Allowance	Bonus
1. Mr. Chatchaval Jiaravanon	450,000	-	350,000	-
2. Mr. Varah Sucharitakul	240,000	-	210,000	-
3. Mr. Chuangchai Nawongs	-	-	-	-
4. Mr. Somphop Keerasuntongpong	-	-	-	-
5. Mrs. Pornpring Suksantisuwan	200,000	-	160,000	-
6. Mr. Yang Liu	60,000	-	100,000	-
7. Ms. Kanchana Vongratanakulthong	100,000	-		
8. Pol. Gen. Visanu Prasattongsoth	600,000	1,000,000	320,000	1,000,000
9. Mr. Phaiboon Siripanoosathien	400,000	500,000	340,000	500,000
10. Mr. Kittisak Bencharit	400,000	500,000	340,000	500,000
Total	2,450,000	2,000,000	1,820,000	2,000,000

Remark: Directors who are executives shall not receive remuneration.

➤ Executive Board

Unit: THB

Full Name	2020		2019	
	Meeting Allowance	Bonus	Meeting Allowance	Bonus
1. Mr. Varah Sucharitakul	280,000		360,000	-
2. Mr. Chuangchai Nawongs	-	-	-	-
3. Mr. Somphop Keerasuntanpong	-	-	-	-
4. Mrs. Pornpring Suksantisuwan	200,000		160,000	-
Total	480,000	-	520,000	-

➤ IT Security Committee

Unit: THB

Full Name	2020		2019	
	Meeting Allowance	Bonus	Meeting Allowance	Bonus
1. Mrs. Pornpring Suksantisuwan	560,000		400,000	
2. Chief Operating Officer	-	-	-	-
3. Chief Technology Officer	-	-	-	-
4. Head of E-Business_Technical Department	-	-	-	-
Total	560,000	-	400,000	-

Remark: Directors who are executives shall not receive remuneration.

➤ Credit Committee

Unit: THB

Full Name	2020		2019	
	Meeting Allowance	Bonus	Meeting Allowance	Bonus
1. Mr. Chuangchai Nawongs	-	-	-	-
2. Mrs. Pornpring Suksantisuwan	140,000	-	80,000	-
3. Chief Operating Officer	-	-	-	-
4. Chief Financial Officer	-	-	-	-
5. Head of Risk Management Department	-	-	-	-
6. Executive Director of Brokerage Business	-	-	-	-
Total	140,000	-	80,000	-

Remark: Directors who are executives shall not receive remuneration.

➤ Risk and Investment Committee

Unit: THB

Full Name	2020		2019	
	Meeting Allowance	Bonus	Meeting Allowance	Bonus
1. Mr. Chuangchai Nawongs	-	-	-	-
2. Mrs. Pornpring Suksantisuwan	100,000	-	80,000	-
3. Chief Financial Officer	-	-	-	-
4. Chief Operating Officer	-	-	-	-
5. Head of Business Development Department	-	-	-	-
Total	100,000	-	80,000	-

Remark: Directors who are executives shall not receive remuneration.

➤ Purchase Committee

Unit: THB

Full Name	2020		2019	
	Meeting Allowance	Bonus	Meeting Allowance	Bonus
1. Mrs. Pornpring Suksantisuwan	60,000	-	-	-
2. Chief Operating Officer	-	-	-	-
3. Chief Financial Officer	-	-	-	-
4. Chief Technology Officer	-	-	-	-
5. Head of General Administration	-	-	-	-
Total	60,000	-	-	-

Remark: Directors who are executives shall not receive remuneration.

➤ Remuneration Committee

Unit: THB

Full Name	2020		2019	
	Meeting Allowance	Bonus	Meeting Allowance	Bonus
1. Mr. Chatchaval Jiaravanon	40,000	-	-	-
2. Pol. Gen. Visanu Prasattongsoth	20,000	-	-	-
3. Mr. Varah Sucharitakul	20,000	-	-	-
Total	80,000	-	-	-

Remark: Directors who are executives shall not receive remuneration.

➤ Executives

In 2020, The Company paid remunerations, which comprise of salary, bonus, and others, to executives totaling THB 214,077,470.

➤ Other committees

The Company did not pay any financial remuneration to members of the following committees:

- (1) Management Committee
- (2) Damage Examination Committee
- (3) Complaints Consideration Committee
- (4) Brokerage Business Committee
- (5) Private Fund Committee
- (6) Risk of Private Fund Committee

➤ Board of Directors' of subsidiary

Unit: THB

Full Name	FSS International Investment Advisory Securities Co., Ltd.			
	2020		2019	
	Meeting Allowance	Bonus	Meeting Allowance	Bonus
1. Mr. Chuangchai Nawongs	-	-	-	-
2. Mrs. Pornpring Suksantisuwan	30,000	-	30,000	-
3. Mrs. Chutima Woramontri ⁽¹⁾	-	-	-	-
4. Mr. Suwat Sinsadok ⁽²⁾	-	-	-	-
Total	30,000	-	30,000	-

Remark: Directors who are executives shall not receive remuneration.

⁽¹⁾Mrs. Chutima Woramontri resigned from her position, effective from 26 March 2020.

⁽²⁾Mr. Suwat Sinsadok took a position as director, effective from 30 March 2020

Other remuneration

1) Board of Directors

– None –

2) Executives

The Company has provident fund which the Company also paid 5-10% of the salary each month. In 2020, the Company paid the provident fund totaling THB 4,722,153. In addition, the Company also provides insurance which covers damage occurring from management in the amount of THB 660,682.

Remuneration of auditor

1) Audit fees

The Company and its subsidiary paid the audit fees to the auditor of the Company, namely, EY Office Limited as follows:

Unit: THB

	2020	2019	Change
Finansia Syrus Securities PLC	2,000,000	1,800,000	+200,000
FSS International Investment Advisory Securities Co., Ltd.	400,000	400,000	-
Total	2,400,000	2,200,000	+200,000

2) Non-Audit Fee

– None –

Whistleblowing and complaint policy

The Company provides whistleblowing channels for employees to report suspected violation of corporate governance policy, code of conduct, and other rules and regulations, where information will be inspected. If the information is deemed verisimilar, the report will be proposed to the Audit Committee and the Board of Directors for establishing a committee to investigate facts and determine penalty. The Company also specifies measures to protect whistleblowers and those who cooperate in fact finding.

Corporate Governance Practices that have not been adopted

1. The board should ensure that the company's annual and medium-term (for example, 3 - 5 years) objectives, goals, strategies, and plans correlate and align with the company's long-term objectives, while considering the business environment, opportunities, and the company's risk appetite. The board should ensure that the company's medium-term objectives, goals, strategies, and plans are annually reviewed and updated as appropriate.

Explanation: The Company is in the process of considering adopting the Stock Exchange of Thailand's sustainable development guidelines into the Company's policies and strategies.

2. The board should ensure that the company's strategies and plans take into account all relevant factors influencing the value chain, including the company's ecosystem, risks, resources, competitiveness, and stakeholders. The board should ensure that a mechanism for stakeholder engagement is in place.

Explanation: The Company has stakeholder engagement, yet unclear. The Company is in the process of considering adopting the Stock Exchange of Thailand's sustainable development guidelines into the Company's policies and strategies to make stakeholder engagement clearer.

3. The chairman of the board should be an independent director.

Explanation: Although the Chairman of the Board is not an independent director, the Board has considered that Chairman has fulfilled his duties and responsibilities appropriately. Giving opinions and determining objectives of the Company are mutual agreement of the Board, which is without interference. Also, the Chairman has always supported the business. In

addition, the qualifications of the Chairman are in accordance with the regulations of the Office of the Securities and Exchange Commission and must also be approved by shareholders.

4. If the roles and responsibilities of the chairman and the chief executive officer are not clearly separated, for instance, when the chairman and the chief executive officer are the same person, the chairman is not an independent director, the chairman and the chief executive officer are family members, or the chairman is a member of the management team or has been assigned a management role, the board should ensure the balance of power and authority of the board and between the board and management by:

- (1) Having the board comprise a majority of independent directors, or
- (2) Appointing a designated independent director to participate in setting the board meeting agenda.

Explanation: That the composition of the Board of Directors should consist of more than half of the independent directors has been considered by the Board. The Board agreed that the performance of duties and the opinions of the directors are independent from the Management. And although the proportion of independent directors does not meet the criteria of the Thai Institute of Directors (IOD), it still complies with the Public Limited Company Act, which stipulates that the proportion of independent directors should not be less than one-third of the total number of directors. Therefore, the Company has maintained the said structure. In addition, directors' term of office should not exceed 3 consecutive terms unless any director is suitable to hold the position longer. The Board will consider the independence and efficiency of the said director, as well as explain the reasons and performance to shareholders.

5. The Board should establish a Nomination Committee. The majority of its members and the Chairman should be independent directors.

Explanation: Even though the Company does not have Nomination Committee, the Company ensures that the policy and procedures for the selection and nomination of directors are transparent by disclosing in advance on the Company's website the opportunity for shareholders to nominate qualified and trustworthy persons for election as directors. In the case that no one is nominated as director, the Board shall consider profiles and qualifications, which are reviewed on a regular basis, and nominate such persons to be elected as directors by shareholders' approval.

6. The board should establish a remuneration committee with the majority of its members and the chairman being independent directors. The remuneration committee is responsible for setting the remuneration policy.

Explanation: The Company has established the Remuneration Committee even though the Chairman is not an independent director. The Company has considered and resolved that the Chairman of the Board, who is the leader of the organization, is responsible for the performance of the Company and, therefore, is appropriate to be appointed as the Chairman of the Remuneration Committee.

7. The company should appoint an external consultant to assist in setting guidelines and providing recommendations for a board assessment at least once every three years. This information should be disclosed in the annual report.

Explanation: The Board deemed the guideline appropriate and will adopt it when ready.

8. Meeting documents should be sent to each director at least five business days before the meeting.

Explanation: The Company has regulations regarding sending meeting notices and meeting documents to the directors no less than 7 days before the meeting date. Since there may be the use of data from other organizations, this can cause the delay. While the 5 working days before the meeting date specified by the SEC is an appropriate corporate governance principle, the Board has considered and deemed the aforementioned period not different from the Company's existing practices and, therefore, agreed to maintain the existing practices.

9. Non-executive directors should be able to meet, as necessary, among themselves without the management team to debate their concerns and report the outcome of their meeting to the company's chief executive officer.

Explanation: The Company is in the process of considering adopting the guideline to enhance independence and performance of the Board.

10. The board should ensure that management sets clear directions for and supports the Investor Relations function (such as through a code of conduct), and clearly defines the roles and responsibilities of the Investor Relations function, so as to ensure effective communication between the company, the financial community and other stakeholders.

Explanation: The policy regarding management of information that affects stock prices has been reconsidered to enhance clearness.

11. The board should ensure that the company discloses the results of voting on proposed resolutions at the shareholders' meeting through the designated Stock Exchange of Thailand channels and through the company's website by the next business day.

Explanation: The Company notifies the resolutions of shareholders' meetings through the SET's electronic company information disclosure but not on the Company's website. However, the Company has assigned the relevant department to prepare the Company's website for such disclosures.

Social Responsibility Activities

Sharing and giving back to society is one of the resolutions of the Company, recognizing the benefits in stimulating the development of quality of life for giving back to society. In the past year, the Company organized various activities as follows:

Buddhist Priest Ceremony Phayao Province



Mr. Varah Sucharitakul, Deputy Chairman and Mr. Chuangchai Nawongs, Chief Executive Officer, are the representatives traveling to host an offering robes to Buddhist priest ceremony on 23 February at Ban Mai School, Ban Mai Sub-district, Mueang Phayao District, Phayao Province. As the school faced a shortage of places to study, lack of budget to support activities and teaching materials. Therefore, it is necessary to find a place to study for most of the students whose families are poor, including providing scholarships for students. The Company has therefore collected a donation to support the construction of the octagon building (Computer building) to be a place for teaching and learning for students from kindergarten to secondary school year 6, including the repair of other school buildings as well. The Company realizes the development of the quality of life of children and youth in order to grow into quality personnel and an important force in the sustainable development of society and the country.

Ramathibodi Foundation



On Saturday, 4 April, the Company made a donation to the Ramathibodi Foundation, Faculty of Medicine, Ramathibodi Hospital. Every donation is an opportunity to heal and give a new life to patients, creating medical personnel to take care of the lives of Thai people.

Donated Funds to Improve Classroom



On Saturday, 12 December, the Company donated funds to improve the Buddhist study classroom, as well as supporting educational equipment, sports equipment, and clothing for winter at Ban Tham School, Chiang Dao District, Chiang Mai Province, so that children and youth in the area to have a better quality of life and to be able to create educational opportunities for children and youth in the area.

Report of the Audit Committee

Composition of the Audit Committee

The Audit Committee of Finansia Syrus Securities PLC comprises 3 independent directors and the Company's executive vice president of Compliance Department served as the coordinator and secretary.

Roles and Responsibilities of the Audit Committee

The Audit Committee is empowered by the Board of Directors to review all matters relation to the financial reporting, internal and external audits by the certified public accountant. In a meantime, the Audit Committee also encourage and promote the Company to comply with the good practices of listed companies to ensure that the company has good corporate governance practices; provide advice on good internal control system to executives; and discuss other activities relating to 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 to review and evaluate the accounting policies and principles, procedures relating to the accounting and finance the internal control, and the audit plan. The Audit Committee also verified and certified financial report for every quarter and provided assessments and recommendations to the Board of Directors. The Audit Committee has its duties to ensure that the weakness in internal controls will be corrected and prevented timely and efficiently. The Board of Directors and the Audit Committee approved the policy and reports for related party transactions.

The duties of the Internal Audit and Compliance of the Company are to evaluate weakness in the internal and external rules and regulations of the Company systematically. The internal audit reports were submitted to the Audit Committee regularly.

The Internal Audit and Compliance of the Company also serves as a facilitator and a promoter of an improvement of good corporate governance of the Company and its compliance through internal audit processes, post-audit follow up; provides advice on prevention of corruption to internal department of the Company; and work closely with the Human Resource Department to encourage the compliance with the existing Code of Conduct and to promote the Company's comprehensive good corporate governance.

The Audit Committee's Activities during the Year

In 2020, the Audit Committee carried out the following activities:

- 1) Approved the quarterly financial statements and reviewed the annual financial statement, and provided assessments and recommendations to the Board of Directors;
- 2) Reviewed the revision of the Internal Audit of the Company to be in line with business expansion, and proposed for the Board Approval;
- 3) Reviewed and approved Internal Audit plan and reviews the results of internal audit reports and the revision thereof.

The Audit Committee's opinions according to the aforementioned activities are as following:

- 1) The Company's 2020 financial reports are accurate, complete and accountable;

- 2) The Company complied with the securities and exchange law, the regulations of the stock exchange, 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, provided audit services appropriately;
- 5) The related transactions arising in 2020 were rational and contributed optimal benefits of the Company;
- 6) For the year 2020, the Audit Committee held 10 meetings to review the Company's financial report which had been verified by the certified public accountant and internal audit results, and corrective actions. The attendance of meetings by each committee member was as follows:

Full Name	Attendance/Total Meetings in the Year 2020
1. Pol. Gen. Visanu Prasattongosoth	10/10
2. Mr. Phaiboon Siripanoosathien	10/10
3. Mr. Kittisak Bencharit	10/10

- 7) The Audit Committee performed its duties approved by the Board of Directors.

The Audit Committee proposed the Board of Directors to appoint EY Office Limited as the Company's auditor for the fiscal year ending 31 December 2021. The appointment of the auditor and the determination of the audit fees will be subjected to the approval of the shareholders at the Annual General Meeting to be held on 30 April 2021.



Pol. Gen. Visanu Prasattongosoth
Chairman of the Audit Committee

Internal Control and Risk Management

The Company is aware and values the importance of supervision, monitoring, and internal audit. Therefore, the Company assesses business risks which regularly affect business operations, monitors and establishes policies regarding risks from inside information, conflict of interest and risks according to good internal control. The Company sets out the explicit management structure and segregation of duties to ensure the effective check and balances.

Comments from Audit Committee

The duties of the Company's Audit Committee are to consider and review the adequacy of the internal control system to suit the changing environment. The Company assigns the Internal Audit Department which is an independent department to audit and report directly to the Audit Committee.

The Audit Committee has reviewed the internal control system and risk management by considering the monthly audit reports and summary of annual audit prepared by the Internal Audit Department to propose to the Audit Committee to consider the overall system and determine which system shall be emphasized. Moreover, the Audit Committee provides advice to the internal audit department regarding the improvement on the internal control procedures and systems emphasizing on segregation of authority, the clear line of the authority and to monitor the continual improvement of any weakness from the audit results, and the problem solving in a correct and timely manner to prevent any breach against related laws, rules and regulations. At the Board of Directors Meeting No. 1/2021 on 26 January 2021, 3 members of the Audit Committee conducted the internal control system sufficiency evaluation dividing into 5 areas which are (1) internal control (2) risk assessment (3) supervision of operation (4) information and communication, and (5) Monitoring system. In addition, the Audit Committee also

evaluated the adequacy of personnel; monitored and supervised the operation whether it is able to prevent the property of the Company or its subsidiary from the unlawful or unauthorized use by directors or executives; and evaluated weakness in the internal control system and review the improvement status and the rationale.

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, executives' transaction or any related persons were adequate. Apart from that, the other topics of the internal control system were adequate as well.

Head of the Company's Internal Audit and Compliance

Mrs. Parichart Khantasima serves as head of Internal Audit and Compliance Officer responsible for controlling, monitoring and managing both departments. According to her work experiences, knowledge and skills, the Audit Committee consider and viewed that she is regarded as the suitable person to discharge her duties efficiently and most beneficial for the Company.

In this regard, the appointment, dismissal and transfer the Chief Risk and Compliance Officer will be subject to approval of the Audit Committee and the Board of Directors.

Shareholder Structure

Top 10 Major Shareholders as of 31 December 2020

	Name of Shareholder	Number of Share	Shareholding Proportion (%)
1)	Finansa Fund Management Limited	170,269,978	29.29
2)	Morgan Stanley&CO. International PLC	67,383,222	11.59
3)	ICBC (Thai) PLC	58,140,302	10.00*
4)	Thai NVDR Co., Ltd. **	49,271,673	8.55
5)	KIM ENG SECURITIES (HONG KONG)	44,511,860	7.66
6)	Mrs. Suporn Wattanavekin	15,671,944	2.70
7)	Mr. Anucha Sihanatkathakul	15,418,599	2.65
8)	Mr. Paitoon Manasilp	7,360,021	1.27
9)	Mr. Pracha Pariyavatkul	5,520,000	0.95
10)	Mr. Jumroen Rungwatanaseth	5,500,000	0.95
	Others	141,905,426	24.39
	Total	581,403,025	100.00

Remark: * ICBC (Thai) PLC holds 58,140,302 shares, which are accounted for 9.9999999%

**The shareholders of Thai NVDR Co., Ltd. in No. 4, who holds Non-Voting Depository Receipts are not entitled to vote in the shareholders' meeting, except for the right to vote for the delisting from the Stock Exchange.

The shareholder of Finansa Fund Management Limited ("FFM"), the No. 1 shareholder of the Company, operates the investment business in the form of venture capital to invest in Thailand, Vietnam, Myanmar and Cambodia, is Finansa PLC ("FNS"), holding 100% shares. As of 14 October 2020, the shareholders of FNS comprise of Mr. Vorasit Pokachaiyapat, holding 33.48% shares, Mr. Kobkhun Thianpreecha, holding 9.99% shares, Morgan Stanley&CO. International PLC, holding 3.98% shares, M.L. Suddhiman Pokachaiyapat, holding 3.04 shares, Deutsche Bank Ag Singapore-Pwm holding 2.89% shares, and other shareholders, holding 46.62% shares.

Dividend Payment Policy

The Company has policy to pay dividend at the rate of not less than 40 percent of net profit after the deduction of every reserves determined by the Company. However, the dividend payment shall be changed taking into account the Company's investment plan, necessity and other appropriateness in the future. In 2019, the Company incurred net loss of THB 138,083,172. Therefore, the Meeting approved no dividend payment.

Share Price

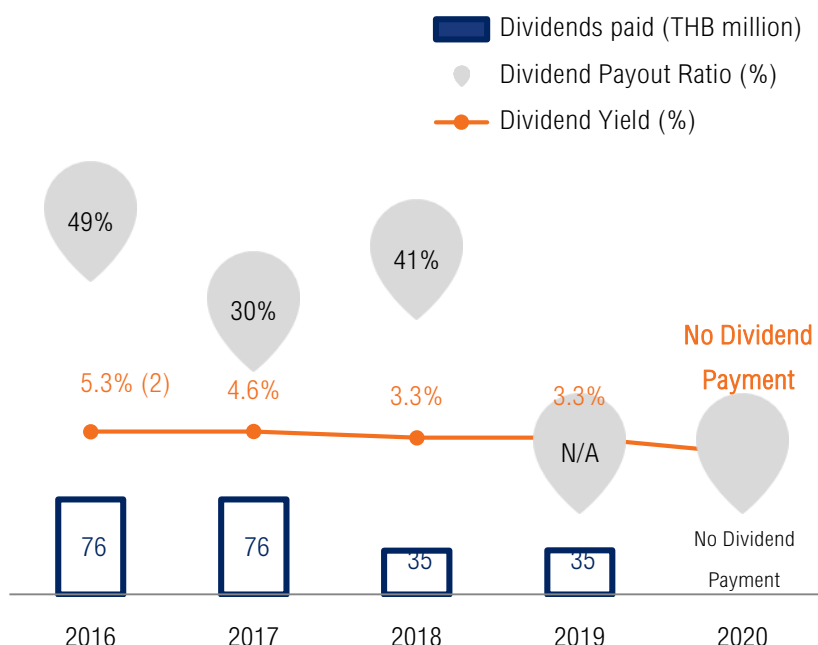
1.82

Dividend per
Share

**No Dividend
Payment**

Earnings per
Share

0.14



Remark:

- (1) Dividend payout ratio was calculated from dividend paid divided by the Company's net profit after the deduction of 5% of net profit as a statutory reserve according to cash basis.
- (2) The dividend payments were made in the form of the stock dividends and cash dividends, where the stock dividends were distributed at the ratio of 5.64 existing shares per 1 newly issued share, or equivalent to the dividend payment rate of THB 0.28 per share, and the cash dividends were made at the rate of THB 0.03152088259
- (3) Dividend yield was calculated from dividend paid divided by total ordinary shares as of the year end and divided by the share price as of the year end.

General Information

(A) Corporate Information

Company Name (TH)	: บริษัทหลักทรัพย์ ฟินันเซีย ไซรัส จำกัด (มหาชน)
Company Name (EN)	: Finansia Syrus Securities Public Company Limited
Stock Code	: FSS
Registered Number	: 0107547000079
Member Lists	: Member of SET No. 24 Member of the Thai Bond Dealing Center Member of Association of Thai Securities Companies (ASCO)
Company Website	: https://www.fnsyrus.com
Issued and Paid-Up Share Capital	: THB 930,244,840 (Par Value THB 1.60 per share, 581,403,025 ordinary shares)
Head Office	: 18 th , 25 th Floor, The Offices at Central World 999/9, Rama I Road, Pathumwan, Bangkok 10330 Tel: 02 658 9500 Fax: 02 658 9110
Back Office	: 6 th , 7 th , 8 th , 9 th Floor (Unit No.601) Mint Tower 719 BanThat Thong Road, Wangmai, Pathumwan, Bangkok, 10330 Tel: 02 680 0700 Fax: 02 680 0769
Branches	: 23 Branches

Bangkok Metropolitan Area

1) Alma Link Office

9th, 14th, 15th Floor, Alma Link Building
25 Soi Chidlom, Ploenchit Road,
Lumpini, Pathumwan, Bangkok 10330
Tel: 02 646 9999, 02 646 9600
Fax: 02 646 9888

2) Amarin Tower Office

20th Floor, Amarin Tower
496-502 Ploenchit Road,
Lumpini, Pathumwan, Bangkok 10330
Tel: 02 660 5000, 02 264 6000
Fax: 02 660 5010

3) Central Pinklao 1 Branch

16th Floor, Room 21601/1, 1404, Central Tower A
Pinklao
7/129-221 Baromratchachonane Road,
Arunamarin, Bangkok Noi, Bangkok 10700
Tel: 02 878 5999 Fax: 02 878 5998

4) Bangkapi Branch

3rd Floor, Room A3 R02, N-Mark Building
3105 Ladprao Road,
Klongchan, Bangkapi, Bangkok 10240
Tel: 02 378 4545 Fax: 02 378 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: 02 740 7100 Fax: 02 740 7199

6) Sindhorn 1 Branch

2nd Floor, Sindhorn Tower 1
130-132 Wireless Road, Lumpini,
Pathumwan, Bangkok 10330
Tel: 02 690 4100 Fax: 02 690 4101

7) Kian Gwan

18th Floor, Kian Gwan House II
140/1 Wireless Road,
Lumpini, Pathumwan, Bangkok, 10330
Tel: 02 254 1717 Fax: 02 254 1718

8) Prachachuen Branch

4th Floor, B Building
105/1, Tessaban Songkroh Road,
Ladyao, Jatujak, Bangkok 10900
Tel: 02 580 9130 Fax: 02 580 9138

9) Rattanathibet Branch

576, Rattanathibet Road,
Bang Krasor, Nonthaburi 11000
Tel: 02 831 8300
Fax: 02 831 8388, 02 969 9117

10) Samutsakhon Branch

813/30, Norasing Road, Mahachai,
Samutsakhon, Samutsakhon, 74000
Tel: 034 428 045 Fax: 034 428 044

11) Rangsit Branch

2, 2.5, 3 Floor, 1/832 Moo 17
Kukod, Lamlookka, Pathumthani 12130
Tel: 02 993 8180 Fax: 02 993 8179

12) Chaeng Wattana Branch

19th Floor, Room 1904, Central Plaza
Chaengwattana Office Tower, 99, 99/9 Moo 2,
Bang Talat, Pakkred, Nonthaburi 40000
Tel: 02 005-4193 Fax: 02 005-4703

Provincial

1) Khon Kaen Branch

311 Klang Muang Road,
Nai Muang, Khon Kaen 40000
Tel: 043 058 925, 043 224 504
Fax: 043 058 927, 043 224 506

2) Hadyai Branch

106 New Season Hotel, Prachathipat Road,
Hadyai, Songkla 90110
Tel: 074 243 777
Fax: 074 353 329, 074 244 955

3) Chiang Mai I Branch

310 Chiang Mai Land, Changkran Road,
Changkran, Muang Chiang Mai, Chiang Mai
50100
Tel: 053 235 889, 053 204 711
Fax: 053 235 890, 053 272 369, 053 805 390

4) Surat Thani Branch

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

5) Mae Sai Branch

119 Moo 10,
Mae Sai, Chiang Rai 57130
Tel: 053 640 599 Fax: 053 733 819

8) Pattani Branch

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

6) Phuket Online Branch

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

9) Chiang Rai Branch

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

7) Trang Branch

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

10) Udonthani Branch

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

11) Nakhon Ratchasima Branch

198/1 Trok Samorai, Nai Muang, Muang,
Nakhon Ratchasima 30000
Tel: 044 288 700 Fax: 044 288 700 Ext.109

(B) Information of companies that the Company holds more than 10% shareholding

Company Name (TH)	:	บริษัทหลักทรัพย์ที่ปรึกษาการลงทุน เอฟเอสเอส อินเตอร์เนชั่นแนล จำกัด
Company Name (EN)	:	FSS International Investment Advisory Securities Company Limited
Business Type	:	Investment Advisory
Address	:	Unit 1210, 12 th Floor Abdulrahim 990 Rama IV Road Silom, Bang Bangkok 10500 Tel: 02 611 3500 Fax: 02 611 3551
%Shareholding	:	96.25
Issued and Paid-Up Share Capital	:	THB 8 million
Par Value	:	THB 100
No. of Ordinary Shares	:	80,000 shares

Company Name : **SBI Royal Securities Public Company Limited**
Business Type : Securities Business (registered under Cambodian law)
Address : Phnom Penh Tower, No. 445,
 Preah Monivong Blvd, Sangkat Boeung Pralit,
 Khan 7makara, Phnom Penh
%Shareholding : 20.01
Issued and Paid-Up Share Capital : USD 15.99 million
Par Value : USD 25
No. of Ordinary Shares : 63,960,000 shares

(C) Information of References

Company Registrar : Thailand Securities Depository Company Limited
 14th Floor, The Stock Exchange of Thailand
 93 Ratchadaphisek Road, Dindaeng, Bangkok 10400, Thailand
 Tel: 02 009 9999

Company's Auditor : Ms. Ratana Jala Certified Auditor Number 3734 and/or
 Ms. Somjai Khunpasut Certified Auditor Number 4499 and/or
 Mrs.Nonglak Pumnoi Certified Auditor Number 4178 and/or
 Ms. Wanwilai Phetsang Certified Auditor Number 5315

EY Office Limited
 33rd Floor, Lake Rachada Office Complex
 193/136-137, New Ratchadaphisek Road, Klongtoey, Bangkok 10110
 Tel: 02 264 9090; Fax: 02 264 0789-90



Finansia Syrus Securities Public Company Limited

18th, 25th Floor, The Offices at Central World
999/9 Rama I Road, Pathumwan, Bangkok 10330
Tel: 0 2658 9000, 0 2658 9500 Fax: 0 2658 9110
<https://www.fnsyrus.com>