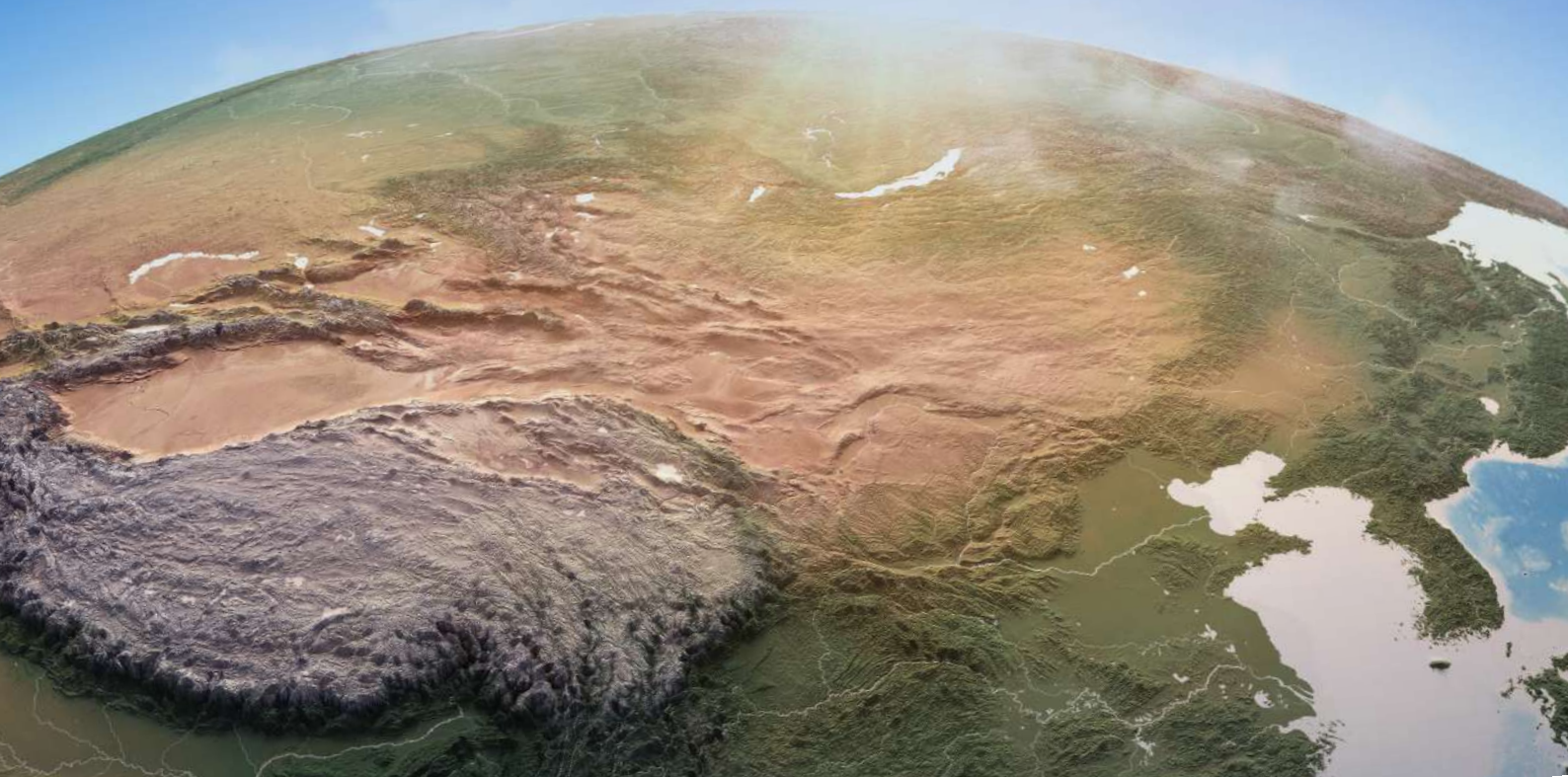
FINANSA

56-1 One Report 2021

Annual Report 2021

DEFINITION

Finansa (fanaensäe also fi'naensäe) n. management of money; monetarysupport for enterprise; the science of managing money matters, credit, etc.; (in plural) money resources, income, etc. <vt. to provide capital for; to obtain money, credit, capital for... n. capitalist; entrepreneur, vt. apply or use (money) for profit; devote (time, etc.) to an enterprise, buy (something useful or otherwise rewarding) n. recommendation on how to act in matters of money; information; notice of transaction vt. give advice (to); recommend; inform



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Abbreviations

BFTZ	Bangkok Free Trade Zone, Bangna-Trad Km.23
BFTZ WN	BFTZ Wangnoi Co.,Ltd.
FBF	FB Food Service (2017) Co., Ltd.
FC	Finansa Credit Ltd.
FFM	Finansa Fund Management Ltd.
FNS	Finansa Public Company Limited
FSL	Finansa Securities Ltd.
FSS	Finansia Syrus Securities Public Company Limited
FSSIA	FSS International Investment Advisory Securities Co.,Ltd
HUGS	HUGS Insurance Broker Ltd.
Kanom/Kanom Café	Kanom Café Company Ltd.
MK	M.K.Real Estate Development Public Company Limited
NEO	NEO Corporate Co.,Ltd.
PD/ Prospect	Prospect Development Co.,Ltd.
PROSPECT REIT	PROSPECT Logistics and Industrial Leasehold Real Estate Investment Trust
PRM	Prospect REIT Management Co., Ltd.
RAKxa	RAKxa fully integrative wellness and medical

Financial Highlights

(Consolidated Financial Statements)

(Baht million)

As at or for the years ended 31 December	2021	2020	2019
Operating Performance			
Total Income	265.95	763.63	305.44
EBITDA	43.43	368.38	44.16
Net Profit (Loss)	(42.19)	223.26	(82.58)
Earnings (Loss) per Share (Baht)	(0.12)	0.65	(0.24)
Return on Average Total Assets (%)	-1.03%	5.47%	-1.95%
Return on Average Shareholders' Equity (%)	-1.56%	8.15%	-3.00%
Number of Employees	65	74	72
Total Income per Employee	4.09	10.32	4.24
Net Profit (Loss) per Employee	(0.65)	3.02	(1.15)
Financial Position			
Total Assets	4,128.48	4,068.30	4,096.75
Total Liabilities	1,511.21	1,261.91	1,421.31
Total Shareholders' Equity	2,617.27	2,806.39	2,675.44
Number of Shares in Issued (share)	345,855,440	345,855,440	345,855,440
Book Value per Share (Baht)	7.57	8.11	7.74

Revenue Structure

(Baht million)

Type of Revenue	Operated by	% of Shares held by FNS	2021		2020		2019	
			Revenue	%	Revenue	%	Revenue	%
Investment, Advisory and Management Business	FNS FFM FC	100	43.72	16.4	78.01	10.2	38.97	12.8
Investment Banking and Securities Business	FSL	100	213.35	80.2	349.42	45.8	63.66	20.8
Warehouse and Factory Leasing Business	FNS		-	-	124.62	16.3	176.41	57.8
Others			8.88	3.3	211.58	27.7	26.40	8.6
Total Revenue			**265.95**	**100.0**	**763.63**	**100.0**	**305.44**	**100.0**
Share of gain (loss) from investment associates	FSS&FSSIA	29.29	87.96	172.9	23.63	76.8	(40.45)	570.5
	MK	31.51	(57.26)	(112.6)	(0.64)	(2.1)	33.36	(470.5)
	PROSPECT REIT	22.99	27.11	53.3	7.79	25.3	-	-
	BFTZ WN	50	(0.41)	(0.8)	-	-	-	-
	Kanom	30	(6.54)	(12.9)	-	-	-	-
Total			**50.86**	**100.0**	**30.78**	**100.0**	**(7.09)**	**100.0**

Finansa at a Glance

(As at 31 December 2021)

Finansa Public Company Limited

Finansa Fund Management Ltd.

Finansa Fund Management has over 20 years experiences in investing in Private Equity in Thailand, Vietnam, Myanmar and Cambodia.

Prospect Logistics and Industrial Leasehold Real Estate Investment Trust

Prospect Logistics and Industrial Leasehold Real Estate Investment Trust invests in the sub-leasehold rights of parts of land and buildings in the Bangkok Free Trade Zone with value THB 3,500 million.

Finansa Securities Ltd.

Finansa Securities, a SEC licensed securities company, offers an extensive range of tailored financial services and solutions including :

- Financial Advisory
- Project Finance
- Private Placement and Public Offerings
- Mergers and Acquisitions
- Fairness Opinions
- Corporate and Financial Restructuring
- Private Wealth Management

Kanom Café Company Limited

Kanom Café is a Bangkok-based café and bakery chain founded in 1999 and most famous for its signature egg tarts.

M.K. Real Estate Development Plc.

M.K. Real Estate Development is a property development, construction and property rental company. Listed on the SET in 1990, MK focuses on low-rise residential projects under the brand name “Chuan Chuen” and “Serene House”. MK’s properties for rental include warehousing and sports clubs.
Subsidiary, Prospect Development Ltd., is developing the Bangkok Free Trade Zone, a 1,000 rai industrial estate on the outskirts of Bangkok.

BFTZ Wangnoi Company Limited

BFTZ Wangnoi is a 50:50 joint venture formed in 2021 with Prospect Development Co., Ltd. a 100%-owned subsidiary of MK Real Estate Development Pcl.
The company signed a MOU to lease land and a Distribution Centre with leaseable area of 88,401 sqm. for 28 years to Siam Makro Pcl.

Note: On 16 December 2021, Finansa Plc. sold its 29.29% Stake in Finansa Syrus Securities Plc.

Board of Directors

(As at 1 March 2022)

Mr. Akarat Na Ranong*
Chairman / Independent Director / Member of the Audit Committee and Member of the Nomination, Compensation and Corporate Governance Committee

Mr. Vorasit Pokachaiyapat
Managing Director / Executive Director and Member of Nomination, Compensation and Corporate Governance Committee

Mr. Varah Sucharitakul
Director and Executive Director

Mr. Kittipong Lertvanangkul
Director and Executive Director

Mr. Chanmanu Sumawong**
Independent Director / Chairman of the Audit Committee and Chairman of the Nomination, Compensation and Corporate Governance Committee

Mr. Nuttawut Phowborom
Independent Director and Member of the Audit Committee

Mr. James Marshall***
Director and Executive Director

* Mr. Akarat Na Ranong was appointed the Chairman of the Company with effect from 9 December 2021, and stepped down as the Chairman of the Audit Committee and the Nomination, Compensation and Corporate Governance Committee to be a member of the said committees with effect from 1 March 2022.

** Mr. Chanmanu Sumawong, a member of the Audit Committee and a member of the Nomination, Compensation and Corporate Governance Committee, was appointed the Chairman of the Audit Committee and the Chairman of the Nomination, Compensation and Corporate Governance Committee with effect from 1 March 2022.

*** Mr. James Marshall was appointed a director effective from 24 February 2022.

Chairman's Statement

Going into 2021, we noted that investor sentiment towards equity markets, in general, appeared resilient and likely to be supported by the prospects of a global economic recovery during the year, underpinned by the roll out of Covid-19 vaccines. We further noted that economic fundamentals favored developed markets over emerging markets. In the event, most equity markets moved higher over the year with the US market leading the way. The S&P 500 Index gained 27% in 2021 while the tech-heavy NASDAQ Index rose 21%.

Reflation and recovery were the main investment themes during the year, with investors responding positively to the faster than expected rebound in economic growth in the US. This growth, however, and the accompanying spike in inflation as supply chain constraints led to consumer demand outstripping supply, created a dilemma for the Federal Reserve.

In relative terms, the SET Index performed well against regional markets, gaining 14% over the year, despite the challenging, domestic economic backdrop. The emergence of Covid variants delayed the reopening of the important Thai hospitality sector to international tourists, while a spike in infections in July caused a six week "lockdown" which further exacerbated the recovery. GDP Growth for Thailand in 2021 is expected to be just over 1%. Nevertheless, domestic investors did not lack enthusiasm for equities and this drove the Index higher on a sharp rise in SET trading volumes.

Going into 2022, there is a high level of uncertainty over the potential for global equity markets to continue rising, with uncertainties on both economic and geopolitical fronts. In terms of the global economy, the positive case is that corporate earnings growth will be strong as economic growth accelerates on easing Covid-19 concerns (due in large part to progress in vaccinations and therapeutics). Our view on the economy falls between these two scenarios. We see moderate, global economic growth and some easing of inflationary pressure as supply chain constraints ease. We expect that interest rates will rise but in a manageable fashion and that the Federal Reserve will be accommodating, rather than attempting to get "ahead of the curve". The Thai economy in 2022 may well compare favorably with the more developed economies in 2022 as the hospitality sector starts to rebound and exports continue to recover. Against this backdrop, we see limited downside for both global equities and Thai equities.

The second concern is geopolitical and recent the developments in Ukraine. As at the time of writing, a compromise does not appear to me in site, though a diplomatic solution does appear plausible. With pressures on Ukraine likely to persist, this is contributing to increased equity market volatility.

Turning to the group performance in 2021, Finansa Plc. (FNS) reported a Consolidated Net Loss of THB 42.2mn for the year against a Net Profit of THB 223.3mn reported for 2020. The year on year comparison, however is distorted by one off items, notably the significant one-off gain in 2020 from the sale of Finansa's warehouse portfolio to the Prospect Logistics and Industrial Leasehold Real Estate Investment Trust. The decline in earnings also reflected the negative impact of Covid-19 on the earnings of Associated Company, MK Real Estate Development Plc. ("MK"). Residential Housing demand weakened in 2021 and MK's newly launched Health and Wellness business, RAKxa, was particularly badly impacted, while residential housing demand also weakened.

The key business development in 2021 was the sale in December of the group's stake in Finansia Syrus Securities Plc. ("FSS"). The decision to exit the brokerage business reflected a number of factors including the historic variability in FSS' earnings, the sensitivity of these earnings to (unpredictable) SET Trading Volumes, the intense competition in the Thai securities industry and the particular challenges of being an "independent" broker, not associated with a bank. As at the time of writing, FNS is also in the process of selling it's 100% owned subsidiary, Finansa Securities Ltd. This transaction is expected to complete in Q2 2022. FNS Is also in the process of disposing of the office space at TISCO Tower. Overall, the combined asset sales will realize approximately THB 1.2 billion.

The disposal of Finansa's Financial Services businesses clearly changes the profile of the Group. These businesses represented approximately one third of the assets in FNS Consolidated Balance Sheet during 2021. To put this into context, the investment in Real Estate Development, through the stake in MK Real Estate Development Pcl, represented around one third of the

assets and Direct Investment (including Private Equity and the PROSPECT REIT) represented around one fifth. The balance was primarily cash and cash equivalents and the office space in TISCO Tower. With the exit from Financial Services, FNS can be now viewed as an Investment Holding Company rather than as a Holding Company with significant financial services investments.

Going forward, management's focus in 2022 will be on adding value to the core investments in MK and the PROSPECT REIT, as well as to the portfolio of Private Equity investments. While still cautious on the immediate outlook for the Thai residential housing market, and managing resources accordingly, the management of MK is encouraged by both the continuing strong performance of subsidiary Prospect Development Co., Ltd, which develops warehousing, and the market's response to the RAKxa Health and Wellness offering. While the recovery in international tourism to Thailand may be modest through most of 2022, the longer term outlook for RAKxa is viewed as very positive. The investment in RAKxa is an important, additional step in MK's long term strategy of building streams of recurring income. A focus for MK in 2022 will be sales of surplus/non-core land and other assets, which will potentially generate both significant liquidity and earnings.

Meanwhile the Bangkok Free Trade Zone, the principal asset of the PROSPECT REIT has been more or less unaffected by Covid-19 and occupancy and rental rates have been solid. This is expected to continue in 2022.

The key objective in Private Equity going forward will be "monetization". The first significant exit here is expected to the through the listing of NEO Corporate Co., Ltd. on the SET. FNS has a 12% stake in this leading household and personal care products manufacturer. Meanwhile, new Private Equity investments will be required to show a clear exit path and return profile. An example is the group's investment in BFTZ Wangnoi Co., Ltd. a company set up to build a new distribution centre for Siam Makro. FNS is a 50% shareholder and long term bank financing is in place. The intention is to sell the asset into a REIT in 2025. Meanwhile the inflow of cash from asset sales in 2021 and 2022 will be used to reduce debt and as part of the treasury management function, some funds will be invested in selective overseas listed equities.

Overall, the objective of FNS management in 2022 is to ensure a productive allocation of the group's assets, support group companies to fulfil their potential, monetise assets and improve the overall quality of the Group's earnings, both in terms of visibility and sustainability.

Finally, I would like to express the Board's appreciation for the services to the Board of Finansa's former Chairman, Dr. Virabongsa Ramangkura, who sadly passed away during the year. He served shareholders in his position as Chairman for 16 years and his professionalism, integrity and intelligence will be missed.

(Mr. Akarat Na Ranong)
Chairman

2021 Operational Review and 2022 Outlook by Business Activity

Direct Investment : 2021 Review And 2022 Outlook

● Finansa Fund Management Ltd. (FFM)

As at or for the years ended 31 December	2021	2020
Statements of Financial position	Baht Million	
Assets		
Cash and cash equivalents	173.1	43.1
Investments	282.9	789.8
Loan to other party	-	-
Other assets	0.1	4.9
Total assets	456.1	837.8
Liabilities and Equity		
Total liabilities	4.0	542.1
Equity	452.1	295.7
Total liabilities and equity	456.1	837.8
Statements of Profit or Loss		
Service income	-	5.0
Other operating income	-	-
Total income	-	5.0
Operating expenses	(25.2)	(22.4)
Operating loss	(25.2)	(17.4)
Gains from investments & Forex	16.3	8.1
Gain on sale of FSS	137.0	-
Interest expense	(11.5)	(11.6)
Net profit (loss)	116.6	(20.9)
Return on Average Assets	18.0%	(2.5%)
Return on Average Equity	31.2%	(3.7%)

Direct Investment

• Finansa Fund Management Ltd. (FFM)

FFM's sees recognizes significant gain in 2021

For 2021, FFM reported a Net Profit of THB 116.6 million against a Net Loss of THB 20.9 million for 2020, on a standalone basis. The profit in 2021 reflected the impact of the earnings contribution from and sale of the 29.29% stake in Finansia Syrus Securities Plc. FFM no longer generates fees from managing third party funds and its current (and future) earnings rely on its principal investment activities. While this income source is not recurring in nature, value is being created within the Private Equity portfolio and will be realized at an appropriate time.

Direct Investment : Private Equity

• NEO Corporate Co., Ltd. (NEO)

NEO sees maintained sales growth in 2021, despite distribution challenges

FFM undertook a significant, Private Equity investment in NEO in late 2016. NEO is a leading local manufacturer of branded household and personal care products. FFM's investment was to help fund the Company's new manufacturing facility at Lamlukka. This new facility was opened in 2018 and its' impact on the Company's performance from both the increased capacity and improvements in overall productivity has been material. NEO is expected to report a c.10% rise in Revenues in 2021 to. c. THB 7.4 billion with a c.20% rise in Net Profit to c.THB 729 million. Based on the 9m sales performance, sales looked set to slow in 2021 reflecting challenges in distribution to export markets, both in terms of border controls and higher shipping costs as a result of the Covid 19 pandemic. However, growth picked up in the last quarter. There was a slight drop in Gross Margin in 2021 reflecting higher raw material costs. While the intention remains to list the company, the listing schedule has been postponed as there are no immediate funding needs and no urgency to increase production capacity. On the question of capacity, this will likely change as and when exports move into a higher gear.

• FB Food Services (2017) Co., Ltd. (FBF)

FBF records small profit in 2021

A second, much smaller Private Equity investment was made in 2017 in FBF, a leading Bangkok-based food service company. FFM invested in FBF alongside the large Japanese trading company, Sojitz Corporation, which took a significant minority stake. The funds raised were invested in a central kitchen to provide value added food services. In the event, the central kitchen was completed in 2018, however the subsequent operating performance of the business has disappointed in terms of both sales and margins. The company reported a significant loss in 2018 and a reduced loss in 2019. The company originally planned to breakeven in 2020, however its' core client base (chain restaurants) were severely impacted by Covid-19 in 2020 and the business continued to incur losses. The Company anticipated moving into profitability in 2021 and this was achieved, albeit at a very modest level. Sales to restaurants continued to be impacted by Covid-19 in 2021 and overall sales for the year look to be slightly lower than 2020, however the gross margin has improved materially due to better cost controls in relation to raw material purchases. The focus for 2022 will be on growing the "Horeca" business and building on the momentum established in 2021 in the Wakame, Ready-to-Eat and Ready-to-Cook lines.

• Kanom Café Co., Ltd. (Kanom)

Kanom continued to be hit by constraints relating to Covid 19, but sales have recovered to pre-Covid levels

In late 2018, Finansa Plc. (FNS) committed to a Private Equity investment in Kanom, the operator of the Kanom café, bakery and restaurant chain. This investment was in the form of a loan, part of which was convertible into new shares of Kanom. As a result of the downturn in operating performance due to Covid 19, the transaction terms were renegotiated. FNS currently holds a 30% stake (on a lower equity valuation than originally negotiated) and is providing loan financing. The investment from FNS is being used to refurbish existing outlets and open new outlets. FNS is also actively involved in the financial and strategic management of this business. While Kanom's sales

performance suffered through 2020 and 1H 2021, there has since been a steady improvement in sales at existing outlets and a jump in overall sales following the opening of an outlet in the domestic terminal of Suvannabhumi airport in December 2021. Kanom's sales are now ahead of pre-Covid levels. The focus in 2022 will be on opening a second outlet at Suvannabhumi, expanding same store sales and improving margins.

- ## HUGS Insurance Broker Ltd. (HUGS)

Finansa takes stake in start-up insurance broker

In 2020, FNS took a 7.5% stake in HUGS, a start-up insurance brokerage that has focused, initially, on Health and Accident Insurance within Personal Insurance Lines. A General Insurance License has been awarded and Life and Reinsurance Licenses are in process. A small team is in place. Initial lead generation has been primarily from other shareholders in HUGS, which include a major property developer and a leading auto distributor. HUGS is expected to report a small profit for 2021.

2022 focus is on developing existing investments and monetizing the stake in NEO

FFM's focus areas for 2022 are (i) supporting management at Kanom to achieve their sales and margin targets (ii) working with the management of NEO on their expansion and funding plans and scheduling a listing of the company on the SET (iii) assisting HUGS with lead generation (iv) continuing to screen potential new Private Equity opportunities that are primarily "event driven" and (v) managing a portfolio of investments in overseas listed equities

Direct Investment : Real Estate Investment Trust

- ## PROSPECT Logistics and Industrial Leasehold Real Estate Investment Trust (PROSPECT REIT)

Solid performance and strong dividend flows from the PROSPECT REIT

In August 2020, FNS acquired a 22.99% stake in the PROSPECT REIT, following the sale of FNS's leasehold rights on warehousing at the Bangkok Free Trade Zone, to the PROSPECT REIT. The underlying assets of the PROSPECT REIT saw little impact from Covid 19 and both occupancy and rental rates have remained resilient. This resilience reflects the continued strong demand for warehousing from logistics providers. The PROSPECT REIT's strong cash flows are reflected in the (quarterly) dividend payments. 2022 should see little change in the overall performance of the PROSPECT REIT

Real Estate Development and Investment : 2021 Review and 2022 Outlook

● M.K. Real Estate Development Pcl. (MK)

As at or for the years ended 31 December	2021	2020
Statements of Financial Position	Baht Million	
Assets		
Cash and cash equivalents	172.2	164.0
Investments	328.1	201.2
Short-term loans	680.0	-
Real estate development for sale	4,132.8	5,665.6
Investment properties	5,194.0	5,403.9
Investment in associates and joint venture	809.7	544.9
Property, plant and equipment	5,785.4	4,994.2
Land held for development	467.8	477.1
Other non-current receiveables	781.5	-
Other assets	689.0	534.3
Total assets	19,040.5	17,985.2
Liabilities and Equity		
Short-term borrowings	1,369.6	1,541.0
Trade and other current payables	449.7	1,074.1
Payables for purchase of land	647.0	-
Short-term debentures	1,702.0	647.6
Long-term debentures	4,873.2	5,155.5
Long-term borrowings	2,201.1	1,971.2
Other liabilities	1,329.5	954.9
Total liabilities	12,572.1	11,344.3
Equity of the parent	6,468.4	6,640.9
Total liabilities and equity	19,040.5	17,985.2
Statements of Profit or Loss		
Revenue from sale of real estate	2,481.1	2,530.4
Revenue from rental and rendering of services	341.3	374.3
Revenue from golf services and sport club	91.7	100.8
Revenue from management of real estate	91.0	48.4
Revenue from health and wellness	25.8	3.0
Gain on disposal of investments and investments income	297.3	-
Gain on disposal of investment properties	-	263.3
Other income	84.9	126.3
Total revenues	3,413.1	3,446.5
Total cost of businesses	(2,429.1)	(2,180.6)
Finance costs	(477.5)	(378.6)
Administrative and other expenses	(840.6)	(903.4)
Total expenses	(3,747.2)	(3,462.6)
Share of profit (loss) from investments in associates and joint venture	61.0	6.3
Profit (loss) before income tax	(273.1)	(9.8)
Income tax - income (expense)	87.8	6.4
Net profit (loss) of the parent company	(185.3)	(3.4)
Return on Average Assets	(1.0%)	(0.0%)
Return on Average Equity	(2.8%)	(0.1%)

MK reports an increased loss in 2021

MK reported a 1% fall in consolidated revenues in 2021 and a Net Loss of THB 185mn against a Net Loss of THB 3mn in 2020.

Residential development business hit by Covid-19

Around 70% of MK's 2021 revenues derived from the sale of middle income residential housing (primarily single detached homes and town houses) in and around Bangkok. Demand for residential housing, generally, has been hit by the Covid-19 pandemic and while MK was relatively well-placed as a housing developer in that the condominium sector has been most badly affected by Covid-19, 2021 saw major property developers shift focus to the low rise, middle income housing market, resulting in increasing competition for MK during the year. Given soft demand and increasing competition, MK held back on new project launches in 2021 and this contributed to a small decline in MK's residential property sales for the year. Despite increased competition, MK's Gross Margin in residential development was unchanged at 26.1% as management has taken a series of measures over the past two years to reduce costs.

Land sales boost liquidity

As part of the response to Covid-19, MK's management also took the decision to boost liquidity through land sales and this helped offset the drop in residential sales. Land sales in 2021, including projects under development totaled just over THB 900 million in 2021.

Solid progress in 2021 by Prospect Development

Outside of residential development, MK's subsidiary Prospect Development Ltd. (Prospect) continues to make solid progress, completing around 42,000 sqm of new warehousing in 2021, most of which was at the Bangkok Free Trade Zone. Revenue comparisons YoY for Prospect are distorted by the impact of the sale of much of Prospect's warehousing to the PROSPECT REIT in August 2020. As a result, Prospect's Rental & Service Revenues fell 22%, though this was offset by gains in Property Management revenues. Meanwhile, demand for warehousing has been particularly resilient in part due to the rapid growth in logistics and rental rates and occupancy at Prospect's projects have been encouraging. As at the end 2021, Prospect held around 160,000 sqm of completed space with projects in progress scheduled to add a further 100,000 sqm in 2022.

Health and Wellness sees major negative impact from Covid-19

The other key element in the 2021 performance was a loss of c.THB 107 mn incurred by MK's Health and Wellness subsidiary, RAKxa. RAKxa is a luxury medical spa located on the Chao Phraya river at Bangkrachao. Its operating partners include Minor Group and Bumrungrad Hospital. It's target market is affluent, international travelers. The spa was opened in late 2020 and the first year of operations proved especially challenging. While the focus in 2021 has been attracting guests in the domestic market and there has been some success on this front, RAKxa's overall performance remains geared to a recovery in international tourism. It should be noted that a significant part of the loss incurred at RAKxa in 2021 was due to depreciation and is not a cash loss.

Golf course sees drop in earnings in 2021 but remains profitable

The performance of MK's Floraville golf course has also been adversely impacted by Covid-19 through 2020 and 2021, interrupting what had been a steady improvement in revenue. 2021 saw a slight decline in revenues and net margin, but remains profitable.

Sale of Park Court in December 2021

Park Court, a low rise condominium project on Sukhumvit 77 in Bangkok with units both for rent and sale was sold in December 2021. While rental income from the project had been growing satisfactorily, the decision to sell the project reflected the potential for higher investment returns from further investment in Prospect. The sale of Park Court generated close to THB 1.0 billion and a one-off gain of c.THB 50 million. Note that the proceeds are in addition to the money raised from land sales.

MK's consolidated losses rose in 2021

On a consolidated basis. MK reported a net loss of THB 185 mn for 2021 versus a loss of THB 3 mn for 2020. In summary, MK saw earnings decline (though margins stabilise) in residential development in 2021, while earnings from Rental and Asset Management Earnings (Prospect plus REIT management) rose. Earnings dipped slightly at the golf course, while losses in the wellness business were significant, being the first full year of operations. As indicated above, the sale of Park Court generated a one-off gain.

With the residential market still soft, the focus in 2022 will be Prospect, RAKxa and liquidity

Going forward, the focus in 2022 will be growth at Prospect, ensuring RAKxa is well-positioned for the eventual return of international tourists and potentially significant injections of liquidity from the sale of surplus and non-core land and assets. The residential housing market is expected to remain soft in 2021 with high levels of competition and, as a result, MK will continue to be cautious on new residential project launches. Though guest arrivals at RAKxa have disappointed as a result of Covid-19, the RAKxa offering is developing a "buzz" in the market and MK management is very confident that RAKxa will perform strongly in the future, as and when border restrictions are eased, given its market positioning and unique location. On the liquidity front, MK has over many years acquired land that is now considered non-core or surplus from a development perspective. A number of these sites have been earmarked for sale. The sales proceeds from these sites and other assets in 2022 could be significant. Moreover, these sales have the potential to make a significant impact on MK's reported earnings.

Continued commitment to building sustainable earnings

The underlying business strategy of MK, and the one being implemented since FNS first became a shareholder in 2016, is to build sources of sustainable and growing earnings. This strategy was working successfully up to the point that Covid-19 hit. Going forward, we expect this strategy to underpin both a recovery in earnings and an improvement in the overall quality of earnings as the impact of Covid-19 fades.

• BFTZ Wangnoi Co., Ltd. (BFTZ WN)

FNS invests in a 50:50 JV to provide a new distribution centre to Siam Makro

In June 2021, FNS established a 50:50 joint venture, BFTZ Wangnoi Co., Ltd., with Prospect, a wholly owned subsidiary of MK. The JV signed the MOU with Siam Makro Plc. to lease land and a new 88,401 sqm Distribution Centre located on Km 67 of Phaholyotin Road. Siam Makro will sign a 28-year lease. Construction is underway and the handover will be in phases between Q1 2023 and Q1 2024. The site also has a separate Ready Built Warehouse component (20,994 sqm). Bank financing for the bulk of the project is in place.

Financial Services : 2021 Review and 2022 Outlook

Securities Brokerage

• Finansia Syrus Securities Pcl. (FSS)

(Finansia Syrus Securities Pcl. (FSS) is a SEC licensed brokerage firm providing a range of financial services including brokerage, bond dealing, corporate advisory, wealth management and futures exchange trading. On 16 December 2021, Finansa Pcl. a long time shareholder in Finansia Syrus Securities Pcl. sold its entire 29.29% stake)

As at or for the years ended 31 December	2521	2520
Statements of Financial Position	Baht Million	
Assets		
Cash and cash equivalents	186.0	221.6
Receivables from Clearing House and broker-dealers	872.0	282.4
Securities and derivatives business receivables	4,339.9	3,759.5
Investments	714.1	707.6
Investment in a subsidiary and an associate	135.1	121.2
Right-of-use assets	249.5	279.4
Intangible asset	185.4	214.7
Other assets	365.2	360.5
Total assets	7,047.2	5,946.9
Liabilities and Shareholders' Equity		
Borrowing from financial institution	-	350.0
Payables to Clearing House and broker-dealers	16.2	303.2
Securities and derivatives business payables	3,023.0	1,928.4
Debt issued	507.5	279.0
Lease liabilities	160.0	180.2
Other liabilities	648.9	475.0
Total liabilities	4,355.6	3,515.8
Equity of the owners	2,691.1	2,430.7
Non-controlling interests	0.5	0.4
Total liabilities and owners' equity	7,047.2	5,946.9
Statements of Profit or Loss		
Brokerage fees income	1,930.0	1,314.8
Fees and services income	114.0	122.8
Interest income	130.2	84.7
Gain and return on financial instruments	165.6	168.8
Other income	56.8	56.0
Total income	2,396.6	1,747.1
Total expenses	(2,020.6)	(1,642.8)
Loss before income tax	376.0	104.3
Income tax	(75.8)	(22.2)
Non-controlling interests	(0.1)	0.3
Net profit of the company	300.1	82.4
Return on Average Assets	4.6%	1.6%
Return on Average Equity	11.7%	3.4%

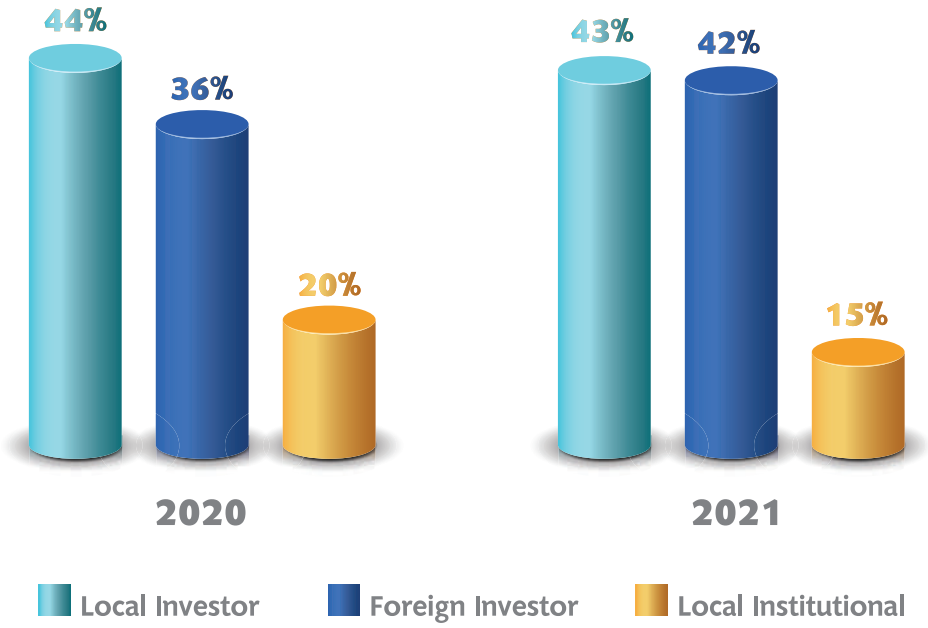
An exceptional rise in revenues in 2021 underpins a surge in earnings

FSS reported a significant, 37% increase in Consolidated Total Revenues in 2021 to THB 2,397 million. Revenues were pulled up primarily by an exceptional 47% increase in Brokerage Fees to THB 1,930 million. Gains on Financial Instruments fell 2% in 2021 to THB 166 million while Fees and Services Income (primarily from Investment Banking) fell 7% to THB 114 million. While Total Expenses rose, and Brokerage costs were lifted by a rise in incentive payments related to higher trading volumes, the rise was a relatively modest 23% YoY. In terms of earnings on a consolidated basis, FSS reported a Net Profit of THB 295 million for 2021, a 260% increases from earnings of THB 82 million in 2020.

Rise in FSS' Brokerage Fees exceeds increase in SET activity

The 47% increase YoY in FSS' Brokerage Fees compared to a 37% increase in average daily turnover for equities on the Stock Exchange of Thailand ("SET") to THB 93.8 billion. While FSS saw a slight dip in market share in 2021 to 5.58% from 6.06% in 2020, its average commission rate improved from 7bps to 8bps, reflecting improvements in the mix of brokerage customers and progress in the online trading platform, Finansia HERO. The drop in FSS' market share in 2021 reflected the increased share of foreign trading on the SET, as indicated in the chart below. FSS' client base remains predominantly local. FSS' ranking in 2021 in terms of market share was unchanged from 2020 at 3.

Equity: Investor Type Breakdown 2020 – 2021



Decreased contribution in 2021 from Investment Banking

2021 saw an increase in overall IPO activity, in terms of number of listings. The SET saw 20 IPOs in 2021 (up from 14 in 2020) and the MAI saw 18 listings (up from 12). During 2021, FSS acted as Lead Underwriter and Financial Advisor to the THB 706 million initial public offering by Healthlead Pcl. Overall, FSS' Investment Banking revenues fell 7% YoY.

Gains in Proprietary Trading tempered by a reduced contribution from Derivative Warrants

Gains on Financial Instruments dropped 2% in 2021 to THB 166 million. While the contribution from Proprietary Trading rose, the contribution from Derivative Warrants ("DW") fell. FSS entered the DW business in mid-2016 and quickly established itself as a major player in this space. The DW business proved especially challenging in Q1 2020, given a sharp jump in market volatility and losses were incurred. As a result, the business was scaled back. While it subsequently returned to profitability, the overall exposure to DW remained capped.

Increase in number of sales staff

As at 31 December 2021 FSS employed 507 sales staff in Brokerage, up from 439 at end 2020. The total number of branches was unchanged at 25 with 13 branches in Bangkok and 12 branches upcountry.

The decision to sell the FSS stake in December 2021 reflected a number of factors

The decision to sell the entire, 29.29% stake in FSS in December 2021 reflected a number of factors including the historic variability in FSS' earnings, the sensitivity of these earnings to (unpredictable) SET Trading Volumes, the intense competition in the Thai securities industry and the particular challenges of being an "independent" broker, not associated with a bank. Moreover, initiatives since 2014 to improve FSS' earnings visibility and quality had done little to reduce FSS' dependence on brokerage revenues.

Sustainable cash returns from FSS proved elusive

A further important consideration in the sale of FSS was the challenge in generating a cash return on the investment. While FSS had enjoyed periods of profitability and FNS was able to equity account these earnings in its consolidated accounts, the cash return on the investment to FNS came from dividends and the dividend flow from FSS has proved to be limited and unpredictable, given FSS' own capital needs over the years and nature of the industry in which it operated.

A question ultimately of allocation of capital

As FNS diversified its assets and saw opportunities to generate returns elsewhere, FNS has required a clearer view on the potential for cash generation from each of its businesses. The decision, ultimately, to sell the FSS stake was based on the optimal deployment of FNS' capital. This in turn reflected FNS' management priorities through 2022 and 2023, which are to ensure sufficient liquidity to support projects within the group that will deliver rising, sustainable earnings.

Investment banking

● Finansa Securities Limited (FSL)

As at or for the years ended 31 December	2021	2020
Statements of Financial Position	Baht Million	
Assets		
Cash and cash equivalents	15.6	11.3
Fee and service income receivables	7.1	12.0
Investments	136.5	210.8
Loans to parent company	690.2	713.5
Other assets	34.8	34.9
Total Assets	884.2	982.5
Liabilities and Owners' Equity		
Total liabilities	94.1	157.1
Owners' Equity	790.1	825.4
Total Liabilities and Owners' Equity	884.2	982.5
Statements of Profit or Loss		
Selling agent fees	20.4	14.1
Fees and services income	182.4	334.6
Gain and return on financial instruments	14.6	12.1
Other revenues	11.9	-
Total Income	229.3	360.8
Total Expenses	(165.0)	(245.9)
Net income (loss) before income tax	64.3	114.9
Income tax - income (expense)	(13.1)	(23.1)
Net profit (loss)	51.2	91.8
Return on Average Assets	5.5%	10.4%
Return on Average Equity	6.3%	11.7%

A slowdown in investment banking activity reduces FSL's revenues and earnings in 2021

Finansa Securities Ltd. (FSL) saw a slowdown in investment banking activity in 2021 after the strong turnaround in 2020. FSL generated revenue of THB 229 million in 2021, a drop of 36% YoY. The net Profit for the year was THB 51 million, a fall of 44% YoY.

The principal transactions undertaken in the year were the Initial Public Offerings of PTT Oil and Retail Pcl. and Don Muang Tollway Pcl.

As referred to in the Chairman's statement, an offer has been received to acquire FNS' 100% shareholding in FSL. The offer terms have been approved and accepted by the Board of FNS, however the sale of FSL requires the approval of FNS's shareholders. A vote on the offer will be included as an agenda item at the upcoming Annual General Meeting of FNS, to be held on April 28, 2022.

Part 1
Business Operations and Operating Performance

1. Structure and Business Operations of the Group

Background of the Company

Finansa Public Company Limited (FNS) was incorporated in 1989 under the name ''Red Bluff Advisors Limited''. The Company's name was changed to Finansa Thai Ltd. in 1991 and again to Finansa Ltd. in 1996. On 19 June 2002, the Company converted into a public limited company and increased its registered capital from Baht 320 million to Baht 500 million by issuing 36 million new ordinary shares with a par value of Baht 5 through an offer to the public. FNS was listed in the Stock Exchange of Thailand on 25 September 2002. In 2003 and 2004 FNS increased its registered capital to Baht 1,100 million and Baht 1,500 million respectively. In 2009 FNS decreased its registered capital to Baht 1,492.5 million by a write-off of treasury stock and in 2012 the registered capital was decreased to Baht 1,235.2 million by a write-off of unpaid-up share capital. Finally, in 2018 FNS increased its registered capital again to Baht 1,729.3 million. The fully paid-up capital was also increased to the same amount through an offering of additional ordinary shares to the existing shareholders.

With their backgrounds and experiences in fund management and investment banking, Mr. Eugene S.Davis and Mr. Vorasit Pokachaiyapat, the co-founders, together with a team of professional personnel established FNS' reputation as a leading, independent Bangkok based merchant banking firm focusing primarily on corporate finance and fund management in Thailand and the Southeast Asia Region. The Company provided a full range of financial and investment advisory services including investment banking services, debt and equity fund raising, and securities brokerage services, as well as being active in Private Equity investment.

Since 2014, FNS has made significant investment in Real Estate Development and Private Equity, while gradually reducing its exposure to Financial Services.

FNS is currently positioned as an investment holding company operating its businesses through subsidiary and associated companies. The Company's major businesses today are Direct Investment, primarily Private Equity, Real Estate Development and Investment, and Financial Services.

1.1 Policy and overview of business operations

FNS is, as at December 2021, an investment holding company with a portfolio of interests that can be categorized under three main headings :-

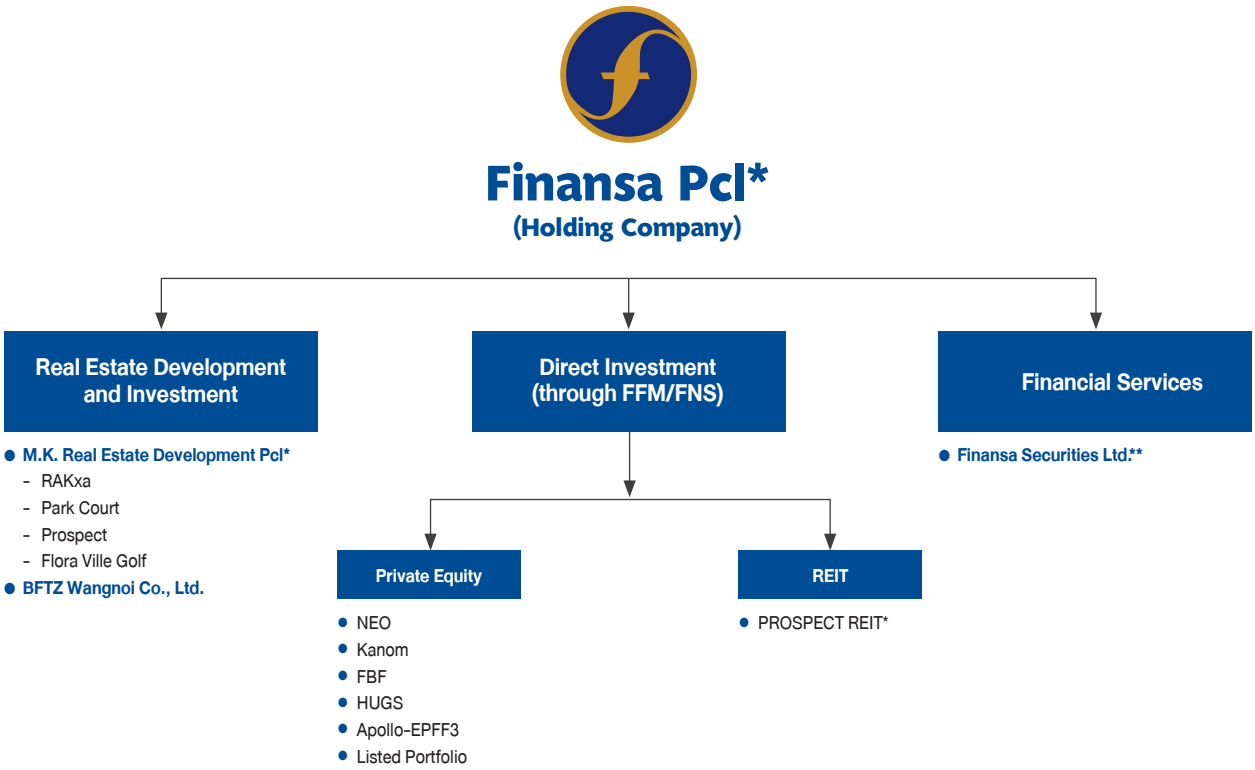
(1) Real Estate Development and Investment

(2) Direct Investment

(3) Financial Services

In addition to being an investor, FNS provides support to its affiliates and subsidiaries in areas such as strategic planning and organizational administration (including Human Resources, IT support and Accounting).

Until recently, FNS had maintained significant exposure to Financial Services through holding both a 29.29% stake in the listed securities brokerage firm, Finansia Syrus Securities Plc.(FSS) and 100% of Finansa Securities Ltd. (FSL), an investment banking and advisory company. FNS disposed of its holding in FSS in December 2021 and is currently in the process of selling its investment in FSL. The sale of FSL will be subject to shareholder approval.



* Listed on the Stock Exchange of Thailand

** In February 2022, FNS received an offer to purchase all shares in FSL held by FNS. The offer will be accepted subject to shareholder approval.

In summary:

- ***Real Estate Development and Investment:***

FNS' associated company, M.K. Real Estate Development Pcl. (MK), is a long-established developer of low-rise middle income housing in the Bangkok area. The company is listed on the Stock Exchange of Thailand. In recent years, and under FNS guidance, MK has expanded into building a portfolio of income producing real estate assets with a view to improving the quality and predictability of MK's earnings.

In mid-2021, FNS established a 50:50 joint venture with Prospect Development Co., Ltd. (Prospect) called BFTZ Wanghoi Co.,Ltd. (BFTZ WN). BFTZ WN, which subsequently signed a MOU with Siam Makro Pcl. to lease land and a new 88,000 sqm. distribution centre located on Km.67 of Phaholyotin Road. Prospect is a wholly owned subsidiary of MK. The site will also provide 20,994 sqm of ready built warehousing. Siam Makro Pcl. will sign a 28 year lease. Construction is underway and the handover will be in three phases between Q1 2023 and Q1 2024.

- ***Direct Investment:***

FNS started making Private Equity investments in Thailand on its own balance sheet from 2016. The first significant investment was a minority stake in NEO Corporate Co., Ltd. (NEO), a leading Thai household and personal care products company with well-known brands which include Fineline and D'nee. FNS has since taken a minority stake in Kanom Café Co., Ltd. (Kanom), the operator of the Bangkok chain of Kanom cafes and restaurants. FNS is also the single largest investor in the SET-listed Prospect Logistics and Industrial Leasehold Real Estate Investment Trust (PROSPECT REIT). The REIT is managed by Prospect REIT Management Co., Ltd., a wholly owned subsidiary of MK. Private Equity investments are made on a three to five years investment horizon.

- ***Financial Services:***

As at 31 December 2021, FNS held 100% of FSL, a licenses securities established in 2000 and which provides investment banking and corporate and advisory services. FSL has acted as Financial Advisor on a range of projects including Initial Public Offerings, Debt Issuances and Mergers and Acquisitions .In February 2022, FNS received an offer to acquire FSL and this offer is being put forward to shareholders for approval. If approved, the sale is expected to be completed in Q2 2022 .

1.1.1 Vision, objectives, targets or business strategy

Vision and Objectives

To deliver returns to shareholders in the form of dividends and capital appreciation through deploying the Company's assets productively into strategic investments that have upside potential both in terms of value recognition and in terms of improved performance across a range of metrics that include financial performance, corporate governance, employee training, development and compensation and overall business sustainability.

Business Strategy

As indicated in the "Overview of Business Operations" above, FNS is currently positioning itself as an investment holding company with strategic investments in (i) Real Estate Development and Investment and (ii) Direct Investment.

FNS's strategic objectives over the next three years can be summarized as follows:

1) Support the management of each of FNS's strategic holdings in planning and meeting their respective strategic goals. To this end we would highlight:-

- M.K.Real Estate Development Plc. MK has made significant progress over the past five years in building a portfolio of income producing real estate assets, to both supplement its real estate development activities and improve its overall quality of earnings. MK has had particular success with its wholly owned subsidiary, Prospect, a developer of industrial estate projects which include the 1,000 rais Bangkok Free Trade Zone (BFTZ) on Bangna Trad. A recent major initiative is the development and launch of the Rakxa Health and Wellness Retreat on Chao Phraya River. While 2021 proved exceptionally challenging for this project, given the impact of Covid on international tourist arrivals, management remains very confident in the underlying potential of the health and wellness business in Thailand and sees this business becoming a significant growth driver on a three year view.

2) Monetizing the Private Equity investments by steering them towards a liquidity event, such as a listing on the Stock Exchange of Thailand. This will enable FNS to realise capital gains and pursue further investment opportunities.

3) Identify additional Private Equity / Direct Investment opportunities. To this end, the FNS's Direct Investment team has been exploring a number of opportunities over the past two years and these have been narrowed down to a shortlist which reflects an increased focus on businesses and assets that can be developed to provided sustainable flows of income. This focus reflects FNS's success in building a portfolio of leasehold warehousing that was sold in 2020 into the PROSPECT REIT and FNS becoming the largest single investor in the REIT. FNS's management believes that demand from investors for relatively high and sustainable income will be significant on a three to five years view and FNS aims to capitalize on this demand with several projects in the pipeline.

1.1.2 Major changes and developments

Major changes and developments in the past 3 years

2019 None

2020 Sold the leasehold rights of warehouses and factories

In August, FNS sold its leasehold rights of warehouses and factories in Bangkok Free Trade Zone to the Prospect Logistics and Industrial Real Estate Investment Fund. (PROSPEC REIT)

Invested in PROSPECT REIT

In August, FNS invested Baht 563.2 million in PROSPECT REIT equivalent to a shareholding of 22.99% in PROSPECT REIT.

Voluntary tender offer for MK

In December, FNS made a voluntary tender offer to buy shares of MK which is an associated company. In the event, a number of MK shares were sold by shareholders to FNS resulting in a shareholding of 26.54% in MK at the year end 2020.

Disposal of investment in FC

In December, FNS disposed of investment in a subsidiary company, Finansa Capital Ltd., which had not been in operation for a period of time.

2021 Establishing a joint venture company, BFTZ WN.

In May, FNS invested THB 2.5 million in BFTZ Wangnoi Co.,Ltd. which is a 50:50 joint venture company with Prospect.

Investing in Kanom

In June, FNS exercised the rights to convert the convertible loan into ordinary shares of Kanom resulting in the Company holding 30% of Kanom's shares, equivalent to THB 60 million.

Disposal of investment in FSS

In December 2021, FNS sold its 29.29% stake in Finansia Syrus Securities Pcl.

1.1.3 Fund raising and fund using progress

FNS received Baht 366.80 million through issuing "Finansa Plc. Debenture No. 1/2021 with maturity in 2025" and the funds were deployed as follows:

Purpose	Amount	Exercise date	Detail
1. Investment in the current business	THB 200 million	1 October 2021	- Invested in Kanom in which FNS held 30% stake. - Invested in BFTZ WN, a developer of warehouse and factory to lease, in which FNS held 50% shares.
2. Repayment of loans / outstanding debenture	THB 100 million	18 August 2021	- THB 50 million Repayment of loan from Islamic Bank of Thailand on August 3, 2021. - THB 50 million Repayment of FNS' debenture No. FNS21818A matured on 18 August 2021.
3. Working capital	THB 66.80 million		To spend as working capital for the Group.

The Company received another Baht 300 million through issuing "Finansa Plc. Short-Term Debenture No. 1/2021 with maturity on 1 July 2022" and the funds were deployed as follows:

Purpose	Amount	Exercise date	Detail
1. Repayment of the Company's loan	THB 200 million	2 November 2021	- THB 200 million Repayment of FNS' debenture No. FNS21NA matured on 4 November 2021.
2. Working capital	THB 100 million		To spend as working capital for the Group.

1.1.4 Obligation to securities offering

None

1.1.5 General information about the Company

Company Name : Finansa Public Company Limited

Head Office Location : 48/48 20th Fl. TISCO Tower, North Sathorn Road, Silom, Bangrak, Bangkok 10500, Thailand

Type of Business : The Company and its affiliates currently provide services as listed below

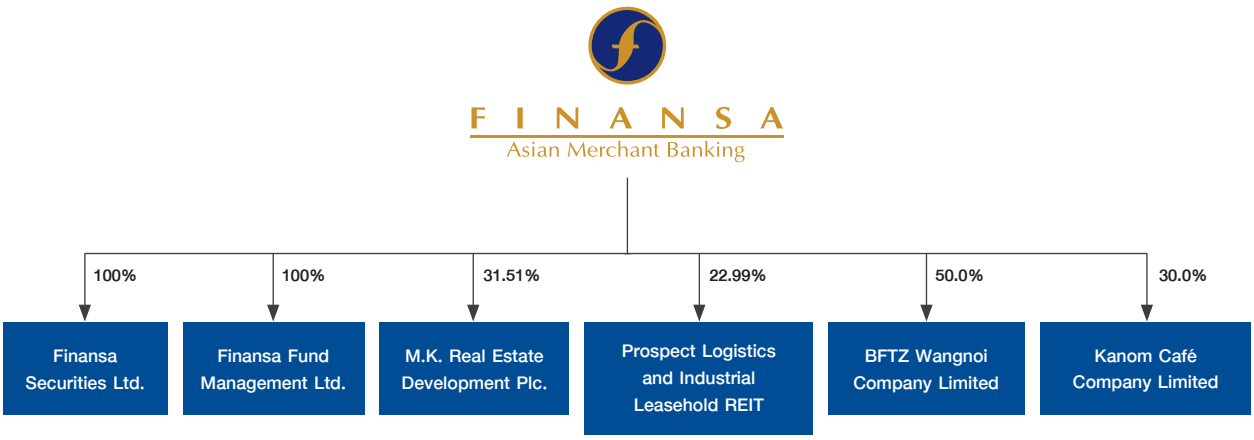
1. Real Estate Development and Investment
2. Direct Investment
3. Financial Services

Note : As at 31 December 2021, the Company was providing Financial Services through subsidiary, Finansa Securities Ltd. However, the Company is currently in the process of exiting this line of business.

Registration Number :	0107545000080
Telephone :	(66) 0-2697-3700
Fax :	(66) 0-2697-3799
Home Page :	www.finansa.com
Registered Capital :	Baht 1,729.28 million
Paid-up Capital :	Baht 1,729.28 million
Registered Share Capital :	345.86 million ordinary shares
Par value :	Baht 5 per share

1.2 Nature of Business

(As at 31 December 2021)



Note: Up to December 16, 2021, FNS held 29.29% of FSS. FSS financial performance up to this date is reflected in the consolidated financial statements of FNS.

1.2.1 Revenue structure

For the year 2021, the principal activities of FNS can be categorized under three main headings:-

1. Real Estate Development and Investment
2. Direct Investment
3. Financial Services

This following table indicates the revenue breakdown by business activity in 2021.

Revenue by Business Activity	Operated by	% of share held by FNS	2021	
			Revenue (Baht million)	%
Financial Services	FNS, FFM FSL FSS & FSSIA	100 100 29.29	43.72 213.35 87.96	14% 67% 28%
Total Financial Services			**345.03**	**109%**
Real Estate Development & Investment	MK BFTZ WN	31.51 50	(57.26) (0.41)	-18% 0%
Total Real Estate Development & Investment			**(57.67)**	**-18%**
Direct Investment	Kanom PROSPECT REIT NEO FBF, HUGS	30 22.99 12.78 6, 7.5	(6.54) 27.11 - -	-2% 9% 0% 0%
Total Direct Investment			**20.57**	**6%**
Others			8.88	3%
Total Revenue			**316.81**	**100%**

Going forward, the revenue structure will change to reflect the disposal of FSS and (subject to shareholder approval) FSL. It should also be noted that FNS holds a number of small minority stakes that are not consolidated and the only revenue recorded is in the form of dividends and interest on loans.

1.2.2 Business Characteristics

Most of the investments held by FNS are minority stakes. In the cases of the key, strategic investments that are categorized as associated companies, MK and the PROSPECT REIT are significant minority stakes and FNS is the largest single investor. The exceptions, in relation to ownership, are Finansa Fund Management Ltd (FFM), the offshore investment holding vehicle, which is a wholly owned subsidiary, and BFTZ WN which is a 50:50 Joint Venture.

In terms of management of the subsidiary company, FFM is a holding vehicle under the responsibility of its Board of Directors appointed by FNS.

In the cases of the key associated companies, MK and PROSPECT REIT, these are both independent businesses. FNS provides strategic input and support to MK and is represented on its Board of Directors. In the case of MK, Mr. Vorasit Pokachaiyapat, the Managing Director of FNS, is also the Managing Director of MK. In the case of PROSPECT REIT, the REIT manager is a wholly owned subsidiary of MK. In the case of BFTZ WN, day to day management is with Prospect, while FNS has two representatives on the Board of Directors.

In terms of "Business Characteristics", each of the investments under the FNS umbrella has a distinct profile, market position and strategy and is at a varying stage of development. The following is a summary of the business characteristics of each of the principal holdings within FNS, categorized by their principal activities:-

Real Estate Development and Investment

- *M.K. Real Estate Development Co., Ltd. (MK)*

  Established in 1956, MK is a leading property development and construction company focused on developing low-rise residential projects for sale (under the "Chuan Chuen" and "Serene House" brands) and for rent (under the "Park Court" brand). Over the past five years, under new ownership and management,

it has shifted its business to include a portfolio of income producing real estate assets to improve both the sustainability and quality of its earnings. A key success was the development of the Bangkok Free Trade Zone on the outskirts of Bangkok and the launch of the PROSPECT REIT. MK has also developed and launched the Rakxa Health and Wellness Retreat located on the Chao Phraya River. While 2021 proved exceptionally challenging for a project of this nature, given the impact of Covid-19 on international tourist arrivals, management remains very confident in the underlying potential of the health and wellness business and sees this becoming a significant growth driver in the future As at 31 December 2021, FNS held 31.51% of the shares in MK. (for further information go to https://www.mk.co.th/)

- *BFTZ Wangnoi Co., Ltd. (BFTZ WN)*

  In 2021, BFTZ WN was incorporated as a 50:50 Joint Venture between FNS and Prospect, a wholly owned subsidiary of MK. The Joint Venture signed a MOU to provide a new 88,401 sqm Distribution Centre for Siam Makro Pcl on Km.67 of Phaholyotin Road. Siam Makro will sign a 28 year lease. The project is divided into three phases with the first phase due to be handed over in Q1 2023. Financing for the project is in place. FNS's projected contribution of c. THB 350 mn will be primarily in the form of a shareholder loan.

Direct Investment

- *Finansa Fund Management Ltd. (FFM)*

  FFM is a company incorporated in the Cayman Islands and a wholly owned subsidiary of FNS. In the past, FFM managed and sponsored Private Equity funds investing in Thailand, Vietnam and Cambodia on behalf of international institutional investors, however since 2016 it has been focused on investing its own capital in Private Equity opportunities in Thailand.

- Prospect Logistics and Industrial Leasehold Real Estate Investment Trust (PROSPECT REIT)

  PROSPECT REIT is a trust that invests in the sub-leasehold rights of parts of land and buildings in the Bangkok Free Trade Zone located on the Bangna Trad highway. Covering approximately 1,000 rais, it is the nearest Free Trade Zone to Bangkok and offers warehousing suitable for both logistics operations and light industrial purposes. Its assets have been valued at THB 3,500 million (on Acquisition date) and comprise 63 buildings, of which 21 are warehouse building, 30 are standalone factories, 10 are mini factories and 2 are built-to-suit buildings. The total leasable area is 219,116 sqm. In August 2020, FNS invested THB 563 mn in PROSPECT REIT, representing a 22.99% shareholding. For further information, go to https://www. prospectreit.com/th/home

Private Equity

- *NEO Corporate Co., Ltd. (NEO)*

  In 2016, FFM invested a total of THB 242.8 mn in an Exchangeable Loan in NEO. This was later converted into equity. NEO is an established and successful manufacturer and distributor in Thailand of household and personal care products. Its brands, which are typically Top 3 in their respective segments, include Fineline and D-nee. FFM's investment was to help fund the Company's new manufacturing facility at Lamlukka. This new facility was opened in 2018 and its impact on the Company's performance from both the increased capacity and improvements in overall productivity has been material. NEO had an especially strong year in 2020 as demand for the company's cleaning products was boosted by the impact of the Covid-19 pandemic. 2021 was also strong, though earning dipped on supply chain constraints. NEO is expected to list on the Stock Exchange of Thailand in 2023

- *FB Food Service (2017) Co., Ltd. (FBF)*

  In 2017, FNS invested THB 21 mn in an equity stake in FBF. FBF is a leading Bangkok-based food service company. FNS invested in FBF alongside the large Japanese trading company, Sojitz Corporation, which took a significant minority stake. The funds raised were invested in a central kitchen to provide value added food services. In the event, the central kitchen was completed in 2018, however the subsequent

operating performance of the business has disappointed in terms of both sales and margins. The company reported a significant loss in 2018 and while losses reduced in 2019. its core client base (chain restaurants) were severely impacted by Covid-19 in 2020 and 2021.The Company is projected to see a recovery in 2022.

- *Kanom Café Co., Ltd. (Kanom)*

  In 2018, FNS committed to investing THB120 mn in Kanom, the operator of the Kanom café, bakery and restaurant chain. This investment was initially in the form of a Convertible Loan, however is now in the form of equity and straight debt. The investment from FNS has been used to expand the number of outlets, refurbish existing outlets and establish a new central kitchen. Kanom's sales were impacted dramatically in Q2 2020 as a result of a government-imposed lockdown of restaurant outlets in response to the Covid-19 outbreak and again by a second lockdown in mid-2021, however there has been a steady sales recovery through late 2021 and monthly sales are now back to pre-pandemic levels.

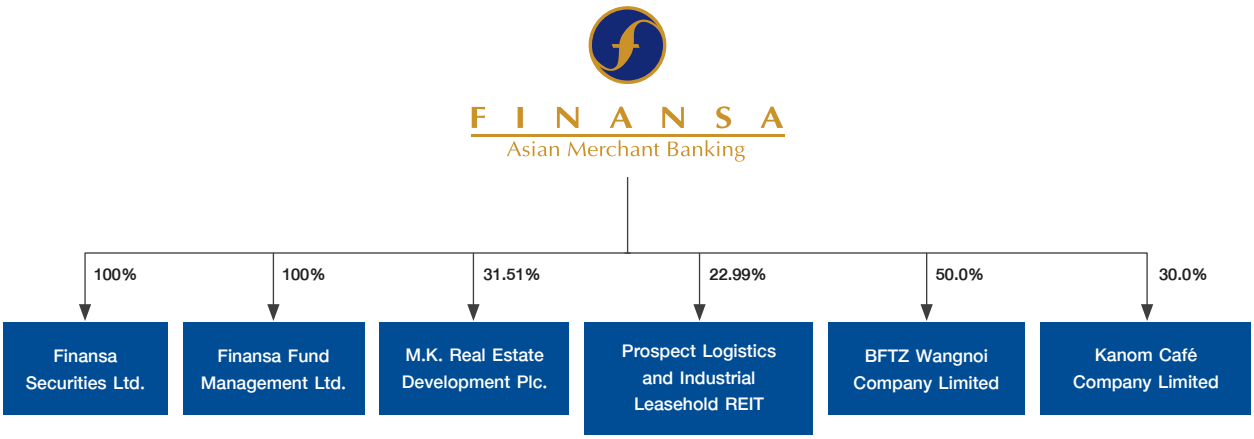
- *HUGS Insurance Broker Co., Ltd. (HUGS)*

  In 2020, FNS invested in a 7.5% stake in HUGS, a start-up insurance brokerage that will initially focus on Health and Accident Insurance within Personal Insurance Lines. A General Insurance License has been awarded and Life and Reinsurance Licenses are in process. A small team is in place and the aim is to expand through both E-sales and Tele-sales. Business was initially generated through the networks of the core, initial shareholders which include a major real estate developer and auto distributor.

1.3 Shareholding structure of the Group of Companies

1.3.1 Shareholding structure of the Group of Companies

The Finansa Group performs its business activities through the parent company and 6 operating subsidiaries and associated entities of which 5 are local companies, including the parent company, one is overseas company, and one is a locally registered real estate investment trust. As the regional headquarters of the group, FNS determines management and investment policies and supports, controls, supervises and advises companies in the group in relation to business planning and management. The aim is to create overall coherence for the group's various operations.



Subsidiaries and associates companies

Company	Type of Business	Type of Share	No. of Shares Issued	% of Shareholding
1. Finansa Securities Ltd. 20th Floor, TISCO Tower 48/45 North Sathorn Road, Silom, Bangrak, Bangkok 10500 Tel. (662) 697 3800 Fax (662) 638 0301	Investment banking/ Securities	Ordinary	70,000,000	100
2. Finansa Fund Management Ltd. P.O. Box 309, Ugland House, KY1-1104 Grand Cayman, Cayman Islands	Investmant	Ordinary Preferred	20,000 144,073	100 100
3. M.K. Real Estate Development Plc. 6th-8th Floor, 345 Surawong Building No. 345, Surawong Road, Suriyawong, BangRak, Bangkok 10500 Tel. (662) 234 8888 Fax (662) 234 8880	Real estate developer	Ordinary	1,091,205,066	31.51
4. Prospect Logistics and Industrial Leasehold Real Estate Investment Trust 5th Floor, 345 Surawong Building No. 345, Surawong Road, Suriyawong, BangRak, Bangkok 10500 Tel. (662) 697 3788 Fax (662) 697 3794	Real estate investment trust	Ordinary	245,000,000	22.99
5. Kanom Café Company Limited No.362 Rama 9 Road, Soi 17 Bangkrapi, Huaykhwang, Bangkok 10310 Tel. (662) 138 5890	Bakery, food and beverage	Ordinary	12,786,000	30
6. BFTZ Wangnoi Company Limited 5th Floor, 345 Surawong Building, No. 345, Surawong Road, Suriyawong, BangRak, Bangkok 10500 Tel. (662) 697 3860 Fax (662) 697 3869	Factory and warehouses developer for lease	Ordinary	50,000	50

1.3.2 Shareholding in subsidiaries or associates of persons who may have conflicts

-None-

1.3.3 Relationship with business group of major shareholders

-None-

1.3.4 Shareholders

As of March 15, 2022, the major shareholders of FNS were the followings:

Name	Number of Shares	% of Paid-up Capital
Mr. Vorasit Pokachaiyapat M.L. Suddhiman Pokachaiyapat	149,070,161	43.102
Mr. Vichien Srimuninnimit	12,200,000	3.527
Mr. Wachira Tayanaraporn	10,000,000	2.891
Thai NVDR Co., Ltd.	8,828,201	2.553
Credit Suisse AG, Singapore Branch	8,554,900	2.474
Miss Yasinee Apitanothai	8,527,200	2.466
BIO Equalise Co., Ltd.	6,624,100	1.915
Mrs. Prakaikam Baikaew	6,192,000	1.790
Millimed Properties Co., Ltd.	4,400,000	1.272
Mr. Kiat Srichomkwan	3,410,000	0.986
Others	128,048,878	37.024
Total	**345,855,440**	**100.000**

Shareholding in subsidiaries which operates core business.

List of subsidiaries	Shareholder	% of share holding
Finansa Securities Ltd.	FNS	100
Finansa Fund Management Ltd.	FNS	100

1.4 Number of registered and paid-up capital

As of 31 December 2021, the registered capital of the Company was Baht 1,729.28 million divided into 345.86 million ordinary shares with par value of Baht 5 per share; fully paid.

1.5 Other securities

1.5.1 Convertible Debenture

-None-

1.5.2 Debenture

The Company has issued short-term with maturities of less than 270 days and long-term unsecured and unsubordinated debenture entered in name without debenture representative to institutional investors and/or high net worth investors with total outstanding balance of not more than 2,000,000 units valued Baht 2,000,000,000 (Two thousand million Baht). The par value and offering price per unit is Baht 1,000. Interest rate offered depends on the market rate at the time of the offering.

In December, 2021 Fitch Ratings (Thailand) affirmed Finansa Plc.'s Nation long-term credit rating at BBB-(tha) with Negative Outlook and the short-term credit rating at F3(tha).

The outstanding balance of short-term debentures as at 31 December 2021 is as follow:

Tranche	Face Value (Baht)	Maturity Date
FNS22701A	300,000,000	1 July 2022
Total	**300,000,000**	

The outstanding balance of long-term debentures as at 31 December 2021 is as follow:

Tranche	Face Value (Baht)	Maturity Date
FNS221A	140,000,000	26 January 2022
FNS22OA	100,000,000	12 October 2022
FNS22OB	100,000,000	12 October 2022
FNS231A	300,000,000	12 January 2023
FNS25OA	366,800,000	31 October 2025
Total	**1,006,800,000**	

1.6 Dividend policy

Policy of the Company

FNS has a policy to pay dividends of 30% of the net profit after taxes, or as it may deem appropriate, except in cases where there are other necessities and such payments would significantly affect the normal operations of the Company.

Dividend paid in the past 3 years

Year	2021	2020	2019
Net profit (loss) - concoildated statements (Bath million)	(42.19)	223.26	(82.58)
Net profit (loss) - stand alone statements (Bath million)	73.43	236.45	78.35
Number of shares (share)	345,855,440	345,855,440	345,855,440
Dividend per share (Baht)	0.50	0.65	-
Total dividend payment (Baht million)	172.93	224.81	-
Dividend payout ratio (%)	235.50%	95.08%	0.00%

Policy of the subsidiaries company

The subsidiaries of FNS have a policy to pay dividends of 30% of the net profit after taxes, or as it may deem appropriate, except in cases where there are other necessities and such payments would significantly affect the normal operations of the Company

2. Risk Management

Finansa Plc.(FNS) and its subsidiaries adopt a collective risk management strategy to reach the goal of long-term business growth and sustainable returns. Realizing that potential risks may lead to investors' partial or complete loss, and unsatisfactory returns, the Group focuses on managing the risks to be at an acceptable level approved by the Group Risk Management Committee.

The Group's guidelines and policies on risk management are set by the Risk Management Committee and a risk management report is presented to the Board of Directors every quarter. An annual evaluation and review of the internal control system is carried out to improve and enhance the operating performance.

2.1 Risk management policy and plan

The Company places importance on risk management, which is a part of business operation to achieve desired objectives, goals, and operational strategies.

Risk means the possibility of an event that affects the Group's objectives, goals, or operational strategies may occur.

Objectives

Determine the operational framework for risk management operations that is consistent with the Company's goals to be used by the entire organization.

Scope

This risk management policy applies to all operations as well as all executives and employees.

Risk Management Policy

1. Assess the risks that may affect the Group's vision, objectives, goals, or operational strategies.
2. Determine business risk factors that cause significant risks to the business operations, financial status, and operating results of the Group. This includes environmental, social, and corporate governance risks, such as climate risk, hygiene and safety risk, fraud and corruption risk etc.
3. Determine emerging risks that might affect business operations in the next 3 - 5 years.
4. Determine the risks from shareholders' investments, where they may not receive returns or entitlements, or lose parts of or their entire investments.
5. Determine the risks from foreign investments as well as restrictions on foreign investments such as legal prosecutions, investor rights on corporate matters, restrictions on international transfer of money etc.
6. All executives and employees of the company are risk owners, being responsible for identifying and assessing the risks of the sectors they are in charge of, as well as implementing appropriate measures to manage such risks.
7. All risks that affect the objectives of the entire company must be addressed, for example, by timely identification of the risks, the assessment of the risks and their impacts, and the management of the risks. If such risks greatly affect the Company's business plans, a report to the Audit Committee and the Board of Directors must be submitted.

Responsibilities

1. The Board of Directors is responsible for overseeing the overall risk management within the Company.
2. The Audit Committee helps support the Board of Directors in such duties.
3. The Managing Director is responsible for implementing the risk management policy and ensuring continual commitment.
4. Internal Audit is responsible for reviewing the effectiveness of internal controls through annual audits.
5. The management and all employees have the responsibility to identify, analyze, assess, and prioritize risks of the sectors they are in charge of, as well as implementing appropriate measures to manage such risks.

Policy reviews

The risk management policy must be reviewed regularly, and any change shall be proposed to the Audit Committee and the Board of Directors for approval.

2.2 Risks Factors for the Group Operations

1. Market Risk

Market risk refers to change in value of financial instruments resulting from change in market conditions such as interest rates, foreign exchange, and economic conditions, which may positively or negatively affect the Group's revenue.

1.1 Risks to the Group's Revenues from Economic, Financial and Capital Markets Conditions

The FNS Group's businesses and revenues are closely related to domestic and global economic, financial, and capital market conditions, which are not under the Group's control. Any severe change in these factors may result in a negative environment in the Stock Exchange of Thailand i.e. trading volume, share prices, capital raising transactions, public offering transactions and investors' confidence. Thus it could directly affect the Group's revenues from its investment banking business and direct investment business. However, under this scenario, the Group may diversify its revenue stream by raising the revenue from other types of advisory, such as financial advisory services for debt restructuring.

At present, FNS diversifies its business into other business types such as industrial property development and management services, hospitality and wellness industry related and food and beverage industry in order to reduce risks to manageable level.

1.2 Risk on Investment in Subsidiaries and Associated Companies

FNS also engages in direct investments in subsidiaries and associated companies and in return, expects revenue from these investments. Risks on investment arise when these subsidiaries and associated companies incur operational losses, thus directly affect the Company's financial performance. Investments in associated companies in the consolidated financial statements are accounted for under the equity method while investments in subsidiaries and associated companies in the separate financial statements are accounted for under cost method less allowance for impairment loss (if any).

Type of Revenue	Operated by	% of Shares held by FNS	2021		2020		2019	
			Revenue	%	Revenue	%	Revenue	%
Investment, Advisory and Management Business	FNS, FFM, FC	100	43.72	16.4	78.01	10.2	38.97	12.8
Investment Banking and Securities Business	FSL	100	213.35	80.2	349.42	45.8	63.66	20.8
Warehouse and Factory Leasing Business	FNS		-	-	124.62	16.3	176.41	57.8
Others			8.88	3.3	211.58	27.7	26.40	8.6
Total Revenue			**265.95**	**100.0**	**763.63**	**100.0**	**305.44**	**100.0**
Share of gain (loss) form investment in associates	FSS&FSSIA	29.29	87.96	172.9	23.63	76.8	(40.45)	570.5
	MK	31.51	(57.26)	(112.6)	(0.64)	(2.1)	33.36	(470.5)
	PROSPECT REIT	22.99	27.11	53.3	7.79	25.3	-	-
	BFTZ WN	50.00	(0.41)	(0.8)	-	-	-	-
	Kanom	30.00	(6.54)	(12.9)	-	-	-	-
Total			**50.86**	**100.0**	**30.78**	**100.0**	**(7.09)**	**100.0**

*Effective from 16 December 2021 FSS & FSSIA were not FNS' associated companies.

1.3 Risk on Investment in Securities and Return Risk

Risk of below-expected return from securities investment arises with domestic and global economic fluctuation.

As at 31 December 2021, the Company and its subsidiaries had financial assets of Baht 679.55 million, accounting for 16% of total assets of the Group, a decrease of Baht 254.24 or 27% comparing with Baht 933.79 million at the end of 2020. Though the Company had liquidity from the sale of an associated company, the fund were used to invest in digital asset and lend to subsidiaries.

As at 31 December 2021, the other current financial assets were in domestic money market funds, which were highly liquid and posed low investment risk. The other non-current financial assets were in investment in other companies, government bonds and foreign funds.

The Group Investment Committee were assigned to set business policies in asset allocation, investment approval limit, and risk management so as to limit the extent of negative return that may arise from volatile economic and market conditions.

1.4 Foreign Exchange Risk

The Finansa Group consists of 1 operating overseas-subsidiary and therefore possesses foreign currency denominated assets and liabilities. Foreign currency denominated assets and liabilities of the Company and its subsidiaries as at 31 December 2021 was shown in the table below. Most of the assets were in cash and investments.

Currency	Assets (Thousand)	% of Total Assets	Liabilities (Thousand)	% of Total liabilities
US Dollars	6,357.34	5.1	-	-

1.5 Interest Rate Risk

Interest rate fluctuation affects interest income and expense of the Finansa Group. The Group had low interest rate risk as its interest income was from short-term lending and was relatively low compared to other types of income. The Company had a total outstanding balance of a short- term debenture of Baht 300 million and a long-term debenture of Baht 1,006.8 million at year-end 2021. As the Company had more long-term liability with a fix interest rate than short-term liability, an increase in interest rate would have a relatively less negative impact on the Company due to overall interest expenses lagging the increase in market rates.

2. Liquidity Risk

Liquidity risk is the risk that the Company is unable to meet financial obligations when they become due, as a result of the failure to obtain sufficient funds at reasonable cost within the deadline.

The Company has a policy to keep a balance between the source of funds and the use of capital in order to lower liquidity risk.

As at 31 December 2021, the Company reported current liabilities which comprised the current portions of long-term debentures and liabilities under finance lease agreements of Baht 644.31 million, increased by Baht 242.75 million or 60% from the end of 2020. The liquidity ratio, calculated by dividing current asset by current liabilities was 2.08, increasing from 1.88 in 2020, indicating an increase in short-term liquidity status due to an increase in liquid assets. As for long-term liabilities, the Company had long-term debentures-net of current portion of Baht 666.80 million, increasing by Baht 26.80 million or 4% from the end of 2020 and liabilities under finance lease agreements, net of current portion of Baht 4.76 million, increasing by Baht 1.77 million from year-end 2020. The Group's capital structure comprised Baht 1,511.21 million in liabilities and Baht 2,617.27 million in equity, resulting in a debt to equity ratio of 0.58 which was considered low.

The Board of Director assigned the Managing Director to set an internal policy to control the short-term debt securities issuance and to report the issued amount and outstanding amount to the Board of Director in a quarterly meeting. In this regard, investors can check the Company's bills of exchange and short-term debentures outstanding amount from the "Selling Report - Debentures" of the Company at www.sec.or.th.

The Group has adopted a collective liquidity management policy with intercompany loans and borrowings and liquidity gap calculation to assess its capital and liquidity adequacy.

3. Credit Risk

Credit risk arises when counterparties of the Company are not capable to meet obligations and fail to make payments when they become due, which may damage the Group.

The Finansa Group had a considerably low level of credit risk as the Group had no lending business and no policy on additional lending. Credit risks that remain were from investments in convertible loans and in debt securities, as well as clearing and settlement risk. To control credit risk, the Group Risk Management Committee limited investment in bonds to investment grade, or BBB- or higher rating bonds.

4. Operational Risk

Operational risk refers to the risk of loss from lack of appropriate internal control or good corporate governance which may result from internal operational processes, people, workflows, or external events.

The FNS Group has strictly practiced good corporate governance as stipulated by the Office of the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET). Compliance with good corporate governance principles is reviewed annually by the Board of Directors.

As for the procedures against insider information exploitation, the Group has set a policy to prohibit the directors and executives from using information related to the financial and operational performance of the Company which has not yet been disclosed to the public for their personal benefit, including but not limited to securities trading. Each director and executive's securities holding and holding of securities by one's spouse and minor children is required to be reported to the Office of the Securities and Exchange Commission, in compliance with Section 59 and the penal provision in Section 275 of the Securities and Exchange Act B.E. 2535.

The Group has set up the Business Contingency Plan to cope with the risks from unexpected external events such as natural disasters and sabotage, in order for the Group to be able to get back to business within an appropriate time period.

Operational risk management has been overseen by the Group's Compliance Office and outsourced internal auditors, who present their reports to the Audit Committee on a quarterly basis.

5. Risk related to Personnel Resources

The FNS Group's business operations rely primarily on its people. Executive management requires expert and experienced personnel. In a highly competitive business environment, personnel with experience and expertise in financial services are in short supply and are fiercely sought after. FNS's management has pursued a policy of recruiting more high-level executives, training and promoting junior executives, as well as hiring experienced teams of personnel. This policy proved successful and contributed to the Group's continuous growth. It allows the Group to allocate substitutes in case of current executive or team absence, lower the effect to the Group's operation. Human resource is highly valued by providing training and on-the-job learning support, to encourage employees from executive to operational level to constantly improve themselves in a common direction. Additionally, compensation relevant to ability and performance is set at a motivating level, in accordance with market standards. This approach in turn helps reduce the risk of personnel turnover.

6. Strategy Risk

Strategy risk arises when the Group is exposed to changes in business conditions, strategy decision failure, failures in implementation, or a sluggish response to industry, economic, or technological change, leading to negative effects on the Group's financial performance such as revenue, profit, capital, as well as reputation. The Company manages strategic risk by monitoring changes in key assumptions used for strategic formulation in order to review the Company's business strategies in a timely and orderly manner. In addition, financial performance is regularly reported to management to closely monitoring consistency of the performance and the strategies.

7. Risk from a change in the Company's Credit Rating

On 28 December 2021, Fitch Ratings (Thailand) affirmed Finansa Plc.'s National long-term credit rating at BBB-(tha) with Negative Outlook. It also affirmed the National short-term credit rating at F3(tha). Additional information is available on www.fitchratings.com.

8. Risk from the pandemic of COVID-19

The emergence and spread of COVID-19 in the last year has been continuing to evolve resulting in an economic slowdown, impacting most business and industries. This situation may bring uncertainties and have an impact on the environment in which the group operates. Nevertheless, from the 2021 operating performance we could conclude that COVID-19 affected the Company's operation on the following issues:

- On the operations side, the Group of companies were able to follow the 2021 operational plan as defined; the business continued to run, although working from home was applied.
- On the finance side, the COVID-19 pandamic did not affect the Company's capacity to repay debt, to meet conditions of loan agreements and debentures including the group's liquidity. In addition, the Company approved an interim dividend payment and will propose a payment of an annual dividend to the 2022 shareholders' meeting for approval.
- On the financial statement and operating performance, COVID-19 pandamic made negative impact on performance of MK and Kanom as mentioned in 2021 Review and 2022 Outlook.
- On the contract obligations side, there were no effects on meeting the rights and obligations of the Company
- On the survival of business, the pandemic of COVID-19 did not affect the business survival of the Company.

3. Business Sustainability Development

3.1 Policy and objectives of sustainable management

The Company conducts investment business by adhering to fair operating principles. It administers its affairs with transparency and responsibility for stakeholders, the society, and the environment. To comply with the principles of good business governance, and for the development and fulfillment of the community, for the balance between the economy, the society, and the environment, as well as for sustainability, a governance framework is determined as follows:

1. Focus on developing the business with sustainable growth that is consistent with the Company's objectives, goals, or operational strategies.
2. Focus on mitigating the effects on the stakeholders in the business value chain.
3. Focus on the management of environmental sustainability, including setting environmental policy and guidelines and conducting environmental performance reviews.
4. Focus on the management of social sustainability, including respect for human rights, fair treatment of employees, responsible service to customers, participation in community and social development, as well as conducting social performance reviews.
5. Review sustainability policies regularly and propose any changes to the Nomination, Compensation and Corporate Governance Committee and the Board of Directors for approval.

3.2 Management of impacts on stakeholders in the business value chain

3.2.1 Business value chain

Such as shareholders employees, customers business partners lenders competitors society and environment and public sector etc.

3.2.2 Analysis of stakeholders in the business value chain

Shareholders : The Company is determined to achieve a good operating performance to create shareholders satisfaction, with due consideration to the growth of the Company's value over the long term. The Company discloses all information in a transparent and trustworthy manner. In addition, every shareholder has an equal right to vote except for shareholders who have conflicts of interest in which they will have the right to vote only for the election of directors, but not on that particular matter.

Employees : The Company treats all employees with care and fairness and provides reasonable remuneration and benefits such as provident funds, including welfare as required by the Labor Law. The Company also supports the

enhancement of its employees' capabilities and promotes a decent business culture, teamwork and a favorable and secure working atmosphere.

Customers : The Company focuses on providing high quality services, treating customers' information as confidential and ensuring that the process and procedure for handling customers' complaints is clearly and fairly stated, and that responsible persons are assigned to deal with any such complaints

Business Partners : The Company focuses on selecting appropriate business partners, dealing with fair treatment and providing opportunity to those business partners of the same products type to compete in the Company's purchasing procedure in both prices and quality of products.

Moreover, the Company also attaches great importance to the integrity of fulfilling the terms and conditions made with business partners and commits to no exploitation under the agreed conditions; the Company has a procedure in selecting reliable, professional vendors with good performance and providing quality products and services; the Company also organizes a list of regular vendors who provide good services, and updates the list every year by means of assessment of prices, quality of products, delivery and after-sales services in order to maintain business vendors' quality of products and services.

Lenders : The Company attaches great importance to the integrity of fulfilling the obligations made with trading lenders and commits to no exploitation under the conditions that are mutually agreed and discloses information with accuracy, adequacy and in a timely manners via appropriate channels which lenders can review.

Competitors : The Company follows the rule of fairness in competing with others and avoids any wrongdoing toward its competitors.

Society and Environment :

The company takes a responsible attitude towards society. Business operation not only strictly adheres to the relevant laws, but also creates the advantages for society and public sector in the area of economy, culture, tradition and environment; the Company also supports activities relating to the environment, including a campaign to turn off the lights and the computer screen during the lunch break, to adjust the temperature to suit the workplace, and a campaign to print only necessary documents. The senior management of the Group plays an important role in promoting the principles of social responsibility.

Public Sector : The Company conducts its business in adherence to laws, rules and regulations of the authorities as well as provides effective cooperation according to government policies. Moreover, the Company will not involve or operate business with any illegal organizations or individuals.

In summary, the Company abides by all relevant laws and regulations in order to ensure the rights of all stakeholders are well protected. The Company also supports useful activities and treats any complaints as important in order to improve its operations.

3.3 Management of environmental sustainability

3.3.1 Environmental Policy and guidelines

The Company is committed to providing a comprehensive range of services to its corporate, and

retail customers. The Company adheres to fair business principles, management with transparency and accountability to stakeholders, along with social and environmental responsibilities in compliance with overall, good corporate governance. We aim to create, develop, and fulfill our corporate goal while creating a sustainable balance between the economy, society and the environment. As a services company, the Company has minimal climate impact. The main environmental issues for the Company relate to the working environment, notably the safety and occupational health, and conducting business with knowledge of accepted environmental standards and in line with these standards. The Company reviews environmental issues and standards regularly.

3.3.2 Environmental operating results

1. Safety, occupational health and the working environment in 2021

(1) Safety, occupational health, and the working environment are considered the responsibility of every employee.

(2) The Company supported the issuance of appropriate notifications, rules, regulations and guidelines on occupational safety, health and the work environment in accordance with relevant standards and legislation.

(3) The Company assigned every employee to attend a safety officer course according to Ministerial Regulations, which set standards in management and administration for safety, occupational health and the work environment.

(4) The Company regularly monitored, evaluated, and improved the workplace environment for the safety and health of employees and its other stakeholders.

(5) Knowledge and awareness of safety, occupational health and the work environment were shared with executives and employees continuously.

(6) All employees cooperated in implementing the project regarding safety, occupational health and the work environment program with the goal of improving the work environment and safe work practices.

(7) Managed outsourced work and contractors to comply with safety regulations of the Company and building management.

(8) Ensured safety at work that would raise employee morale, which in turn affected employee performance.

(9) The Company has installed particle counters and ceiling air purifiers in all working areas to detect particulate matter and to ensure air quality. All devices are examined regularly. This should reduce incidence of employees' sickness.

(10) The Company has set up procedures in conformity with the policy of the Juristic Person to prevent the spread of Covid-19, that include: 1) every employee and outsider would have their body temperature measured before entering the office; 2) their names and phone numbers were kept for reference; 3) masks and alcohol hand gel were provided to everyone before entering the office.

(11) To improve safety standards, the Company provides ATK testing by a medical team from World Medical Hospital (WMC) for 25% of all employees on a weekly basis.

The Company is a less risky business establishment compared with industrial plants, and it occupies a building that a corporate entity is managing to take care of safety, occupational health and the building environment to a specified level. However, the Company does not neglect to comply with safety laws and records accident statistics as follows.

Accident statistics from work	2021			2020		
	Men (No.)	Women (No.)	Total	Men (No.)	Women (No.)	Total
Not absent	-	-	-	-	-	-
Absent	-	-	-	-	-	-
Disabled	-	-	-	-	-	-
Deceased	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	**-**

2. Conducting business under environmental standards

The Company is located in a high-rise building that is managed by a legal entity appointed by co-residents. The legal entity maintains the environment to meet a legal standard, strictly follow safety rules, and provide maintenance services on a regular, year-round basis for equipment in the building to avoid odor pollution and noise pollution. The building has also installed a waste water treatment system. For indoor areas under the Company's supervision, the following environmental policy has been established for management and staff at all levels:

(1) Provide knowledge of laws concerning the environment in an office building and comply with related rules and laws to promote a high-quality environment in the Company.

(2) Encourage the most efficient use of energy, water, and other resources of the Company.

(3) Make continued efforts to improve the environment by supporting procurement from environmentally friendly suppliers of items such as photocopiers, printer ink, and paper.

(4) Raise awareness on reducing/preventing waste and toxic substances caused by work activities with efforts such as creating a campaign to reduce plastic, foam, and paper in toilet bowls.

(5) Communicate an environmental policy with staff on the Company's efforts to protect the environment in the workplace.

(6) Promoting the effective use of resources.

The Company has guidelines to promote the effective use of resources to reduce environmental pollution in the workplace as follows:

On electricity

- The Company has invested in replacing T8 fluorescent 36-watt lightbulbs with T5 fluorescent 28-Watt tube lightbulbs and LED lightbulbs to reduce energy consumption and heat in the workplace.
- Using software to control air conditioning with an automatic switch for effective use, which reduces risks occurring from unauthorized, manual switching and reduces the unnecessary usage and cost of electricity.

On lighting

The Company provides appropriate lighting for the staff to avoid stress and accidents.

On water quality

The Company has placed importance on drinking water by purchasing a high-quality Reverse Osmosis System (RO) water purifier for staff to drink good water and maintain good health, which helps improve productivity.

Providing knowledge and training on the environment

The Company considers the workplace environment to be an important issue. The most important problem facing this issue comes from misunderstanding among staff. The Company has brought up awareness in direct and indirect ways, including a series of staff training and seminars on environment management, such as a seminar on procurement of environmentally friendly goods and services, for example.

3.4 Social sustainability management

3.4.1 Social policy and guidelines

The Company places importance on social sustainability as follows:

1. All business activities must comply with social laws, rules, and regulations.
   - Respect for human rights and fair treatment of labour according to applicable laws.
   - Responsible customer and shareholder services that focus on benefits and fairness.
   - Participation in community and social development.
2. All employees must take part in maintaining social sustainability.
3. The compliance of section 1 must be reviewed and improved regularly.

3.4.2 Social operating results

1. Conducting business with fairness

(1) Code of Conduct
- A code of conduct has been prepared as an operations manual for members of the Board of Directors, the executives, and employees of the Company to ensure they treat themselves, their co-workers, their supervisors, their subordinates, and all related parties with fairness and accountability.

(2) Working with corporate governance-oriented business counterparts
- A clear principle in selecting business counterparts has been established under which the Company will not support those who lack good corporate governance such as violating human rights by exploiting child labour or those that are involved in unethical and unlawful business practices.

2 Respecting human rights and fair treatment of workers

(1) Employment
- Strictly comply with Labour Protection Act B.E. 2541 and Labour Relation Act B.E. 2518 as well as other related laws.
- Set clear guidelines and criteria for selecting and recruiting employees, and ensure that employment conditions are transparent and verifiable.
- Establish a system to recruit qualified personnel.

(2) Compensation and welfare.
- Compensation is based on fairness primarily by taking into account the cost of living and staff performance.
- Set clear rules, regulations, and employee manuals for employees by focusing on non-discrimination.
- Set employee benefits to be higher than required by law to meet the cost of living and promote the well-being of employees as follows:

(1) Welfare grants, including grants to employees, spouses, children or parents of employees who pass away.

(2) Health and life insurance including annual health checks, membership of a Sports Club, Medical treatment and Dental group health insurance, and group accident insurance.

(3) Funds including provident funds, compensation funds, and social security funds.

(4) Loan benefits including special interest loans with counter-parties from the Company.

(3) Non-infringement of intellectual property or copyrights.
The Company respects and complies with intellectual property laws and has a policy to withhold support of any action that is likely to violate intellectual property rights in every category. The guidelines are as follows:

(1) All employees are responsible for protecting and securing the Company's intellectual property from unauthorized use. They must not use the Company's intellectual property in different categories for personal gain or for the benefit of others without permission.

(2) All employees must respect and honor the intellectual property of others and must not take the work of the intellectual property of others, whether all or part of the work, without its owner's permission.

(3) The Company has established a process of implementing software asset management to ensure the proper maintenance and utilization of software within the organization.

(4) Developing and promoting the capacity of employees

(1) Focus on building a learning organization by promoting the development of employees' capacity at all levels in an appropriate and continuous manner.

(2) Develop a performance evaluation system that is effective, transparent, fair, and verifiable.

(3) Establish coaching, knowledge sharing, and training sessions by external institutions.

(5) Promoting participation

(1) Encourage employees to participate in social activities in both the planning and implementation processes.

(2) Provide opportunities for comments and suggestions via various channels appropriately and thoroughly.

3 Corporate social responsibility (CSR) projects

The Company aims to participate in social and environmental development by encouraging staff's involvement and integrating social responsibility into corporate culture as follows:

1. CSR activity: provide COVID-19 vaccination for employees and family members

Finansa Group and MK Group were concerned over the health of their personnel and families in the face of COVID-19 crisis. Thorough and immediate vaccination were considered a priority in this situation.

Finansa Group and MK Group thus provided alternative vaccines equally to all related persons and arranged administration of "Sinopharm" alternative vaccine for the the entire staff. 300 doses of leftover vaccines were donated to charity, people in need, employees'

relatives, partners, and foreign workers. The vaccines were administerd by a medical team from Bangkok Hospital at 345 Surawong Building as follows:

- Dose 1 during 1 - 4 July 2021
- Dose 2 during 29 July - 1 August 2021

2. *CRS activity: plastic bottles donation in "Upcycled Bottles Against Covid" project*

Finansa Public Company Limited and affiliate companies took part in helping the society amid the COVID-19 crisis by donating 4,827 recycleable plastic bottles to Chakdaeng temple. These bottles were used to produce 241 sets of personal protective equipment (PPE), which would be distributed to organizations caring for COVID-19 patients who needed PPE. The donation was made on 17 November 2021 in an effort to promote the hygiene and protect the vulnurable in the society.

4. Management's Discussion & Analysis (MD&A)

4.1 Operating Performance and Financial Position Analysis

Overview of business operations and major changes

The impact of the COVID-19 epidemic continued to be severe throughout 2021, affecting the business sector and employment and causing further economic weakness that impacted the Finansa Group's revenues in 2021. The Group faced challenges from the slow economic recovery. The Group incurred a net loss of THB 42.19 million or a loss per share of THB 0.12 compared to a net profit of THB 223.26 million or earning per share of THB 0.65 in 2020, representing a decrease in profits totaling THB 265.45 million, or a decrease of 118.90% in profit. The main income came from the Investment, Advisory and Management Business and the Securities Business.

The current liquidity ratio (current assets/current liabilities) of the Group as of December 31, 2021 was 2.08, increasing from 1.88 at the year-end 2020 indicating that the Company's short-term liquidity has improved. The increase in current assets was proportionally higher than the increase in current liabilities. Current assets increased 53.76%, while current liabilities increased 38.79%. The Group Capital Structures was comprised of THB 1,511.21 million in liabilities and THB 2,617.27 million in shareholders' equity, representing a debt to equity ratio of 0.58, compared to 0.45 at the year-end 2020. The capital structure is considered to be appropriate and the debt to equity ratio is considered low. This indicates that the Group's capital comes less from borrowing than equity. Yielding a lower risk of inability to pay debt obligations.

As of December 31, 2021, the Group had an interest coverage ratio of 0.74 and a debt service coverage ratio of 0.07 and earnings before interest expense, income tax, depreciation and amortization (EBITDA) of THB 43.43 million, compared to the same period of 2020, which were 5.06, 0.92 and THB 368.38 million respectively.

An overview of the business operations and major changes is provided in the 2021 Operational Review and 2022 Outlook section.

Operating Performance

For the year ended 31 December 2021, the consolidated financial results of Finansa Public Company Limited and its subsidiaries showed a net loss of THB 42.19 million or a net loss of THB 0.12 per share, representing a decrease in its financial performance of THB 265.45 million or 118.90% compared with a net profit of THB 223.26 million or THB 0.65 per share recorded in 2020.

The Company and its subsidiaries had a net operating revenue of THB 265.94 million compared to THB 763.63 million in 2020, representing a decrease in revenue of THB 497.69 million or a decrease of 65.17%. The major changes were 1) Income from investment. Advisory and Management business of THB 43.72 million, a decrease of THB 34.29 million or 43.96% due to the company and its subsidiaries having less consulting work in 2020. 2) Revenue from securities business totaled THB 213.35 million, a decrease of THB 136.07 million or 38.94% as a result of the previous year's success in financial advisory deals and the completion of a large underwriting deal and 3) there was no revenue from the warehouse and factory leasing business this year, a decrease of THB 124.62 million compared to the previous year because the company canceled the sublease of land and buildings in August 2020.

Total costs and expenses were THB 345.92 million, a decrease of THB 202.17 million or 36.89% compared to THB 548.09 million in 2020. The major changes in costs and expenses were 1) Finance costs of THB 58.83 million, a decrease of THB 13.90 million or 19.11% from the outstanding balance of long-term debentures that gradually matured. 2) Investment, advisory and management business costs and expenses totaled THB 36.22 million, a decrease of THB 9.26 million or 20.37%, a decrease in accordance with the decrease in revenue. 3) Securities business costs and expenses of THB 121.21 million, a decrease of THB 47.36 million or 28.10% which decreased in line with revenue from financial advisory deals and underwriting services 4) Costs and expenses of leasing warehouse and factory rental business decreased by THB 69.68 million due to the cancelation of the sublease of land and buildings in August 2020. 5) Service and administrative

expenses amounted to THB 63.60 million, an increase of THB 8.91 million or 16.28% due to unrealized losses on currency exchange of assets and liabilities of offshore subsidiaries. 6) In 2021, there was a loss on sale of investment in an associate of THB 56.06 million. 7) There was a reversal of the expected credit loss of THB 32.90 million because the debtor has made repayment according to the agreement; and 8) Directors and management remuneration totaled THB 42.91 million, a decrease of THB 32.27 million or a decrease of 42.92% following the company and its subsidiaries performance.

In addition, the Company and its subsidiaries recognized a share of profit from investments in associates totaling THB 50.86 million, an increase of THB 20.08 million or a 65.25% compared to a share of profit totaling THB 30.78 million in 2020, following operating results of associates. Income tax expenses totaled THB 13.07 million, compared to an income tax expenses of THB 23.06 million from a decrease of profits of associates.

The operational performance of the Company and its subsidiaries classified by main business types can be summarized as follows:

1. **Investment, advisory and management business.** FNS recorded total revenues of THB 43.72 million or 16.44% of the total revenue of the Group, decreased by THB 34.29 million or 43.96% from the year-end 2020 because in 2020 there were income from advisory services from the Company and its offshore subsidiary. The costs and expenses of offshore subsidiaries advisory and management business were THB 36.22 million, decreased by THB 9.26 million or 20.37% from the year-end 2020, following a decrease in revenue. As a result, the Company and its subsidiaries had gross profit from investment, advisory and management business of THB 7.50 million, compared to gross profit of THB 32.53 million in 2020.

2. **Securities business.** Revenues from this business come from providing investment banking and wealth management services. Total revenues were THB 213.35 million, representing 80.22% of total revenues of the Group, a decrease of THB 136.07 million or 38.94% from the year-end 2020, resulted from the success of the advisory deals and large underwriting deals in 2020. Costs and expenses of securities business amounted to THB 121.21 million, a decrease of THB 47.36 million or a 28.10% from 2020, following a fall in revenues from the advisory and management business. As a result, the securities business recorded a gross profit of THB 92.14 million, compared to a gross profit of THB 180.85 million in 2020.

3. **Warehouse and factory leasing business.** FNS has undertaken the warehouse and factory leasing business since the end of 2014 and additionally invested in 2015. In 2021, there was no business revenues and costs and expenses of leasing business due to the cancellation of the leasehold rights of land and warehouse and factory leasing business from August 17, 2020.

(THB million)	Investment advisory and management business	Investment banking and securities business	Total
Revenues	43.72	213.35	257.07
Costs and expenses	(36.22)	(121.21)	(157.43)
Gross profit (loss)	7.50	92.14	99.64
Other revenues			8.88
Finance costs			(58.83)
Service and administrative expenses			(63.60)
Loss from sale of investment in an associate			(56.06)
Allowance for expected credit loss (reversal)			32.90
Directors and management remuneration			(42.91)
Share of gain form associates			50.86
Profit before income tax			(29.12)
Income tax expense			(13.07)
Net profit			**(42.19)**

In addition, FNS Group reversed an expected credit loss of THB 32.90 million as debtors made repayments according to the agreement.

In 2021 the share of profit from investments in associates amounted to THB 50.86 million, compared to a share of profit of THB 30.78 million in 2020, representing an increase of THB 20.08 million in profit sharing or 65.25%. The share of profit from Finansia Syrus Securities Public Company Limited, which operates securities brokerage business, and companies in its group totaled THB 87.96 million and the share of loss came from the property development associate, M.K. Real Estate Development Plc., was THB 57.26 million. The share of profits from PROSPECT REIT was THB 27.11 million, a share of loss from business developing warehouse and factory buildings for rent, BFTZ Wangnoi Company Limited, totaled THB 0.41 million. The share of loss from Kanom Cafe Company Limited was THB 6.54 million. Income tax expenses totaled THB 13.07 million, compared to income tax expenses of THB 23.06 million in 2020 due to a fall in profits from subsidiaries.

Profitability Ratios

In 2021, FNS recorded a net loss of THB 42.19 million or a basic loss per share of THB 0.12, compared with a net profit of THB 223.26 million or a basic earnings per share of THB 0.65 in 2020. Net profit to total income of the group was -15.86%, compared to 29.24% in 2020, The return on average assets was -1.03% and return on average equity was -1.56% compared to those of 2020 which were 5.47% and 8.15%, respectively.

Financial Position

(Baht million)	31 Dec 2021	31 Dec 2020	Change	
			Amount	%
Total Assets	4,128.48	4,068.30	60.18	1.48
Total Liabilities and Shareholders' Equity				
- Total Liabilities	1,511.21	1,261.91	249.30	19.76
- Total Shareholders' Equity	2,617.27	2,806.39	(189.12)	(6.74)

As of 31 December 2021, the Company and its subsidiaries had total assets of THB 4,128.48 million, an increase of THB 60.18 million or 1.48% from year-end 2020. The main components of these assets were THB 1,604.39 million of current assets and THB 2,524.09 million of non-current assets representing 38.86% and 61.14% of total assets, respectively. The main items and/or items showing significant changes from those of year-end 2020 were as follows.

- Cash and cash equivalents stood at THB 197.26 million (4.78% of total assets), an increase of THB 124.62 million or 171.58% from 2020.
- Other financial assets; other current financial assets totaled THB 363.23 million or 8.80% of total assets, which were investments in domestic money market fund with high liquidity and low investment risk, a decrease of THB 284.51 million or 43.92% from 2020. FNS had liquidity from the sale of associates, but the funds were used to lend to an associated company, to make an investment in Digital tokens and also spend for the business operations of the Group. Other non-current financial assets, consisting of investments in domestic non-marketable equity, investments in government bonds, equity in the offshore market and investments in offshore funds were THB 316.33 million or 7.66% of total assets, an increase of THB 30.27 million or 10.58%.

(Baht million)	31 Dec 2021	31 Dec 2020	Change	
			Amount	%
Other current financial assets				
Equity instruments measured at FVTPL	363.23	647.73	(284.50)	(43.92)
	363.23	647.73	(284.50)	(43.92)
Other non-current financial assets				
Equity instruments measured at FVTPL	1.29	1.21	0.08	6.61
Debt instruments measured at FVTOCI	10.85	11.30	(0.45)	(3.98)
Equity instruments measured at FVTOCI	304.18	273.55	30.63	11.20
	316.32	286.06	30.26	10.58
Total financial assets	**679.55**	**933.79**	**(254.24)**	**(27.23)**

- Receivable and loans to others stood at THB 100 million or 2.42% of total assets, a decrease of THB 99.05 million or 49.76% from the exchange of an investment in an exchangeable loan into common shares of the company and receivable loans repayment in full.
- Short-term loans and advance payments to related parties amounted to THB 395.03 million or 9.57% of total assets. The total amount increased from the end of 2020 following debenture investment and loans to associates.
- Digital tokens of THB 475 million, or 11.51% of total assets, the whole amount being an increase from the year ended 2020. After the end of the accounting period, 45 million of digital tokens were sold to other investors for THB 10 per token including the return for a total of THB 457.17 million. FNS received all money from the sale.
- Investments in associates stood at THB 1,943.64 million or 47.08% of total assets, a decrease of THB 535.22 million or 21.59%. The change incorporates an investment in the establishment of joint company, BFTZ Wangnoi Co., Ltd., a warehouse and factory leasing business of THB 2.50 million with a 50% shareholding and the exchange of an exchangeable loan and accrued interest totaling THB 60 million with a convertible option into common shares of Kanom Cafe Company Limited. As a result of the exchange, FNS holds 30% of shares in the company. In addition, subsidiaries sold all investments in Finansia Syrus Securities Public Company Limited to an external juristic person for the amount of THB 693 million and recorded share of profit/loss and received dividends from associates.

Liquidity

Cash and cash equivalents of the Company and its subsidiaries as at year-end 2021 totaled THB 197.26 million, an increase of THB 126.62 million or 171.58% from year-end 2020 with the following movements.

- Net cash provided by operating activities totaled THB 352.13 million, reflecting a loss from operating activities after adjustments of THB 27.65 million and changes in key operating assets and liabilities, i.e. financial assets (-THB 284.63 million), outstanding service fee (-THB 28.86 million), receivables and loans to others of (-THB 105.61 million), other current liabilities (-THB 28.86 million), interest received (+THB 45.15), interest paid (-THB 56.66 million), and income tax paid (-THB 16.55 million).

- Net cash provided by investing activities totaled THB 348.07 million, comprising mainly cash received and paid from loan and advanced to related parties (-THB 395.03 million), cash received from sold of associates (+THB 693.0 million), cash paid for investment in associates (-THB 231.36 million), cash paid for Digital Token (-THB 475 million) and cash received for dividends (+THB 79.02 million).

- Net cash used in financing activities totaled THB 89.02 million, resulting from cash received for loan and short-term debentures (+THB 666.80 million), cash paid for long-term debentures (-THB 400 million) and cash paid from dividends (-THB 172.93 million).

The current liquidity ratio (current assets/current liabilities) of the Group as of 31 December 2021 was 2.08, rise from 1.88 at year-end 2020. This was due to an increase in its current assets, and the increase in current assets ratio being higher than the increase in current liabilities ratio. Current assets increased 53.76% and current liabilities increased 38.79%.

As of 31 December 2021, FNS had an interest coverage ratio of 0.74 and a debt service coverage ratio (cash basis) of 0.07 and earnings before interest expenses, income tax, depreciation and amortization (EBITDA) of THB 43.43 million compared to 5.06 and 0.92, and THB 368.38 million respectively in 2020. The interest coverage ratio and the debt service coverage ratio dropped from the year 2020 because EBITDA in this period was reduced by 88.21% from in 2020, while interest expenses were reduced by only 19.11% and interest-bearing debt due within one year increased by 60.45%.

The Group has applied a collective liquidity management policy with regard to intercompany loans and borrowings. Under the management of the Group Risk Management Committee, the liquidity gap is calculated to assess its capital and liquidity adequacy. Credit line facilities are reserved in case the market situation does not allow short-term debt securities issuance, while liquid assets are maintained at an adequate amount. The Board of Directors assigned the Managing Director to set an internal policy to control debt securities issuance and to report the issued amount and outstanding amount to the Board of Directors in the quarterly meeting.

Finansa Securities Ltd., a subsidiary, has to maintain its liquidity ratio in accordance with the SEC's net capital rule (NCR). As of 31 December 2021, the subsidiary's NCR was 55.27%, which is higher than the minimum 7% requirement set by the SEC.

Sources of Funds

Liabilities

As of December 31, 2021, the total liabilities the Group were THB 1,511.21 million, an increase of THB 249.30 million or 19.76% from the year-end 2020, of which 51% were current liabilities. Significant liabilities and/or significant changes from the end of 2020 were as follows:

- Short-term debentures amounted to THB 300 million, representing 19.85% of total liabilities. There was none at year-end 2020.
- Long-term debentures totaled THB 1,006.80 million or 66.62% of total liabilities. The portion of long-term debentures due within one year was THB 340 million, a decrease of THB 60 million from year-end 2020.
- Other current liabilities totaled THB 126.58 million or 8.38% of total liabilities, fell by THB 27.31 million or 17.74%. Mainly due to a drop in accrued bonus and an increase in the deposit received.

Long-term debentures pay interest on a quarterly basis. The Company always complies with the terms and conditions of these debentures.

Shareholders' Equity

As of December 31, 2021, the Company's equity in the consolidated financial statements was THB 2,617.27 million, a decrease of THB 189.12 million or 6.74% from 2020. Changes in equity came from the net loss operating result of the year of THB 42.19 million and dividend payment totaling THB 172.93 million. Other components of shareholders' equity increased by THB 35.82 million. The book value was THB 7.57 per share, compared to THB 8.11 per share at the year-end 2020.

Registered capital and paid-up capital of the Company as of December 31, 2021 stood at THB 1,729.28 million while legal reserve was THB 65 million or 3.76% of its registered capital.

Capital Structure

As of December 31, 2021, the Group's capital structure comprised THB 1,511.21 million in liabilities and THB 2,617.27 million in equity, resulting in a debt-to-equity ratio of 0.58 compared to a ratio of 0.45 at the end of 2020. The capital structure is considered to be appropriate and the debt to equity ratio is low. This indicates that the Group's capital came less from borrowing than equity, yielding low risk of inability to pay debts obligations. The major sources of funds were the Group's business operations, long-term and short-term debentures issued by the Company and revenues from the sale of associates. The major uses of funds were repayment of loans and advance payments to related parties, investment in associates, investment in digital tokens, repayment of matured long-term debentures and dividend payment.

Adoption of new and revised Thai Reporting Standards

For the new and revised Thai Financial Reporting Standards ("TFRSs") which are now in effect, their effects on the Company and its subsidiaries' financial statements are summarized and disclosed in Notes to Financial Statements no. 2.3 and 2.4.

Credit Rating

On December 28, 2021, Fitch Ratings (Thailand) affirmed Finansa Plc's National long-term and short-term crediting with a negative outlook at 'BBB-(tha)' and 'F3(tha)'

The Credit Rating with negative outlook reflected the uncertainty in the direction of its business operations and significant changes in its financial structure from the sale of shares in Finansia Syrus Securities Public Company Limited (FSS). Profit sharing from FSS contributed substantial recurring income for FNS, with a 9M21 operating profit contribution of THB 67 million compared with FNS's net loss of THB 9 million. However, Fitch foresees the proceeds from the sale of investment in the FSS will be reinvested. FNS intends to follow up on its investment plans and the impact of the changes on the financial structure. More information can be obtained from www.fitchratings.com

4.2 Factors that may significantly affect financial status or operation in the future.

Factors that may affect financial status or operation in the future were mentioned in section 2.2 "Risks factors for the Group Operations"

Statements of Financial Position, Statements of Profit or Loss and Other Comprehensive Income

Finansa Public Company Limited

(Unit : Thousand Baht)

STATEMENTS OF FINANCIAL POSITION	CONSOLIDATED FINANCIAL STATEMENTS			SEPARATE FINANCIAL STATEMENTS		
	31 Dec 2021	31 Dec 2020	31 Dec 2019	31 Dec 2021	31 Dec 2020	31 Dec 2019
ASSETS						
CURRENT ASSETS						
Cash and cash equivalents	197,259	72,635	66,056	8,476	18,243	9,258
Temporary investments, net	-	-	172,868	-	-	60,203
Other current financial assets	363,226	647,732	-	237,803	447,558	-
Service income receivables						
Related parties	1,503	7,535	501	264	354	544
Other parties	6,515	40,016	6,171	664	30,430	963
Total service income receivables	8,018	47,551	6,672	928	30,784	1,507
Receivables and loans to others, current portion	100,000	199,054	644,500	100,000	199,054	407,500
Other receivables	32,184	37,500	29,325	32,180	47,670	22,250
Short-term loans and advances to related parties	395,028	-	730	395,895	527,560	515,552
Digital Token	475,000	-	-	475,000	-	-
Other current assets	33,676	38,963	32,251	25,302	30,083	24,157
TOTAL CURRENT ASSETS	1,604,391	1,043,435	952,402	1,275,584	1,300,952	1,040,427
NON-CURRENT ASSETS						
Deposits subject to restrictions	-	-	630	-	-	630
Long-term investments - Available-for-sale securities, net	-	-	20,546	-	-	11,350
Other non-current financial assets	316,328	286,061	-	23,204	23,048	-
Investments in associates	1,943,642	2,478,859	1,658,748	1,983,468	1,770,852	945,841
Investments in subsidiaries, net	-	-	-	1,459,697	1,459,697	1,548,847
Long-term investments in related parties	-	-	72	-	-	-
Other long-term investments - General investments, net	-	-	28,651	-	-	-
Premises and equipment, net	86,715	87,502	112,371	78,097	76,943	97,325
Right-of-use assets	8,804	4,388	-	945	1,376	-
Goodwill, net	156,920	156,920	156,920	-	-	-
Leasehold rights, net	-	-	1,144,887	-	-	1,144,887
Intangible asset, net	2,134	2,523	3,631	1,887	1,858	2,821
Deferred tax assets	7,886	7,297	11,581	-	-	-
Other non-current assets	1,658	1,313	6,307	1,025	1,025	6,033
TOTAL NON-CURRENT ASSETS	2,524,087	3,024,863	3,144,344	3,548,323	3,334,799	3,757,734
TOTAL ASSETS	**4,128,478**	**4,068,298**	**4,096,746**	**4,823,907**	**4,635,751**	**4,798,161**

(Unit : Thousand Baht)

STATEMENTS OF FINANCIAL POSITION (CONTINUED)	CONSOLIDATED FINANCIAL STATEMENTS			SEPARATE FINANCIAL STATEMENTS		
	31 Dec 2021	31 Dec 2020	31 Dec 2019	31 Dec 2021	31 Dec 2020	31 Dec 2019
LIABILITIES AND SHAREHOLDERS' EQUITY						
CURRENT LIABILITIES						
Short-term debentures	300,000	-	-	300,000	-	-
Long-term debentures, current portion	340,000	400,000	230,000	340,000	400,000	230,000
Liabilities under finance lease agreements, current portion	4,310	1,557	1,140	459	421	386
Short-term loans and advances from related parties	-	-	-	690,200	713,500	721,800
Current income tax payable	7	-	-	-	-	-
Other current liabilities	126,580	153,887	46,506	78,981	36,645	81,852
TOAL CURRENT LIABILITIES	770,897	555,444	277,646	1,409,640	1,150,566	1,034,038
NON-CURRENT LIABILITIES						
Long-term debentures, net of current portion	666,800	640,000	1,040,000	666,800	640,000	1,040,000
Liabilities under lease agreements	4,759	2,985	3,142	589	1,048	1,469
Deposits from customers	-	-	64,037	-	-	64,037
Provision for post-employment benefits	68,755	63,479	36,486	29,383	27,601	21,768
TOTAL NON-CURRENT LIABILITIES	740,314	706,464	1,143,665	696,772	668,649	1,127,274
TOTAL LIABILITIES	1,511,211	1,261,908	1,421,311	2,106,412	1,819,215	2,161,312
SHAREHOLDERS' EQUITY						
Share capital						
Authorized share capital						
345,855,440 ordinary shares of Baht 5 each	1,729,277	1,729,277	1,729,277	1,729,277	1,729,277	1,729,277
Issued and paid-up share capital						
345,855,440 ordinary shares of Baht 5 each, fully paid	1,729,277	1,729,277	1,729,277	1,729,277	1,729,277	1,729,277
Premium on ordinary shares	208,455	208,455	208,455	208,455	208,455	208,455
Retained earnings						
Appropriated						
Legal reserve	65,000	61,000	49,000	65,000	61,000	49,000
Unappropriated	936,011	1,164,954	1,005,569	722,712	826,207	653,637
Other components of shareholders' equity	(321,476)	(357,296)	(316,866)	(7,949)	(8,403)	(3,520)
TOTAL EQUITY ATTRIBUTABLE TO THE OWNERS OF THE COMPANY	2,617,267	2,806,390	2,675,435	2,717,495	2,816,536	2,636,849
NON-CONTROLLING INTERESTS	-	-	-	-	-	-
TOTAL SHAREHOLDERS' EQUITY	2,617,267	2,806,390	2,675,435	2,717,495	2,816,536	2,636,849
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**4,128,478**	**4,068,298**	**4,096,746**	**4,823,907**	**4,635,751**	**4,798,161**

(Unit : Thousand Baht)

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME	CONSOLIDATED FINANCIAL STATEMENTS			SEPARATE FINANCIAL STATEMENTS		
	2021	2020	2019	2021	2020	2019
REVENUES						
Revenues from investment, advisory and management business	43,716	78,009	38,968	188,434	128,928	149,090
Revenues from securities business	213,348	349,417	63,662	-	-	-
Revenue from warehouse and factory leasing business	-	124,624	176,407	-	124,624	176,407
Gain from dissolution of a subsidiary	-	3,181	-	-	-	-
Compensation fee from termination of sublease agreement	-	198,136	-	-	198,136	-
Other income	8,879	10,267	26,400	13,450	8,300	8,287
TOTAL REVENUES	265,943	763,634	305,437	201,884	459,988	333,784
COSTS AND EXPENSES						
Finance costs	58,830	72,732	64,263	71,798	85,189	76,466
Investment, advisory and management business costs and expenses	36,217	45,481	41,971	17,227	21,914	23,832
Securities business costs and expenses	121,206	168,567	83,113	-	-	-
Warehouse/factory leasing business costs and expenses	-	69,684	95,184	-	69,684	95,184
Servicing and administrative expense	63,603	54,697	42,703	41,576	42,725	29,848
Loss from sale of investment in an associate	56,056	-	-	-	-	-
Impairment loss on investment (reversal)	-	-	26,832	-	(89,385)	-
Allowance for expected credit loss (reversal)	(32,896)	61,755	-	(32,896)	61,755	-
Directors and managements remuneration	42,908	75,178	36,224	30,748	31,658	30,107
TOTAL COSTS AND EXPENSES	345,924	548,094	390,290	128,453	223,540	255,437
PROFIT (LOSS) FROM OPERATION	(79,981)	215,540	(84,853)	73,431	236,448	78,347
Share of profit (loss) from associates	50,864	30,780	(7,095)	-	-	-
PROFIT (LOSS) BEFORE INCOME TAX	(29,117)	246,320	(91,948)	73,431	236,448	78,347
INCOME TAX INCOME (EXPENSE)	(13,072)	(23,057)	9,366	-	-	-
NET PROFIT (LOSS) FOR THE YEARS	**(42,189)**	**223,263**	**(82,582)**	**73,431**	**236,448**	**78,347**
OTHER COMPREHENSIVE INCOME (LOSS)						
Items that will be reclassified subsequently to profit or loss						
Gain (loss) on remeasuring available-for-sale investments	-	-	25,213	-	-	(72)
Gain (loss) on measuring financial assets	(10,657)	(12,608)	-	454	306	-
Gain on dilution of investment in an associate	2,831	-	-	-	-	-
Gain (loss) from translation of financial statement differences	31,545	(8,584)	(27,904)	-	-	-
Total items that will be reclassified to profit or loss, net of tax	23,719	(21,192)	(2,691)	454	306	(72)
Items that will not be reclassified subsequently to profit or loss						
Share of other comprehensive Income (loss) of associates	(1,690)	(6,205)	(6,175)	-	-	-
Actuarial loss on defined employee benefit plans	3,963	(19,420)	(3,725)	-	(5,189)	(776)
Total items that will not be reclassified to profit or loss, net of tax	2,273	(25,625)	(9,900)	-	(5,189)	(776)
OTHER COMPREHENSIVE LOSS, NET OF TAX	25,992	(46,817)	(12,591)	454	(4,883)	(848)
TOTAL COMPREHENSIVE INCOME (LOSS)	(16,197)	176,446	(95,173)	73,885	231,565	77,499
PROFIT (LOSS) ATTRIBUTABLE TO						
Owners of the Company	(42,189)	223,263	(82,582)	73,431	236,448	78,347
Non-controlling interests	-	-	-	-	-	-
	(42,189)	223,263	(82,582)	73,431	236,448	78,347
TOTAL COMPREHENSIVE INCOME (LOSS) ATTRIBUTABLE TO						
Owners of the Company	(16,197)	176,446	(95,173)	73,885	231,565	77,499
Non-controlling interests	-	-	-	-	-	-
	(16,197)	176,446	(95,173)	73,885	231,565	77,499
BASIC EARNING (LOSS) PER SHARE (Baht)	(0.12)	0.65	(0.24)	0.21	0.68	0.23
WIEGHTED AVERAGE NUMBER OF ORDINARY SHARES	345,855,440	345,855,440	345,855,440	345,855,440	345,855,440	345,855,440

Selected Financial Ratios

	CONSOLIDATED FINANCIAL STATEMENTS		
	31 Dec 2021	31 Dec 2020	31 Dec 2019
Liquidity Ratio			
Current Ratio (times)	2.08	1.88	3.43
Quick Ratio (times)	1.87	1.38	0.88
Profitability Ratio			
Gross Profit Margin (%)	40.81%	62.84%	27.88%
Net Profit Margin (%)	(15.86%)	29.24%	(27.04%)
Return on Equity : ROE (%)	(1.56%)	8.15%	(3.00%)	
Efficiency Ratio			
Return on Assets : ROA (%)	(1.03%)	5.47%	(1.95%)
Total Assets Turnover (times)	0.06	0.19	0.07
Financial Policy Ratio			
Debt to Equity Ratio (times)	0.58	0.45	0.53
Inerest Coverage Ratio (times)	0.74	5.06	0.69
Interest bearing debt to EBITDA ratio	30.30	2.84	28.86
Commitment Coverage Ratio (times)	0.07	0.92	0.19
Dividend Payout (%)	73.13%	66.22%	55.14%

5. General information and other significant information

5.1 General information, other references

Share Registrar Thailand Securities Depository Co., Ltd.
93 Ratchadaphisek Road, Dindaeng, Bangkok 10400, Thailand
Tel: (66 2) 009 9000 Fax: (66 2) 009 9991

Auditor

Mr. Kasiti	Ketsuriyonk,	Certified Public Accountant (Thailand) No. 8833 or
Mr. Chavala	Tienpasertkij,	Certified Public Accountant (Thailand) No. 4301 or
Ms. Wilasinee	Rishnamra,	Certified Public Accountant (Thailand) No. 7098 or
Mr. Yongyuth	Lertsurapibul,	Certified Public Accountant (Thailand) No. 6770

Deloitte Touche Tohmatsu Jaiyos Audit Co., Ltd.
AIA Sathorn Tower, 23rd - 27th Floor, 11/1 South Sathorn Road, Yannawa Sathorn, Bangkok 10120
Tel. (66) 0-2034-0000 Fax (66) 0-2034-0100

Legal Consultant JK Legal Counselor Co., Ltd.
197/21 Moo 7, Baan Klang Muang The Era Pinklao-Charan
Liap Thang Rotfai Rd., Bang Kruai Sub-District, Bang Kruai District
Nonthaburi 11130
Tel.: (66) 081 465 4242

5.2 Other significant information

- None -

5.3 Legal dispute

In 2021, the Company and its subsidiaries had no legal dispute that made negative impact on the Group's assets with the value exceeding 5% of the shareholder's equity. As at 31 December 2021 the shareholder's equity of the Company and its subsidiaries were Baht 2,617.27 million.

5.4 Secondary market

- None -

5.5 Financial institution regularly used (only for debenture)

In issuing of debt instrument, the Company usually assigns Bank of Ayudhaya Public Company Limited to provide services to the Company.

Part 2
Corporate Governance

6. Corporate Governance Policy

6.1 Overview of the Policy and Guidelines

Corporate Governance Code for Listed Companies

The Company reviewed the Corporate Governance Policy, developed from the 2012 Good Corporate Governance Principles for Listed Companies set by the Stock Exchange of Thailand, and the 2017 Corporate Governance Code for Listed Companies as prescribed by the Office of Securities and Exchange Commission. After consideration, the Company adopted most principles and proposed to the Board of Directors' Meeting No.1/2019 on February 26, 2019 in order to keep it up to date with the rapid development of the corporate governance area. The 8 principles for the Board of Directors are formulated as follows:

Principle 1 Establish Clear Leadership Role and Responsibilities of the Board

Principle 2 Define Objectives that Promote Sustainable Value Creation

Principle 3 Strengthen Board Effectiveness

Principle 4 Ensure Effective CEO and People Management

Principle 5 Nurture Innovation and Responsible Business

Principle 6 Strengthen Effective Risk Management and Internal Control

Principle 7 Ensure Disclosure and Financial Integrity

Principle 8 Ensure Engagement and Communication with Shareholders

6.1.1 Policy and guidelines related to the Board of Directors

The Company's Board of Directors is comprised of qualified persons who possess knowledge and abilities and plays an important role in establishing the Company's policies and overall image. In addition, the Board's responsibilities extend to independently supervising, auditing, and monitoring the Company's performance toward designated policies.

The Board of Directors currently consists of 7 directors. The Chairman of the board is an independent director and is not the Managing Director. The Company clearly determines the scope of duties and responsibilities of the Board of Directors, Chairman of the Board of Directors, Company Secretary, and Managing Director.

The Company achieves a balance of power and proper checking of management by having 3 non-executive directors, currently representing more than half of the total number of directors in the Board. Non-executive directors are not authorized to sign on behalf of the Company or any of its subsidiaries. Furthermore, the Audit Committee comprises 3 independent directors, representing 1/3 of all members of the Board of Directors. This Board composition can assure that the directors will perform their duties as representatives of the shareholders fairly and independently with proper checks and balances. In this regard, the Company's independent directors' qualifications meet all the requirements of the Capital Market Supervisory Board's Notification.

The Company establishes the term of office for directors in its Articles of Association. At each General Meeting of shareholders, one-third of the directors - or if their number is not a multiple of three, then the number nearest to one-third - must retire from office. In the first and second years following the registration of the Company, the directors who retire are decided by drawing lots; after that, directors who have been in office the longest shall retire first. The retiring directors may also be re-elected.

The Company has appointed a Company Secretary to support and assist the Board in its activities including providing advice pertaining to laws and regulations and communicating and monitoring compliance with the resolutions of the Board of Directors.

In terms of the selection process of independent directors, when the independent directors are due to retire from their term of office or when there is a need to nominate more independent directors, the Nomination, Compensation and Corporate Governance Committee will consider selecting qualified persons who have experiences, knowledge and expertise suitable and beneficial to the Company and also meet the minimum qualifications set forth below. Nominees will be proposed to the Board of Directors' Meeting or the Shareholders' Meeting for consideration pursuant to the Company's Articles of Association.

The Company's independent directors' qualifications meet all requirements of the Capital Market Supervisory Board. The qualifications are as follows:

1) Holding not more than 0.5% of the Company's shares with voting rights, or those of any subsidiary company, associated company, or juristic person with conflict of interest, which shall be inclusive of the shares held by related persons.

2) Not being a director who is involved in the Company management, an employee, a staff member, an advisor who receives a regular salary from the Company, or a controlling person of the Company, subsidiary company, associated company, subsidiary company with the same level or of juristic person with a conflict of interest within the last 2 years.

3) Not being a connected person, by virtue of a blood relationship or legal marriage being father, mother, spouse, sibling, child, including spouse of a child, of the executives, major shareholders, controlling persons or persons who are about to be nominated as executives or controlling persons of the Company or subsidiary company.

4) Not holding a business relationship with the Company, subsidiary company, associated company or with a juristic person with a conflict of interest in a way that may interrupt the exercise of independent discretion. Not being a major shareholder, a non-independent director, or an executive of a business holding a relationship with the Company, subsidiary company associated company or of a juristic person with a conflict of interest within the last 2 years.

5) Not being an auditor of the Company, subsidiary company, associated company or of a juristic person with a conflict of interest, and not being a major shareholder, non-independent director, executive or managing partner of the audit firm providing the auditors of the Company, subsidiary company, associated company or of a juristic person with a conflict of interest within the last 2 years.

6) Not being a professional service provider including legal or financial adviser receiving service fee of more than Baht 2 million a year from the Company, subsidiary company, associated company or from a juristic person with a conflict of interest within the last 2 years. In the case that the professional service provider is a juristic person, it shall include the major shareholder, non-independent director, executive or managing partner of such service provider.

7) Not being a representative director appointed by the Company's directors, major shareholders or shareholders related to major shareholders.

8) Not operating a business with the same nature and in competition with the Company and its subsidiaries or not being a partner in a partnership or a director involved in administration or an employee, officer, routine consultant or holding share more than one percent of all shares with voting rights of other company with the same nature and in competition with the Company and its subsidiaries.

9) Not holding other characteristics that prohibit the expression of independent opinion on the Company's operations.

Every Independent Director can express his or her opinions independently, free from any benefit in terms of assets or work position, without pressure from any person or group of people as well as in circumstances that might otherwise affect their ability to express their opinion.

A particular meeting for Non-executive Directors (including Independent Directors) will be arranged at least once a year for them to express and discuss freely any issues in regard to the Board of Directors' meetings and duty without the presence of Executive Directors. This meeting was held one time in 2021.

As at 31 December 2021, the Company organized several committees, including the Executive Committee, the Audit Committee, the Nomination, Compensation and Corporate Governance Committee, the Group Investment Committee and the Group Risk Management Committee in order to administer specific issues in detail. Each committee is composed of members with duties and responsibilities as follows:

(1) ***The Executive Committee*** consisted of the following 3 members:

1. Mr. Vorasit Pokachaiyapat Managing Director and Executive Director
2. Mr. Varah Sucharitakul Director and Executive Director
3. Mr. Kittipong Lertvanangkul Director and Executive Director

Scope of Duties of the Executive Committee :

1) To consider and approve any loan or credit application in the ordinary course of business of the Company, e.g., expenses for investments or for any activity with a value not exceeding Baht 300 million or in an equivalent amount or in an amount authorized by the Board of Directors;
2) To establish organizational, management, and executive committee structures, which include all the details of the recruitment, training, employment and termination of the employees in the Company whose position is not higher than the managing director;
3) To appoint or remove any officers of the Company;
4) To prepare, recommend, and prescribe business policies and strategies to the Board of Directors for consideration and approval;
5) To formulate business plans, prescribe management authority, approve annual expenditure budgets and conduct the business pursuant to the business plan and strategy which are to be in line with the policies and directions approved by the Board of Directors; and
6) To perform any other duties as assigned by the Board of Directors from time to time.

In this regard, the delegation of authority set forth above must be in accordance with laws and the Company's regulations and the Articles of Association. In the case that there is a conflict of interest with the Company or subsidiaries, the executive directors involved shall not have voting rights on such conflicting matters.

(2) ***The Audit Committee*** consisted of the following 3 members:

1. Mr. Akarat Na Ranong* Independent Director and Audit Committee Chairman
2. Mr. Chanmanu Sumawong** Independent Director and Audit Committee Member
3. Mr. Nuttawut Phowborom Independent Director and Audit Committee Member

Mr. Nuttawut Phowborom has adequate expertise and experience to audit the credibility of financial statements.

Note: * Mr. Akarat Na Ranong was appointed the Chairman of the Company with effect from 9 December 2021, and stepped down as the Chairman of the Audit Committee and the Nomination, Compensation and Corporate Governance Committee to be a member of the said committees with effect from 1 March 2022.

** Mr. Chanmanu Sumawong, a member of the Audit Committee and a member of the Nomination, Compensation and Corporate Governance Committee, was appointed the Chairman of the Audit Committee and the Chairman of the Nomination, Compensation and Corporate Governance Committee with effect from 1 March 2022.

Scope of Duties of the Audit Committee :

The Audit Committee has the following duties and responsibilities which are in accordance with the rules and regulations of the Securities and Exchange Commission and the Stock Exchange of Thailand. The Audit Committee shall report directly to the Board of Directors:

1) To review the Company's financial reporting process to ensure that it is accurate and adequate.

2) To review the Company's internal control system and internal audit system to ensure that they are suitable and efficient, to determine an internal audit unit's independence, as well as to approve the appointment, transfer and dismissal of the chief of an internal audit unit or any other unit in charge of an internal audit.

3) To revise the Anti-corruption Policy, reconsider the appropriateness of any change in Anti-corruption Policy, verify the report of the internal control system, carry out risk assessment, receive reports about staff violating the Anti-corruption Policy and investigate the report.

4) To review the Company's compliance with the law on securities and exchange, the Exchange's regulations, and the laws relating to the Company's business.

5) To consider, select and nominate an independent person to be the Company's auditor including terminating his employment, and to propose such person's remuneration, as well as to attend a non-management meeting with an auditor at least once a year.

6) To review connected transactions or transactions that may lead to conflicts of interests, to ensure that they are in compliance with the laws and the Exchange's regulations, and are reasonable and for the highest benefit of the Company.

7) To prepare, and to disclose in the Company's annual report, an Audit Committee's report which must be signed by the Audit Committee's chairman and consist of at least the following information:

   (a) an opinion on the accuracy, completeness and credibility of the Company's financial report,

   (b) an opinion on the adequacy of the Company's internal control system,

   (c) an opinion on the compliance with the law on securities and exchange, the Exchange's regulations, or the laws relating to the Company's business,

   (d) an opinion on the suitability of the auditor,

   (e) an opinion on transactions that may lead to conflicts of interests,

   (f) the number of Audit Committee meetings, and the attendance at such meetings by each committee member,

   (g) an opinion or overview comment received by the Audit Committee from its performance of duties in accordance with the charter, and

   (h) other transactions which, according to the Audit Committee's opinion, should be known to the shareholders and general investors, subject to the scope of duties and responsibilities assigned by the Company's board of directors; and

8) To perform any other act as assigned by the Company's Board of Directors, with the approval of the Audit Committee.

(3) ***The Nomination, Compensation and Corporate Governance Committee*** comprised two independent directors and one executive director as follows:

1. Mr. Akarat Na Ranong*
   Independent Director and Chairman of the Nomination, Compensation and Corporate Governance Committee

2. Mr. Chanmanu Sumawong**
   Independent Director and Member of the Nomination, Compensation and Corporate Governance Committee

3. Mr. Vorasit Pokachaiyapat
   Executive Director and Member of the Nomination, Compensation and Corporate Governance Committee

Note: * Mr. Akarat Na Ranong was appointed the Chairman of the Company with effect from 9 December 2021, and stepped down as the Chairman of the Audit Committee and the Nomination, Compensation and Corporate Governance Committee to be a member of the said committees with effect from 1 March 2022.

** Mr. Chanmanu Sumawong, a member of the Audit Committee and a member of the Nomination, Compensation and Corporate Governance Committee, was appointed the Chairman of the Audit Committee and the Chairman of the Nomination, Compensation and Corporate Governance Committee with effect from 1 March 2022.

Roles, Duties, and Responsibilities in Policy Making and Guideline in Nominating Director and Authorized Person:

1) To review the suitability of the overall structure and composition of the Company to ensure its strength and achieve a balanced foundation for the Company. The Committee shall seek and select candidates with knowledge and capability that match with the Company's businesses in order to further propose to the Company's Board of Directors or the Shareholders' Meeting as required by each circumstance.

2) To seek and select candidates from the following:

   (2.1) Selecting candidates from the Company's personnel by identifying persons with knowledge, competence, and skills suitable for the position by ways of promoting personnel who have knowledge, competence, and direct experiences suitable for that particular position.

   (2.2) Selecting candidates from outside the Company, focusing on persons from financial institutions or financial fields with experience appropriate for the position.

3) To Consider the following qualifications in selecting suitable candidates:

   (3.1) Selecting and nominating persons with appropriate qualifications who are not restricted by any laws or official regulations.

   (3.2) Selecting and nominating persons who have appropriate knowledge, competency, and experience in accordance with the Company's target and vision for those positions.

   (3.3) Selecting and nominating persons who do not have a conflict of interest with the Company.

   (3.4) Selecting and nominating persons with integrity, good morality, and honesty.

   (3.5) Selecting and nominating persons who can dedicate time and effort for such roles and responsibilities.

4) To approach qualified persons as mentioned and to ensure their interest and disposition in assuming directorship if they were to be appointed by the shareholders.

5) To consider the independence of each Independent Director to assess the qualification of an Independent Director. Also, to consider whether nominating a new Independent Director is required in the case of insufficiency in Independent Directors in accordance with the policies set by the Company's Board of Directors.

6) To consider an annual performance evaluation of Directors and authorized persons.

Roles, Duties, and Responsibilities in Policy Making and Guideline in Setting Remuneration for Directors and Authorized Persons :

1) To establish an appropriate structure of remuneration packages, taking into account the duties and responsibilities of Directors and authorized persons in order to retain and incentivize appropriately while fairly reflecting the performance results.

2) The remuneration package must go through a process and procedure that is transparent, in compliance with corporate governance, and open to examination.

3) To determine regulations for the remuneration by considering the following:

   (3.1) Comparing with companies in peer or similar industry.

   (3.2) Suitable with the Company performance, appointed duties and responsibilities, and at an appropriate level to retain and incentivize as well as annual performance evaluation.

   (3.3) Being at a level that is fair to shareholders.

   (3.4) Being under framework, criteria, and regulation of the authority concerned. Being transparent, in compliance with good corporate governance and fair with all related parties.

4) In the evaluation of Directors and authorized persons, responsibilities and associated risks must be considered as well as an importance to add value to shareholders in the long term.

Duties, and Responsibilities on Policy and Guidelines of Corporate Governance

1) To study and prepare the drafted corporate governance policy subject to law, criteria, regulations and rules currently stipulated by the organizations that govern corporate governance such as the Stock Exchange of Thailand, the Securities and Exchange Commission and other related entities as well as international corporate governance standards.

2) To propose to the Board of Directors the drafted corporate governance policy for consideration and approval before implementing it as the principle of best practices by the Company's directors and management in the form of a written Corporate Governance Policy Statement.

3) To govern, supervise and give advice to directors and management of the Company on their performance of duties and responsibilities in accordance with frameworks and criteria of corporate governance policy so that the directors' duties of governing and the executives' administration have been performed efficiently and perfectly, nicely and implemented constantly, and consistent with the shareholders and stakeholders' expectations.

4) To consider, review and revise the corporate governance policy continually at least once a year to keep the Company's corporate governance policy updated and in line with international standards, laws, criteria, rules and regulations as well as recommendations from internal units that have duties in corporate governance matters.

5) To follow up and assess the performance of the Directors and executives of the Company in compliance with best practices as specified in the corporate governance policy.

6) To propose the guideline for best practices in relation to morality and code of conduct for business operations to be performed by Directors, executives and employees of the Company.

7) To study and plan the policy and guidelines of Corporate Social Responsibility.

8) To perform any other duties assigned by the Board of Directors.

(4) ***The Group Investment Committee*** is comprised of directors and executives from each company in the group responsible for setting business policies and supervising investment of the Company and its affiliates.

(5) ***The Group Risk Management Committee*** is comprised of directors and executives from each company in the group responsible for setting risk management guidelines and policies of the Company and its affiliates.

Selection of Directors and Executives

In 2021 The Board of Directors selected the directors of the Company in accordance with the qualifications specified in Section 68 of the Public Company Act, B.E. 2535 and in related notifications of the SEC. In addition, experience, knowledge and ability were also taken into consideration. The selected candidates were then nominated in a shareholders' meeting for appointment. As of 31 December 2021, from the total number of 6 directors, the Company had 1 director from the group of major shareholders, namely. Mr. Vorasit Pokachaiyapat.

The election of the members of the Board of Directors is made at shareholders' meetings pursuant to the following procedures:

- Each shareholder has one vote for each share held.
- Each shareholder may cast all of his/her votes to select one or more candidates, but if selecting more than one candidate the number of votes given to each candidate cannot be greater nor lesser than the number of votes given to the other(s).
- The persons successively receiving the highest number of votes will be elected as directors until the permissible number of directors in the particular election is reached. In the case of an equal number of votes given to more than one candidate, which causes the number of directors to be greater than the permissible number, the chairman shall cast the deciding vote.

6.1.2 Policy and guidelines related to shareholders and stakeholders

1. The Equitable Treatment of Shareholders

The Company recognizes the importance of equitable treatment of all shareholders including executive shareholders, non-executive shareholders as well as foreign shareholders. Therefore, the Company has undertaken the following tasks to ensure such equal and fair treatment. Moreover, the Board of Directors also provides opportunities to minority shareholders so they can nominate a candidate for a director position and/or propose additional items for meeting agenda prior to the meeting. A proxy is made possible as an alternative for shareholders who are unable to attend the meeting to exercise their rights:

1. Voting Rights in the Shareholders' Meeting

   Every shareholder has the right to vote in the meeting with one vote for each share held. In the event that there is a conflict of interest on any agenda item, the shareholder involved shall not have voting rights on that item (except for the election of directors). For the 2021 Annual General Meeting of Shareholders, there were no conflicts of interest issues on any agenda item.

   Shareholders unable to participate in the meeting have the option to appoint proxies who could be independent directors or any other person instructed to attend the meeting. The Company will provide the name of an independent director who will act as a proxy in the proxy forms, as per the Ministry of Commerce's designation, to attend and vote in the meeting.

2. Meeting Agenda and Proposal for Additional Agenda Item

   Meetings will be carried out in line with the Company's Articles of Association and according to the announced agenda. Detailed information on each agenda item is presented to the meeting for shareholders consideration. The Company will avoid adding other agenda items besides the ones already presented to shareholders, especially important agenda items that shareholders need time to review prior to making any decision.

Shareholders holding an aggregate number of shares not less than one-third of the total number of shares sold can request to add other agenda items besides the ones already presented in the meeting notice. However, for the 2021 Annual General Meeting of Shareholders, there were no such additional agenda items requested.

3. Suggestions, Comments or Complaints

   The Company has 3 independent directors of the Board of Directors, to ensure fair treatment of minority shareholders. Minority shareholders can express their opinions and give suggestions or complaints to independent directors who will inspect these opinions or complaints and arrange further measures, as appropriate.

4. Voting

   Voting procedures are transparently carried out according to the scheduled agenda. Each shareholder has the right to vote for the election of each director. The Company provides voting cards for important agenda items and keeps the voting cards for shareholders' review should there be any dispute.

2. The Role of Stakeholders

The Company realizes the importance of protecting the rights of all stakeholders following the requirements of the law and the Company code of conduct as follows:

Shareholders : The Company is determined to achieve a good operating performance to create shareholders satisfaction, with due consideration to the growth of the Company's value over the long term. The Company discloses all information in a transparent and trustworthy manner. In addition, every shareholder has an equal right to vote except for shareholders who have conflicts of interest in which they will have the right to vote only for the election of directors, but not on that particular matter.

Employees : The Company treats all employees with care and fairness and provides reasonable remuneration and benefits such as provident funds, including welfare as required by the Labor Law. The Company also supports the enhancement of its employees' capabilities and promotes a decent business culture, teamwork and a favorable and secure working atmosphere.

Customers : The Company focuses on providing high quality services, treating customers' information as confidential and ensuring that the process and procedure for handling customers' complaints is clearly and fairly stated, and that responsible persons are assigned to deal with any such complaints.

Business Partners : The Company focuses on selecting appropriate business partners, dealing with fair treatment and providing opportunities to those business partners of the same product type to compete in the Company's purchasing procedure in both prices and quality of products.

Moreover, the Company also attaches great importance to the integrity of fulfilling the terms and conditions made with business partners and commits to no exploitation under the agreed conditions; the Company has a procedure in selecting reliable, professional vendors with good performance and providing quality products and services; the Company also organizes a list of regular vendors who provide good services, and updates the list every year by means of assessment of prices, quality of products, delivery and after-sales services in order to maintain business vendors' quality of products and services.

Lenders : The Company attaches great importance to the integrity of fulfilling the obligations made with trading lenders and commits to no exploitation under the conditions that are mutually agreed and discloses information with accuracy, adequacy and in a timely manner via appropriate channels which lenders can review.

Competitors : The Company follows the rule of fairness in competing with others and avoids any wrongdoing toward its competitors.

Society and Environment :

The company takes a responsible attitude towards society. Business operation not only strictly adheres to the relevant laws, but also creates the advantages for society and public sector in the area of economy, culture, tradition and environment; the Company also supports activities relating to the environment, including a campaign to turn off the lights and the computer screen during the lunch break, to adjust the temperature to suit the workplace, and a campaign to print only necessary documents. The senior management of the Group plays an important role in promoting the principles of social responsibility.

Public Sector : The Company conducts its business in adherence to laws, rules and regulations of the authorities as well as provides effective cooperation according to government policies. Moreover, the Company will not involve or operate business with any illegal organizations or individuals.

In summary, the Company abides by all relevant laws and regulations in order to ensure the rights of all stakeholders are well protected. The Company also supports useful activities and treats any complaints as important in order to improve its operations.

The Company established an Investor Relations Department to take care of the Company's information dissemination to investors as well as receive suggestions or complaints unrelated to corruption issues from investors or stakeholders. Investor Relations can be reached at

Tel : 0 2697 3700

Website : www.finansa.com

E-mail : ir@finansa.com

Investors or stakeholders can communicate with directors through the following channel:

Registered mail : The Office of Directors Finansa Plc.

48/48 North Sathorn Road, 20/F TISCO Tower

Silom, Bangrak, Bangkok 10500

Investors or stakeholders who witness any corruption can inform or send a complaint of such corruption issues through the following channels:

Registered mail : The Independent Director Office
Finansa Plc.
48/48 North Sathorn Road, 20/F TISCO Tower
Silom, Bangrak, Bangkok 10500

Website : www.finansa.com

E-mail : id@finansa.com

The Company has a policy and measures to protect a complainant by treating the complaint or the report about corruption confidentially and forwarding it to the Compliance Unit to conclude, after which it will be sent to the Audit Committee. In 2021 there was no formal complaint from investors and stakeholders.

3. Disclosure and Transparency

The Board of Directors realizes the importance of information disclosure and has set up policies to ensure that all information disclosed is accurate, complete and transparent. Such information includes financial and non-financial information about the Company that is in line with the Office of the Securities and Exchange Commission and the Stock Exchange of Thailand that may affect the share price as well as the decisions of the Company's investors and stakeholders. Therefore, the Company has disseminated important and adequate information including Annual Registration Statement (Form 56-1) to shareholders, investors and the general public via the SET Community Portal. In addition, the annual reports, operational performance and credit rating are posted on the Company's website. The Company also prepares a good corporate governance report annually in both Thai and English versions and discloses them in its annual report.

The Board of Directors takes responsibility for the consolidated financial statements of the Company and its subsidiaries as well as financial information disclosed in its annual report. The Report on the Board of Directors' responsibility towards the Company's financial statements is disclosed in the annual report together with the report of the independent auditor. Financial statements are prepared in accordance with generally accepted accounting principles in Thailand, by utilizing appropriate accounting policies and applied consistently. Moreover, sufficient important information is disclosed in the notes to the financial statements. The Audit Committee reviews the quality of financial reporting and the adequacy of the internal control system and ensures that sufficient significant information is disclosed in the notes to the financial statements. The views of the Audit Committee on such matters are presented to the Board and to the shareholders' meeting, respectively

The Company also discloses information on the Board of Directors and sub committees i.e. their roles and responsibilities, number of meetings, attendance of each director, opinions in line with the committee's duties, remuneration for directors and management policy, type and amount of remuneration paid to directors of the Company and where those directors also sit on subsidiaries' Boards.

6.2 Business Ethics

The Company has prepared a code of conduct and operational manual and disseminated these to the Directors, executives and employees of the Company and its affiliates. This is to ensure the accuracy, transparency and fairness of business conduct to related parties and customers, which is in accordance with good corporate governance. The practice of such code of conduct and manual has been followed up consistently and disciplinary penalties have been stated. The topics covered are as follows: (Details provided in attachment 5)

Section 1: General Business Ethics, Laws and Compliance

Section 2: Confidentiality

Section 3: External Business Activities and Conflicts of Interest

Section 4: Gifts and Entertainment

Section 5: Investing in Securities

Section 6: Money Laundering

Section 7: Protecting Group Property

Section 8: Anti Corruption Policy

Section 9: Discrimination and Harassment

6.3 Material changes and developments regarding policy, guidelines and corporate governance system in the preceding year

6.3.1 The information on material changes and developments related to good corporate governance

The Company and the Board of Directors emphasize the importance of practicing good corporate governance as stipulated by the Office of the Securities and Exchange Commission ("SEC") and the Stock Exchange of Thailand ("SET"). Compliance with good corporate governance principles is reviewed annually. The Board also reviews the Company's corporate governance policy and report of compliance at least once a year.

The Company discloses its Policies and business ethics on the Company's website (www.finansa.com.) making it accessible to staff of the Finansa Group at all levels. The major objective is to communicate with staff of the Finansa Group, shareholders, and all stakeholders in regards to the commitment of the Board of Directors to good corporate governance practices and principles.

In 2021, the Company completed the following activities in supporting good corporate governance:

1. The Company's Good Corporate Governance policy was reviewed based on the 2012 Corporate Governance Code of the SET and the 2017 Corporate Governance Code of the SEC and presented to the Board of Directors meeting no. 4/2021 on November 12, 2021 for consideration and acknowledgement and to be applied in the Company's business context.
2. Assessed corruption risks and reviewed 2021 Anti-Corruption Policy and Guidelines.
3. Reviewed the performance of the Company and its subsidiaries to be in line with the Anti-Corruption Policy.
4. The Company received a score of 99% for its 2021 shareholders' meeting based on the performance assessment program co-organized by the Thai Investor Association, Thai Listed Companies Association and the Securities and Exchange Commission.
5. The Company received "Very Good" performance for the Corporate Governance Assessment Program for the year 2021 from Thai Institute of Directors which considered all information disclosed by the Company through the SET as well as other sources. This issue was presented to the Board of Directors' meeting No.4/2021 on November 12, 2021 to consider any recommendation for improvement.

Enhance effectiveness of the Board of Directors

1. Scheduling the Board of Directors' meeting in advance for each year.
   - 1.1 The Board of Directors shall meet at least 4 times a year, considered suitable for the Company.
   - 1.2 The Audit Committee shall meet at least 4 times a year.
   - 1.3 The Nomination, Compensation and Corporate Governance Committee shall meet at least 2 times a year.
   - 1.4 For other Committees, frequency of meetings shall be left to the discretion of each Committee's Chairperson.
2. Each Director is required to attend at least 75% of the Board of Directors meetings held each year.
   - In 2021 The Board of Directors held 5 meetings. and all members attended at least 75% of all Board meetings.
3. The Board of Directors shall hold a meeting at least once a year without the participation of an Executive Director and any members of the management.

- The Board of Directors held 1 meeting without the participation of an Executive Director and any members of the management on November 12, 2021.

4. Upon voting in each Board meeting, there shall be not less than two-thirds of all its members attending which constitutes a quorum.

   - In 2021, at all board meetings, two-third of all members attended each meeting which constituted a quorum.

5. Directors shall not hold positions of directors in more than 5 other listed companies.

   - In 2021, each director did not hold positions in more than 5 other listed companies.

6. In the case that the Managing Director will take up a directorship in another company (except the company which is owned by his/her immediate family member), this must be approved by the Board of Directors before taking up the directorship.

   - In 2021, the Managing Director did not take up a new directorship in any company.

7. Directors and Executives shall report a conflict of interest.

   - As at December 31, 2021, conflict of interest reports were made by directors and executives and kept by the Company's secretary / the Board of Directors' secretary.

6.3.2 Other Practices in Accordance with Good Corporate Governance Principles

Good corporate governance principles in 2021 include:

The Rights of Shareholders

There are several basic rights of shareholders as stated in the Company's Articles of Association and other relevant laws and regulations. Such basic rights include the right to purchase, sell or transfer shares, the right to share in the profits of the Company, the right to receive sufficient information, the right to participate in shareholders' meetings, the right to give opinions and the right to participate in major decision making of the Company such as dividend payment, appointment or removal of directors, appointment of independent auditors, approval on important transactions which effects the Company's business direction and adjustments to the Company's Memorandum of Association and Articles of Association.

The Company recognizes and emphasizes the importance of the basic rights of shareholders. Relevant matters are undertaken with efficiency in accordance with the good corporate governance principles to protect such shareholders' rights including:

1. *Shareholders' Meeting*

   An annual shareholders' meeting is held within four months from the end of the previous year's accounting period. An extraordinary general meeting will be held if there is an urgent or special agenda that has to be proposed to shareholders i.e. matters that affect shareholders' interests or matters requiring shareholders' approval under relevant laws or regulations.

   In 2021, the Company held 1 annual general shareholders' meeting: a 2021 Annual General Meeting of Shareholders on April 29, 2021 at 2.30 pm. at Hall Room, 1st Floor, 345 Surawong Building, Surawong Rd., Suriyawong, Bang Rak, Bangkok, Thailand. 8 out of 8 directors (or 100%) including the Chairman, the Managing Director, the Chairman of the Audit Committee, the Audit Committee Member, the Chairman of the Nomination, Compensation and Corporate Governance Committee, the Nomination, Compensation and Corporate Governance Committee Member and Directors were present at the meeting.

   The Chairman carried out the meeting as required by law and encouraged all shareholders to vote, ask questions, express opinions and give suggestions on all business matters of the Company. The Chairman and directors clearly explained and answered every important inquiry

from shareholders, and welcomed shareholders' suggestions for business operations. In addition, representatives of the Company's auditor who audited the 2021 financial statements were present at the meeting to answer shareholders' questions on financial statements. Voting procedures were transparently carried out according to the scheduled agenda.

The Company set up a guideline for the shareholders' meeting to ensure that shareholders' rights would not be compromised. At any point in the meeting, shareholders could register and enter the meeting to honor their voting rights on agenda items on which vote casting had not been made. The Company did not adjust or distribute additional documents which contained important information during the meeting without prior notice.

The Company undertook steps to facilitate the shareholders' meetings. Greeters and registration staff were arranged to assist shareholders with the registration at least two hours before the meeting. The IT system with barcode was applied to the registration process for acceleration, accuracy and simplicity of the process. Besides, shareholders who attended the meetings were appropriately received.

As for the venue of the shareholders meetings, Hall Room, 1st Floor, 345 Surawong Building, Surawong Rd., Suriyawong, Bang Rak, Bangkok, Thailand, was located in the business area and were convenient to all transportation. Moreover, the meetings were held on a business working day and at an appropriate time of the day.

2. *Prior to the Shareholders' Meeting and Delivery of the Meeting Notice*

The Company had published the Notice of Shareholders' Meeting in both Thai and English, and all complete documentation for the meeting were attached including a detailed agenda, Board of Directors' opinion, minutes of the last shareholders' meeting, the Company's Articles of Association (Shareholders' Meeting part only), background of independent directors who would be appointed as proxy, other information necessary for making voting decisions and Proxy Form as well as a map of the meeting venue. The aforementioned information was made available via various channels as follows:

News through the system of the SET	The resolutions of the Board of Directors' Meeting The 2021 Annual General Meeting of Shareholders which indicated the schedule of the Meeting, the agendas, and dividend payment were published on February 22, 2021.
The Company's Website (www.finansa.com)	The Invitation to Shareholders' meeting and documentation for the meeting were published on the website on March 26, 2021, 34 days prior to the meeting, and the same documents were mailed to each shareholder prior the meeting. In addition, an Annual Report was provided to shareholders before the meeting day.
Mailing	The Company assigned Thailand Securities Depository Company Limited, the Company's Share Registrar, to send a notice and relevant document to all shareholders at least 14 days prior to the Annual General Meeting date.
Newspaper Advertisement	The Company also published the Invitation to Shareholders' Annual General Meeting in a daily newspaper for three consecutive days, and 10 days prior to the meeting date.

As for the 2021 Annual General Meeting of Shareholders, the Company provided the following opportunities to the Company's shareholders to raise issues via the Company's website (www.finansa.com):

1. Issues for consideration as additional items of meeting agenda, two months prior to the meeting day, from November 12, 2020 to January 31, 2021.
2. Nominating the candidate for Director was provided two months prior to the meeting day, from November 12, 2020 to January 31, 2021.

3. *Meeting Procedure*

Before the meeting commenced, the MC clearly informed the meeting of all relevant rules including vote-counting procedures for each agenda item as required by the Company's Articles and voting rights for each agenda item. After information on each agenda item was presented, the Chairman offered all shareholders an equal opportunity to ask questions and give suggestions within appropriate time. Directors and management were present to answer all shareholders' queries.

4. *Process after the Meeting*

The Company disclosed the voting results for each agenda via News through the SET System within the meeting day.

The minutes of the meeting were recorded accurately and comprehensively, including significant details, e.g., the name of attending Directors, voting procedure, questions and answers for each agenda item, as well as the numbers of votes for approval, disapproval, abstention or void. The minutes of the 2021 Annual General Meeting of Shareholders were submitted to the SET and made available on the Company's website (www.finansa.com) within 14 days after the meeting day.

The Equitable Treatment of Shareholders

The Company recognizes the importance of equitable treatment of all shareholders including executive shareholders, non-executive shareholders as well as foreign shareholders. Therefore, the Company has undertaken the following tasks to ensure such equal and fair treatment. Moreover, the Board of Directors also provides opportunities to minority shareholders so they can nominate a candidate for a director position and/or propose additional items for meeting agenda prior to the meeting. A proxy is made possible as an alternative for shareholders who are unable to attend the meeting to exercise their rights:

1. *Voting Rights in the Shareholders' Meeting*

Every shareholder has the right to vote in the meeting with one vote for each share held. In the event that there is a conflict of interest on any agenda item, the shareholder involved shall not have voting rights on that item (except for the election of directors). For the 2021 Annual General Meeting of Shareholders, there were no conflicts of interest issues on any agenda item.

Shareholders unable to participate in the meeting have the option to appoint proxies who could be independent directors or any other person instructed to attend the meeting. The Company will provide the name of an independent director who will act as a proxy in the proxy forms, as per the Ministry of Commerce's designation, to attend and vote in the meeting.

2. *Meeting Agenda and Proposal for Additional Agenda Item*

Meetings will be carried out in line with the Company's Articles of Association and according to the announced agenda. Detailed information on each agenda item is presented to the meeting for shareholders consideration. The Company will avoid adding other agenda items besides the ones already presented to shareholders, especially important agenda items that shareholders need time to review prior to making any decision.

Shareholders holding an aggregate number of shares not less than one-third of the total number of shares sold can request to add other agenda items besides the ones already presented in the meeting notice. However, for the 2021 Annual General Meeting of Shareholders, there were no such additional agenda items requested.

3. *Suggestions, Comments or Complaints*

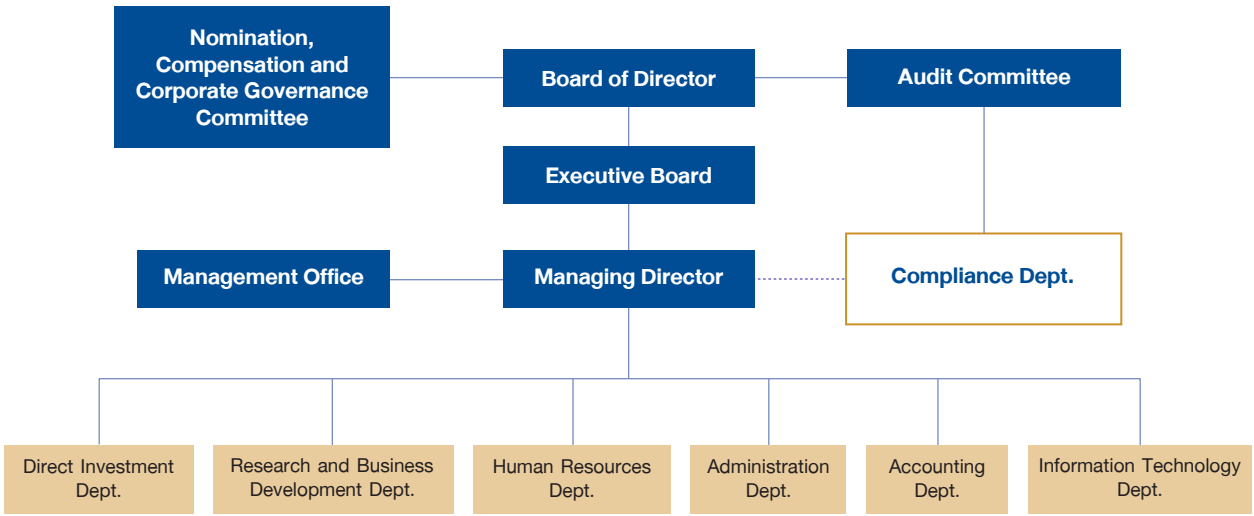
The Company has 3 independent directors of the Board of Directors, to ensure fair treatment of minority shareholders. Minority shareholders can express their opinions and give suggestions or complaints to independent directors who will inspect these opinions or complaints and arrange further measures, as appropriate.

4. *Voting*

Voting procedures are transparently carried out according to the scheduled agenda. Each shareholder has the right to vote for the election of each director. The Company provides voting cards for important agenda items and keeps the voting cards for shareholders' review should there be any dispute.

7. Corporate governance structure and significant information related to the Board of Directors, subcommittees, executives, employees and others

7.1 Board of director structure



Note: Board of Directors' meeting 2/2019 held on 26 February 2019 approved this organization chart

7.2 Information on the Board of Directors

7.2.1 The composition of the Board of Directors

At present the Board of Directors consistes of 7 directors of which 3 are independent directors.

7.2.2 The information on each director and controlling person

The Company's Board of Directors consistes of the following members:

1.	Mr. Akarat	Na Ranong*	Chairman, Member of the Audit Committee and Independent Director
2.	Mr. Vorasit	Pokachaiyapat	Managing Director
3.	Mr. Varah	Sucharitakul	Director and Executive Director
4.	Mr. Kittipong	Lertvanangkul	Director and Executive Director
5.	Mr. Nuttawut	Phowborom	Independent Director and Member of the Audit Committee

6. Mr. Chanmanu Sumawong** Independent Director and Chairman of the Audit Committee
7. Mr. James Marshall*** Director and Executive Director

Any two of the following four directors signing jointly and affixed with the Company Seal may bind the Company, Mr. Vorasit Pokachaiyapat, Mr. Kittipong Lertvanangkul, Mr. Varah Sucharitakul and Mr. James Marshall.

7.2.3 The roles and duties of the Board of Directors

Scope of Duties of the Board of Directors

The Board of Directors has the responsibility of managing the Company in compliance with relevant laws, the Company's business objectives, its Articles of Association and the resolutions of shareholders' meetings. Responsibilities also include the formulation of policies and operating directions, financial management, risk management, and providing guidance and supervision to the management to operate efficiently and effectively and in accordance with the relevant policies. The interests of the shareholders will be taken into account in managing the Company. The Board of Directors also has the power to appoint a certain number of directors to be members of the executive committee and to perform specific tasks.

The Board of Directors has empowered the directors authorized to sign for and bind the Company to independently conduct various matters. However, the matters set forth below require a prior resolution from the meeting of the shareholders. In the case that there is a conflict of interest between the Company or subsidiaries and one or more of its directors, the directors involved may not vote.

1) when resolution of the meeting of shareholders is required by law; and
2) on matters in which directors may have an interest and a resolution of the meeting of shareholders is required by law or by the regulations of the Stock Exchange of Thailand.

The matters specified below require a resolution of the Board of Directors and of the meeting of shareholders passed by a vote of not less than three-fourths of the total number of shareholders present at the meeting and entitled to vote. Treasury stocks held by the Company carry no voting rights.

1) the sale or transfer of whole or important parts of a business of the Company to other persons;
2) the purchase or acceptance of transfer of businesses of other companies or private companies to the Company;
3) the making, amending or canceling of contracts relating to the leasing out of the business of the Company, whole or certain important parts, the assignment to any other persons to manage the business of the Company or the amalgamation of the business with other persons with an objective towards profit and loss sharing;
4) the amendment of the Memorandum of Association or the Articles of Association of the Company;
5) the increase or decrease in registered capital of the Company;
6) the merger or liquidation of the Company; and
7) other matters specified by law.

Note: *Mr. Akarat Na Ranong was appointed the Chairman of the Company with effect from 9 December 2021, and stepped down as the Chairman of the Audit Committee and the Nomination, Compensation and Corporate Governance Committee to be a member of the said committees with effect from 1 March 2022.

**Mr. Chanmanu Sumawong, a member of the Audit Committee and a member of the Nomination, Compensation and Corporate Governance Committee, was appointed the Chairman of the Audit Committee and the Chairman of the Nomination, Compensation and Corporate Governance Committee with effect from 1 March 2022.

***Mr. James Marshall was appointed the director of the Company on 24 February 2022.

Chairman of the Board of Directors: Scope of Duties

1. Setting Board meeting agendas in consultation with the Managing Director and overseeing the process to ensure the Board members receive accurate, complete and clear information prior to the meeting to assist them in the decision making process.
2. Providing leadership and direction to the Board of Directors and being chair of the Board meetings.
   - 2.1 Conducting a Board meeting according to the agenda, the Company's Articles of Association, and applicable laws.
   - 2.2 Allocating sufficient time to each Board member to discuss and express his/her opinion freely and use his/her discretion in making decisions by taking all stakeholders into consideration.
   - 2.3 Summarizing the Board meeting resolutions clearly.
3. Being Chairperson in a meeting of shareholders and conducting the meeting according to the agenda, the Company's Articles of Association and relevant laws by allocating appropriate time along with providing opportunities for shareholders to express their opinions equitably and ensuring that shareholders' inquiries are responded to appropriately.
4. Supporting management according to the principles of good corporate governance and the Company's Code of Conduct.
5. Ensuring that the Board of Directors has an appropriate structure and composition.
6. Ensuring that there is a performance assessment of the Board of Directors as a whole and self-assessment of directors including Sub-committee members and that the assessment results are reviewed for performance improvement.

7.3 Information on subcommittees

7.3.1 Subcommittees

As at 31 December 2021, the Company organized several committees, including the Executive Committee, the Audit Committee, the Nomination, Compensation and Corporate Governance Committee, the Group Investment Committee and the Group Risk Management Committee.

7.3.2 Information on subcommittees (As at 31 December 2021)

(1) The Executive Committee consisted of the following 3 members:

1.	Mr. Vorasit	Pokachaiyapat	Managing Director and Executive Director
2.	Mr. Varah	Sucharitakul	Director and Executive Director
3.	Mr. Kittipong	Lertvanangkul	Director and Executive Director

(2) The Audit Committee consisted of the following 3 members:

1.	Mr. Akarat	Na Ranong	Independent Director and Audit Committee Chairman
2.	Mr. Chanmanu	Sumawong	Independent Director and Audit Committee Member
3.	Mr. Nuttawut	Phowborom	Independent Director and Audit Committee Member

Mr. Nuttawut Phowborom has adequate expertise and experience to audit the credibility of financial statements.

(3) The Nomination, Compensation and Corporate Governance Committee comprised two independent directors and one executive director as follows:

1.	Mr. Akarat	Na Ranong	Independent Director and Chairman of the Nomination, Compensation and Corporate Governance Committee

2. Mr.Chanmanu Sumawong — Independent Director and Member of the Nomination, Compensation and Corporate Governance Committee
3. Mr. Vorasit Pokachaiyapat — Executive Director and Member of the Nomination, Compensation and Corporate Governance Committee

(4) The Group Investment Committee is comprised of directors and executives from each company in the group responsible for setting business policies and supervising investment of the Company and its affiliates.

(5) The Group Risk Management Committee is comprised of directors and executives from each company in the group responsible for setting risk management guidelines and policies of the Company and its affiliates.

Name	The Board of Directors	The Executive Committee	The Audit Committee	The Nomination, Compensation and Corporate Governance Committee	The Group Investment Committee	The Group Risk Management Committee
1. Mr. Akarat Na Ranong	✓		✓	✓		
2. Mr. Vorasit Pokachaiyapat	✓	✓		✓	✓	✓
3. Mr. Varah Sucharitakul	✓	✓			✓	
4. Mr. Kittipong Lertvanangkul	✓	✓				
5. Mr. Nuttawut Phowborom	✓		✓			
6. Mr. Chanmanu Sumawong	✓		✓	✓		
7. Mr. James Marshall					✓	
8. Mrs. Snitha Asawachinda						✓

7.4 Information on management

7.4.1 Structure of management

Management Team The management team of Finansa Plc. as at 31 December 2021 consisted of the following 11 executives:

1. Mr. Vorasit	Pokachaiyapat*	Managing Director
2. Mr. Kittipong	Lertvanangkul	Executive Director
3. Mr. Varah	Sucharitakul	Executive Director
4. Mr. Teerath	Pratumsuwan*/**	Deputy Managing Director
5. Mr. James	Marshall*	Head of Research and Business Development
6. Ms. Rachanee	Mahatdetkul*	Senior Vice President of Direct Investment
7. Mr. Chakhrit	Suphepre*	Group Head of IT & SVP
8. Ms. Wipa	Nilsophon*	Assistant Managing Director, Compliance Department
9. Mr. Chankit	Assawarotjanamitre*	Head of Administration
10. Mrs. Nuchalee	Junkhun*	Head of Human Resources
11. Mrs. Siripan	Leewanun*	Head of Accounting

* Management according to the SEC's notification.

** Mr. Teerath Pratumsuwan assumed the position on 16 December 2021.

Scope of Duties of the Managing Director

The Managing Director has power and responsibilities to manage and monitor the normal business transactions of the Company including other authority as assigned by the Company's Board of Director or the Executive Committee.The Managing Director also has the power to delegate his authority to other individual as appropriate to manage and perform duties as necessary but subject to the law and the Company's regulations and the Articles of Association.

In this regard, the delegation of authority set forth above must not grant the Managing Director or the assignee power to approve any transaction with a conflict of interest with the Company or its subsidiaries.

Scope of duties of the Managing Director is as follows.

1) Manage and undertake the Company's normal business transactions,
2) Prepare the Company's business policy and strategy together with the Executive Committee prior to submitting to the Board of Directors for approval,
3) Monitor to ensure that the Company's business transactions are in accordance with the established business plans and strategy approved by the Board and in accordance with relevant laws and regulations,
4) Establish the organization and management structure relating to human resources including recruitment, training, employment and termination of employment as well as approve the appointment, transfer and dismissal of employees,
5) Oversee and monitor business activity and operational performance and report to the board of directors,
6) Approve the procurement of the Company's office supply and sign on behalf of the Company for purchase agreements, procurement agreements, rental agreements, service agreements, maintenance agreements and other relevant documents with value of not over Baht 100,000,
7) Perform any other act as assigned by the Company's Board of Directors.

7.4.2 Remuneration

Remuneration to Executives

The Company has determined the remuneration provided to executives in accordance with the principles and policies set by the Board, which is also consistent with the performance of the Company and each of the executives.

1. Remuneration in money

In 2021, the Company paid compensation including salary, bonus, social security contribution, to 11 executives totaling Baht 37.10 million.

2. Other remuneration

The Company has provided a provident fund for the management, where the Company contributes 5 percent of their salaries. In the year 2021, the Company has made contributions to the provident fund for 11 executives totaling Baht 1.74 million.

7.5 Information on employees

Personnel as at 31 December 2021, the Company and its subsidiaries had totally 65 employees as follows:

	Group	FNS	FSL
1.	Management	2	3
2.	Direct Investment, Investment / Research & BD	5	-
3.	Treasury, Sales & Marketing / Personal Investment Advisor	-	5
4.	Investment Banking	-	21
5.	Operations, Administration, Accounting, Information Technology, Human Resources, Product Origination	17	9
6.	Campliance	3	-
	Total (person)	**27**	**38**

In 2021, the Company and its subsidiaries paid compensation, including salary, bonus, provident fund and other compensations, social security contribution, medical benefit and the defined benefit plans expose the group to actuarial risk to their employees totaling Baht 155.63 million.

7.6 Other significant information

7.6.1 List of persons assigned in the bookkeeping, Company secretary, Head of internal audit or external auditor, Head of compliance

1. Those who are assigned to be directly responsible for the control of the company's accounting.

(1) Mrs. Siripan Leewanun, Head of Accounting is assigned as Chief Financial Officer (CFO). Qualifications of a person holding a position as CFO is in attachment 1

(2) Ms. Pornpen Putthikullawut, Senior Accounting Manager of Accounting Department assigned person to the direct responsibility of accounting supervision

2. Company Secretary

The Board of Directors' Meeting No. 4/2008 held on August 13, 2008 has appointed Mr. Varah Sucharitakul as Company Secretary. Qualifications of a person holding a position as company secretary is in attachment 1

Company Secretary: Scope of Duties

The Board has appointed Mr. Varah Sucharitakul as Company Secretary with duties and responsibilities pertaining to Section 89/15 and 89/16 of the Securities and Exchange Act (No.4) B.E.2551 as follows:

1. Overseeing the various activities of the Board of Directors.
2. Providing Directors with preliminary advice on legal provisions, rules and Articles of Association of the Company, as well as good corporate governance principles and the code of conduct to which the Directors should adhere, and ensuring that they are always properly compiled with, by the Directors and including informing Directors when there are significant changes in these.
3. Preparing detailed documentation and information which are useful for new Directors and advising them on the direction of the Company's business operations.
4. Organizing meetings of shareholders and meetings of the Board of Directors, ensuring that both meetings are in compliance with the laws, the Company's Articles of Association, and other requirements.

5. Taking minutes of the meetings of shareholders and of the Board of Directors, monitoring and ensuring the implementation of the resolutions adopted at both meetings.
6. Preparing and keeping a registration book of Directors, notifications of meetings of the Board of Directors, minutes of meetings of the Board of Directors, reports on conflicts of interest of the Directors and executives, annual reports of the Company, notifications of meetings of shareholders, and minutes of meetings of shareholders.
7. Disclosing information and forwarding corporate news or reports to the relevant regulatory agencies, in compliance with its statutory requirements.
8. Taking other actions as required by the Capital Market Supervisory Board.

3. The outsourced internal auditor

The Audit Committee Meeting no. 1/2021 on 24 February 2021 appointed Accounting Revolution Company Limited to act as an out-sourced independent internal auditor of the Company for the year 2021 with Mrs. Sasivimon Suksai, Managing Director to be the main responsible internal auditor. The Audit Committee was of the opinion that Accounting Revolution Company Limited and Mrs. Sasivimon Suksai were considered to be qualified and appropriate as they had true independence and long-term experience in internal audit and internal control review. The Audit Committee was responsible for the appointment or removal of the internal auditor of the Company. The Company had assigned Ms. Wipa Nilsophon, Head of Compliance Department to coordinate with the out-sourced independent internal audit company. (Details on the main responsible person for the internal audit of the Company are provided in attachment 3)

4. Compliance

The Company had also assigned Ms. Wipa Nilsophon, Head of Compliance Department to supervise the conduct of the Company in order to comply with regulatory requirements and to provide suggestions and advice on relevant laws and regulations to every business unit of the Finansa Group. The Compliance Department reported to the Audit Committee and Board of Directors and also reported to the Managing Director. The qualification of the Head of Compliance was disclosed in the Biographies of Directors and Management section (See Attachment 1). The role and responsibility of the Compliance Department was written in the Code of Conduct of the Finansa Group.

7.6.2 Head of investor relations and contact information

Mrs. Siripan Leewanun

Tel : 0 2697 3700 ext. 3706

Website : www.finansa.com

E-mail : ir@finansa.com

7.6.3 the Auditor Fees

Appointment of the External Auditors and Considering the Auditor Fees

The Audit Committee is responsible for selecting an independent person to be the Company's external auditor and considering the audit fees to propose to the Annual General Meeting of Shareholders for approval. The Audit Committee is also responsible for proposing to the Board of Directors for consideration a dismissal of employment of the external auditor when necessary.

On April 29, 2021. the shareholders considered and approved an appointment of Deloitte Touche Tohmatsu Jaiyos Advisory Co.,Ltd. as the Company's external auditor. The Company's auditors were the followings:

1) Mr. Kasiti	Ketsuriyonk	Certified Auditor	No 8833
2) Mr. Chavala	Tienpasertkij	Certified Auditor	No 4301
3) Ms. Wilasinee	Krishnamra	Certified Auditor	No 7098
4) Mr. Yongyuth	Lertsurapibul	Certified Auditor	No 6770

The SEC considered the qualification of the four aforementioned auditors and granted their approval for the appointment of auditors.

In 2021, the Company and its subsidiaries paid the audit fee to Deloitte Touche Tohmatsu Jaiyos Advisory Co., Ltd. with details as follows:

1. Audit Fee

1.1 The Company paid an audit fee totaling Baht 2,000,000

1.2 2 subsidiaries paid audit fees totaling Baht 1,130,000

2. Non-audit Fee

No non-audit fee was paid to the auditor including individuals or business entities related to the auditor.

7.6.4 Shareholding in FNS by directors and management

Name	As of 31 December 2021			As of 31 December 2020			Change Increase (Decrease)
	No. of shares held by		Total	No. of shares held by		Total	
	Directors/ Management	Related Persons		Directors/ Management	Related Persons		
1. Dr. Virabongsa Ramangkura*	-	-	-	-	-	-	-
2. Mr. Vorasit Pokachaiyapat	138,570,161	10,500,000	149,070,161	129,570,161	12,500,000	142,070,161	7,000,000
3. Mr. Varah Sucharitakul	-	-	-	-	-	-	-
4. Mr. Kittipong Lertvanangkul	-	-	-	-	-	-	-
5. Mr. Akarat Na Ranong	-	-	-	-	-	-	-
6. Mr. Nuttawut Phowborom	-	-	-	-	-	-	-
7. Mr. Chanmanu Sumawong	-	-	-	-	-	-	-
8. Mr. Vorapak Tanyawong**	-	-	-	-	-	-	-
9. Mr. Teerath Pratumsuwan***	-	-	-	-	-	-	-
10. Mr. James Marshall	1,150,200	-	1,150,200	1,150,200	-	1,150,200	-
11. Ms. Rachanee Mahatdetkul	-	-	-	-	-	-	-
12. Mr. Chakhrit Suphepre	-	-	-	-	-	-	-
13. Ms. Wipa Nilsophon	-	-	-	-	-	-	-
14. Mr. Chankit Assawarotjanamitre	-	-	-	-	-	-	-
15. Mrs. Nuchalee Junkhun	300	-	300	300	-	300	-
16. Mrs. Siripan Leewanun	-	-	-	-	-	-	-

*Dr. Virabongsa Ramangkura passed away on 7 November 2021.
**Mr. Vorapak Tanyawong resigned from the Director's position on 29 November 2021.
***Mr. Teerath Pratumsuwan assumed the Deputy Managing Director's position on 16 December 2021.

8. Report on key operating results on corporate governance

8.1 Summary of duty performance of the Board of Directors in the past year

Directors' Reporting

The Audit Committee has a responsibility to review the Company's financial reports which are submitted quarterly by the Accounting Department. The Audit Committee reviews and approves these financial reports and proposes them to the Board of Directors for further approval.

The Board of Directors is responsible for supervising the preparation and timely disclosure of the financial statements of the Company and its subsidiaries. Such financial reports must be accurate, transparent and comprehensive and must be disclosed within the applicable statutory reporting deadline. The financial reports of the Company and its subsidiaries are prepared in accordance with generally accepted accounting principles in Thailand, by utilizing appropriate accounting policies which are applied consistently. Moreover, sufficient important information is disclosed in the notes to the financial statements.

The Board of Directors has empowered the Audit Committee, the Certified Public Accountants and Internal Audit to freely review the internal control and the accuracy of the financial reporting. The opinion of the Audit Committee on these matters is contained in Form 56-1 One Report.

A particular meeting for Non-executive Directors (including Independent Directors) will be arranged at least once a year for them to express and discuss freely any issues in regards to the Board of Directors' meetings and duty without the presence of Executive Directors. This meeting was held one time in 2021.

8.1.1 Selection, development and evaluation of duty performance of the Board of Directors.

The Board of Directors appoints various committees to monitor and oversee the Company's operations. As of 31 December 2021, the Company has various sub-committees managing in detail particular tasks of the Company as assigned by the Committee. The Committees' scope of authority and duties are clearly defined.

Training for Directors and Executives

The Company has a policy to encourage its directors to attend courses held by the Thai Institute of Directors Association and other relevant courses held by other institutions. Visiting other companies or organizations also is useful for managing the Company business. At present, 6 of the Company directors have attended courses held by the Thai Institute of Directors Association except for 1 director who has assumed the director position on 24 February 2022.

Furthermore, the Compliance Unit informed the Board of Directors of the significant notices of the SEC Act and relevant laws and announcements.

Assessment by the Board of Directors

The Board of Directors assesses the Managing Director's performance by taking into consideration the Company's operating performance, business undertaking according to established policies as well as the overall business and economic environment.

Evaluation of the Company's Board of Directors, Sub-Committee and Managing Director

Based on the criteria used for assessing each item, there are 5 scoring levels of assessment as follows:

0 = Strongly disagree or never conducted

1 = Disagree or seldom conducted

2 = Fair or moderately conducted

3 = Agree or well conducted

4 = Strongly agree or excellently conducted.

1. Assessment of Board of Directors as a whole

   There will be a performance assessment of the Company's Board of Directors as a whole every year. The performance assessment form for the Board of Directors for the year 2021 was modified according to the form prepared and disclosed by the SET in 2015 to suit the company requirement and the following issues will be covered: 1) the structure and qualifications of the Board of Directors are adequate to perform tasks efficiently 2) Meeting's procedure of the Board of Directors to be considered to ensure the efficient performance 3) Roles, duties and responsibilities of Board of Directors to be performed efficiently 4) The relationship between the Board of Directors and the Management including self-improvement of directors.

   In the assessing process,

   Each of the Board of Directors was required to assess the performance based on such assessment form, taking into account the performance of the Board of Directors as a whole. The Corporate Secretary Office was responsible for collecting the completed forms and preparing a summary to be submitted to the Board of Directors.

In 2021, the average score of the assessment summary was. 3.98 out of 4 scores or 99.57 percent.

2. Individual performance assessment for each Member of the Board of Directors

   There will be an individual performance assessment of each member of the Board of Directors every year. An individual performance assessment form for the year 2021 which was modified from the one disclosed by the SET in 2015 was prepared and utilized in the assessment process in order to ensure that the roles and responsibilities of the Board of Directors in all areas were covered in the assessment; these include (1) the structure and qualifications of the Board of Directors, (2) meeting's procedure of the Board of Directors, and (3) roles, duties, and responsibilities of the Board of Directors.

   In the assessment process,

   Each member of the Board was required to assess his own performance, taking into account the performance of his duties in line with the assigned roles and responsibilities. The Corporate Secretary Office was responsible for collecting the complete forms and preparing a summary to be submitted to the Board of Directors.

In 2021, the average score of the assessment summary was 3.95 out of 4 scores or 98.86 percent.

3. Evaluation of the Audit Committee

   There will be a performance assessment of the Audit Committee as a whole every year. The Performance Assessment Form for the Audit Committee is modified from the assessment form of the SET of the year 2015. The assessment covers the duties and responsibilities of the Audit Committee as follows: 1) the structure and qualifications of the Committee are suitable to perform tasks efficiently 2) Sub-committee meetings to be conducted with effectiveness 3) Roles, duties and responsibility of the Sub-committee to be performed with effectiveness.

   In the assessment process,

   Each of the Audit Committee members is required to assess the performance based on such assessment form, taking into account the performance of the Audit Committee as a whole. The Corporate Secretary Office was responsible for collecting the completed forms and preparing a summary to be submitted to the Board of Directors.

In 2021, the average score of the assessment summary was 3.98 out of 4 scores or 99.58 percent.

4. Evaluation of the Nomination, Compensation and Corporate Governance Committee

The Performance Assessment Form for the Nomination, Compensation and Corporate Governance Committee is modified from the assessment form of the SET of the year 2015. The assessment covers the duties and responsibilities of the Committee as follows: 1) the structure and qualifications of the Committee are suitable to perform tasks efficiently 2) Sub-committee meetings are conducted with effectiveness 3) Roles, duties and responsibility of the Sub-committee are performed with effectiveness.

In the assessment process,

The Nomination, Compensation and Corporate Governance Committee was required to assess the performance, taking into account the performance of the Committee as a whole. The Corporate Secretary Office was responsible for collecting the completed forms and preparing a summary to be submitted to the Board of Directors.

In 2021, the average score of the assessment summary was 3.97 out of 4 scores or 99.42 percent.

5. Evaluation of the Managing Director

The Performance Assessment Form for the Managing Director is modified from the assessment form of the SET of the year 2011. The assessment covers the duties and responsibilities as follows: 1) Leadership 2) Planning strategy 3) Following through the strategy 4) Financial planning 5) Relationship with the Board of Directors 6) Communication with outside world 7) Personnel management and relationship 8) Succession 9) Product and service knowledge 10) Character.

In the assessment process,

Non-executive directors (Independent directors) were required to assess the performance of the Managing Director, taking into account the performance of his duties in line with the assigned roles and responsibilities. The Corporate Secretary Office was responsible for collecting the completed forms and preparing a summary to be submitted to the Board of Directors.

In 2021, the average score of the assessment summary was 3.98 out of 4 scores or 99.44 percent.

(1) Independent director

In terms of the selection process of independent directors, when the independent directors are due to retire from their term of office or when there is a need to nominate more independent directors, the Nomination, Compensation and Corporate Governance Committee will consider to select qualified persons who have experiences, knowledge and expertise suitable and beneficial to the Company and also meet the minimum qualifications set forth below. Nominees will be proposed to the Board of Directors' Meeting or the Shareholders' Meeting for consideration pursuant to the Company's Articles of Association. The recruited persons must possess the qualifications of independent directors. (Details in 6.1.1 Policy and guidelines related to the Board of Directors.)

(2) Selection of Directors and Executives

In 2021 The Board of Directors selected the directors of the Company in accordance with the qualifications specified in Section 68 of the Public Company Act, B.E. 2535 and in related notifications of the SEC. In addition, experience, knowledge and ability were also taken into consideration. The selected candidates were then nominated in a shareholders' meeting for appointment. As of 31 December 2021, from the total number of 6 directors, the Company had 1 director from the group of major shareholders, namely Mr. Vorasit Pokachaiyapat.

The election of the members of the Board of Directors is made at shareholders' meetings pursuant to the following procedures:

- Each shareholder has one vote for each share held.
- Each shareholder may cast all of his/her votes to select one or more candidates, but if selecting more than one candidate the number of votes given to each candidate cannot be greater or lesser than the number of votes given to the other(s).

The persons successively receiving the highest number of votes will be elected as directors until the permissible number of directors in the particular election is reached. In the case of an equal number of votes given to more than one candidate, which causes the number of directors to be greater than the permissible number, the chairman shall cast the deciding vote.

Succession Plan

Assigned by the Board of Directors, the Nomination and Remuneration Committee is responsible for ensuring that there is a succession plan for the Managing Director position and executives (as defined by the SEC) of the Company for the continuity in the Company's management by recruiting based on performance, capability and readiness of personnel. In the event, the Company has prepared employees' readiness by developing their knowledge, ability and skill necessary for significant positions.

For the executives at all levels, especially key positions, of whom the recruitment will be within the organization, the Nomination and Remuneration Committee is responsible for preparing a strategy and succession plan for executives prior to their completion of term of office or their retirement and is authorized to approve the replacement of executive positions. However, the appointment of director positions of the Company and its subsidiaries will be approved by the Board of the Directors.

The Orientation for Newly Appointed Directors and Executives

When the composition of the Directors is changed or there is a newly appointed executive, the Compliance Unit has a responsibility to prepare necessary documents for a new Director, which include:

1. The Company's annual report, which contains visions, strategies, and goals of the Company.
2. The schedule of the Company's Board of Directors meetings and sub-committees' meetings as well as the monthly meeting agendas and special meeting agendas.
3. The manual of position of directors and executives including qualifications and profile prohibited by laws related to financial institutions, key policies of Finansa Group such as Good Corporate Governance Policies, Anti-corruption Policies, risk management policies, policies in using outsourcing services, etc. as well as the relevant acts and notifications.

8.1.2 Meeting attendance and remuneration payment to each Board member

Board of Directors' Meetings

The Company sets out meeting schedules for the Audit Committee and the Board of Directors to consider financial statements of each quarter for the year in advance. In 2021, there were 5 meetings of the Board of Directors, 4 meetings of the Audit Committee and 3 meetings of the Nomination, Compensation and Corporate Governance Committee. Attendance records of each director are as follows.

Name	Attendance (Attendance/Total Meetings)			
	the 2021 Annual General Meeting of Shareholders	Meeting of Board of Directors	Meetings of Audit Committee	Meeting of Nomination, Compensation and Corporate Governance Committee
1. Dr. Virabongsa Ramangkura*	attend	3/3	-	-
2. Mr. Vorasit Pokachaiyapat	attend	5/5	-	3/3
3. Mr. Varah Sucharitakul	attend	5/5	-	-
4. Mr. Kittipong Lertvanangkul	attend	5/5	-	-
5. Mr. Akarat Na Ranong	attend	5/5	4/4	3/3
6. Mr. Nuttawut Phowborom	attend	5/5	4/4	-
7. Mr. Chanmanu Sumawong	attend	5/5	4/4	3/3
8. Mr. Vorapak Tanyawong**	attend	4/4	-	-

*Dr. Virabongsa Ramangkura passed away on 7 November 2021.
**Mr. Vorapak Tanyawong resigned from the Director's position on 29 November 2021.

Remuneration to Directors

The Company has clearly and transparently determined the remuneration provided to the directors, which is similar to that paid to other company directors in the same industry. Such remuneration has to obtain prior approval from the shareholders' meeting. The Executive Directors waived the rights to the meeting fee and annual fee. In 2021, director's annual fee and meeting fee were the same as in 2020 and no other Remunerations apply, details are as follows:

	Annual Fee (Baht)		Meeting Fee (Baht)	
	Year 2021	Year 2020	Year 2021	Year 2020
Chairman	900,000	900,000	50,000	50,000
Director	350,000	350,000	25,000	25,000
Audit Committee Chairman	150,000	150,000	25,000	25,000
Audit Committee Member	100,000	100,000	25,000	25,000
Nomination, Compensation and Corporate Governance Committee Chairman	-	-	25,000	25,000
Nomination, Compensation and Corporate Governance Committee Member	-	-	20,000	20,000

In 2021, the Company provided remuneration including meeting fees and annual fee to the board of directors as shown below.

Name	Annual Fee (Baht)		Meeting Fee (Baht)		
	Board of Directors	Audit Committee	Board of Directors	Audit Committee	Nomination, Compensation and Corporate Governance Committee
1. Dr. Virabongsa Ramangkura	765,000.00	-	150,000.00	-	-
2. Mr. Vorasit Pokachaiyapat	-	-	-	-	-
3. Mr. Varah Sucharitakul	-	-	-	-	-
4. Mr. Kittipong Lertvanangkul	-	-	-	-	-
5. Mr. Akarat Na Ranong	350,000.00	150,000.00	125,000.00	100,000.00	75,000.00
6. Mr. Nuttawut Phowborom	350,000.00	100,000.00	125,000.00	100,000.00	-
7. Mr. Chanmanu Sumawong	350,000.00	100,000.00	125,000.00	100,000.00	60,000.00
8. Mr. Vorapak Tanyawong	350,000.00	-	100,000.00	-	-

The remunerations of the directors of the subsidiary

Finansa Securities Ltd.

The Company has clearly and transparently determined the remuneration provided to the directors, which is similar to that paid to other company directors in the same industry. Such remuneration has to obtain prior approval from the shareholders' meeting. The Executive Directors waived the rights to the meeting fee and annual fee. In 2021, director's annual fee and meeting fee were the same as in 2020 and no other Remunerations apply, details are as follows:

	Annual Fee (Baht)		Meeting Fee (Baht)	
	Year 2021	Year 2020	Year 2021	Year 2020
Director	100,000	100,000	25,000	25,000
Audit Committee Chairman	150,000	150,000	25,000	25,000
Audit Committee Member	100,000	100,000	25,000	25,000

In 2021, the Company's subsidiary provided remuneration, as shown below.

Name	Annual Fee (Baht)		Meeting Fee (Baht)	
	Board of Directors	Audit Committee	Board of Directors	Audit Committee
1. Mr. Varah Sucharitakul	-	-	-	-
2. Mr. Kittipong Lertvanangkul	-	-	-	-
3. Mrs. Snitha Asawachinda	-	-	-	-
4. Mr. Asadej Kongsiri	-	-	-	-
5. Mr. Akarat Na Ranong	100,000	150,000	150,000	100,000
6. Mr. Chanmanu Sumawong	100,000	100,000	150,000	100,000

8.1.3 Supervision of subsidiaries and associated companies

Monitoring of subsidiaries and associated companies

The Company appoints some of its audit committee members to sit on its subsidiaries' audit committee. The Company also requires subsidiaries to report on relevant risks incurred to the Company's board of directors quarterly. As for associated companies, the Company's directors are sitting in the associates' board of directors.

An oversight mechanism

1. The Company appoints directors and/or executives as directors in its subsidiaries and associated companies to allow close supervision and monitoring of the subsidiaries and associated companies.
2. The Company appoints some of its audit committee members to sit on its subsidiaries' audit committee. The Company also requires subsidiaries to report on relevant risks incurred to the Company's board of directors quarterly.
3. The Company requires an operating results overview of the subsidiaries and associated companies to be submitted every quarter to the Board of Director.

8.1.4 Monitoring of compliance with the corporate governance policy and guidelines

(1) Prevention of conflicts of interest

Conflict of Interest

The Board of Directors places importance on the consideration of transactions with possible conflicts of interest, connected transactions, related parties' transactions as well as administration of insider information.

In 2008, the Board approved in principle a basis for related party transactions which are conducted in the normal course of business between the Company and its subsidiaries with related parties. Related party transactions can be carried out under commercial terms, agreed upon in the ordinary course of business and without interference from any of such related parties. The related party transaction policy was signed by the Chairman of the Board and disseminated to all related parties for acknowledgement. However, a significant related party's transaction must be considered and approved by the Board of Director and has to be conducted according to the relevant regulations.

The Board of Directors and the Audit Committee have a stated policy relating to transactions that may cause conflicts of interest and connected transactions. All such transactions have to be informed to the Board and prudently considered to evaluate the reasonableness of entering into such transactions. The regulations of the Stock Exchange of Thailand must also be followed. Prices and conditions have to be set on an arm's length basis. In addition, should any directors have conflicts of interest, the conflicted directors have to disclose relevant information to the meeting and do not have the right to vote on that particular matter. The details of transactions, transaction value, related parties, reason and necessity are disclosed in form 56-1 One report.

(2) Use of inside information to seek benefits

Protection and administration of Insider Information

The Company has prepared a code of conduct placing high significance on the protection of the Company and its subsidiaries' confidential information. Disciplinary penalties have been prescribed for executives and employees who use inside information for their personal benefit or use inside information in ways that may expose the Company to damage. Such actions include verbal warnings, written warnings, probation, dismissal and termination of employment. Employees are prohibited from buying, selling, transferring or accepting the transfer of the Company shares or entering into any other transaction by using confidential and/or inside information as this may incur harm, either directly or indirectly, to the Company.

The Company has set up measures to prevent insider trading by directors, executives and employees (including their spouses and minor children) who have access to significant inside information. A silent period policy for securities trading by these personnel is stipulated for a period of one month prior to the Company's disclosure of quarterly and annual financial statements. In addition, the Company has informed its directors and executives of their responsibility to report their ownership of securities issued by the Company and will enforce punishment pursuant to Section 59 of Securities and Exchange Act B.E. 2535 and the regulations of the Stock Exchange of Thailand for non-compliance. Moreover, whenever they purchase or sell securities issued by the Company, these personnel have to report their ownership of the Company shares including those under the possession of their spouses and minor children to the Office of the Securities and Exchange Commission within three days pursuant to Section 59 of Securities and Exchange Act B.E. 2535.

(3) Anti corruption action

Anti-Fraud and Anti-Corruption measures

The Company is aware of the importance of guarding against corruption. Therefore, the Company has collaborated with both the public and private sectors by signing the declaration under The "Private Sector Collective Action Coalition Against Corruption (CAC)" Project. Also in 2017, the Company and its subsidiary, Finansa Securities Ltd., applied to join and were certified as members of the CAC Project by receiving certificates which are valid for 3 years from 25 May 2017-25 May 2020 and from 18 August 2017-18 August 2020 respectively.

In 2020 the Company and its subsidiary, Finansa Securities Ltd. applied for an extension of membership of CAC Project and were granted certificates which are valid for 3 years from 30 June 2020-30 June 2023 and from 30 September 2020-30 September 2023 respectively.

The Company developed "Anti-Corruption Policy and Guidelines" and measures, procedural steps, and related operational processes for all employees as follows:

1.1 Definition of corruption.

Corruption means any types of bribery and/or using information received from or provided by the Company's operation by offering, agreeing to give, promising, demanding or accepting money, assets, or other inappropriate benefits from the government officers, private sectors, or responsible person either in direct or indirect action so that person, his/her friends, and/or others could achieve either directly or indirectly an improper benefit in business or any improper benefit, as well as any act that is against the Company's business ethic.

1.2 Corruption Risk Assessment

The Company has set an anti-corruption working group to cooperate in determining potential corruption risk every year by assessing the potential for corruption as a separate issue from other risks. The working group also assesses internal audit controls and other risk management issues that involve key operating systems to monitor risk and prevent corruption from occurring, as well as to establish a proper internal control system. The working group is required to suggest solutions. In addition, all risks will be reported to the Audit Committee and the Board of Directors.

1.3 Training and Communication

The Board of Directors has acknowledged and approved the Anti-Corruption Policy and Guidelines. Management has communicated these policies to all managers and staff through electronic mail and training. In addition, employees can access anti-corruption policies and practices and other related policies, such as the Code of Conduct and work regulations, from the Company's website. Notably, the Company has communicated its anti-corruption policy to its customers, business counterparts, and other stakeholders via registered mail, which will help third parties be informed about the Company's intention to prevent corruption. The Company publishes its anti-corruption policy to third parties through its website (www.finansa.com).

1.4 Anti-corruption practices

The Company takes all forms of corruption seriously, especially the receiving or giving of gifts, entertainment, and other benefits that could easily lead to corrupt practices. The Company sets straightforward anti-corruption directives, such as a limit for a single gift at more than Bt.3,000, otherwise a form is required to identify the giver, his or her objectives, and the value of the gift, which will be later presented to the Managing Director or Executive Directors for consideration. Other gratuities, for example, a reception, the taking of financial sponsorship, or a donation for charity, also require a relevant form to be completed and proposed to the Managing Director or Executive Directors for approval.

1.5 Auditing operation and internal control to prevent risk

- Assign an internal audit unit to monitor the operation as required to comply with anti-corruption policies and practices on a yearly basis, which is consistent with prior assessed risks. In addition, the unit also monitors internal control systems such as revenue and receivables collection, purchasing and debt payments, and investment and lending, and reports the audit results to the Audit Committee and the Board of Directors.
- Provide a channel for reporting specific evidence or complaints about corruption and set secure channels for outsiders, with internal staff set to report on suspected corruption. The evidence and complaints can be reported through the following channels:

Registered mail : Independent Committee, Finansa Public Company Ltd., 20th Floor, Tisco Tower 48/48, North Sathorn, Silom Sub-district, Bangrak District, Bangkok 10500

Email : id@finansa.com

Website : www.finansa.com

The information from the informant will be sent to the Audit Committee and kept confidential. It will be presented to the Board of Directors as well. In addition, the Company provides fairness and protection to employees who refuse to commit corruption even if the action by the Company will cause the Company to lose a business opportunity.

(4) Internal control policy to prevent bribery of government officials, foreign state officials and staff of international public organizations

Recognizing the importance of preventing bribery of government officials, foreign state officials and staff of international public organizations, the Company has established internal control measures to prevent bribe offerings to officials of government, foreign state and international public organizations with a clear operational guideline in alignment with Section 123/5 of The Organic Act on Counter Corruption, B.E. 2542 (1999) (as amended by (No. 3), B.E. 2558 (2015)) includes:

Definition of bribery

Bribery means granting, offering to grant, or promising to grant any property or other benefits to a government official, a foreign state official or a staff of an international public organization in order to persuade such person to wrongfully perform, not perform or delay the performance of any duty in his or her office.

Scope

1. This policy applies to Directors, Management Team, and staff of the Company and its subsidiaries.
2. A subsidiary means a company in which the Company owns more than 50% of its capital stock having ordinary voting rights.
3. The Company expects its representatives and/or intermediaries who are related to or are acting on behalf of the Company to follow this policy.

The Internal control policy includes the following:

1. Prescribing risk assessment to effectively identify and evaluate exposure to bribery
2. Prescribing enhanced and detailed measures for high-risk and vulnerable areas
3. Prescribing application of anti-bribery measures to business partners
4. Prescribing accurate books and accounting records
5. Prescribing human resource management policies complementary to anti-bribery measures
6. Prescribing procedures that encourage reporting of suspicion of bribery
7. Prescribing periodic review and evaluation of anti-bribery prevention measures and their effectiveness.

8.2 Report on the results of duty performance of the Audit Committee in the past year

8.2.1 The total number of the Audit Committee's meetings and the attendance of each member;

Name	Position	Attendance (Attendance/Total Meetings)				
		No. 1/4	No. 2/4	No. 3/4	No. 4/4	Total
1. Mr. Akarat Na Ranong	Chairman of the Audit Committee	✓	✓	✓	✓	4/4
2. Mr. Nuttawut Phowborom	Member of the Audit Committee	✓	✓	✓	✓	4/4
3. Mr. Chanmanu Sumawong	Member of the Audit Committee	✓	✓	✓	✓	4/4

8.2.2 The results of duty performance of the Audit Committee.

The Audit Committee of Finansa Public Company Limited comprised 3 independent non-executive directors, namely,

1. Mr. Akarat Na Ranong — Chairman of the Audit Committee
2. Mr. Nuttawut Phowborom — Member of the Audit Committee
3. Mr. Chanmanu Sumawong — Member of the Audit Committee

The Committee appointed Ms. Wipa Nilsophon, Assistant Managing Director Compliance Department, to act as the Secretary of the Audit Committee

The performance evaluation of the Audit Committee can be found in the Audit Report of 2021 in attachment 6.

8.3 Summary of the results of duty performance of subcommittees in the past year (the Nomination, Compensation and Corporate Governance Committee).

8.3.1 The total number of the the Nomination, Compensation and Corporate Governance Committee' meetings and the attendance of each subcommittee member;

Name	Position	Attendance (Attendance/Total Meetings)			
		No. 1/3	No. 2/3	No. 3/3	Total
1. Mr. Akarat Na Ranong	Chairman of the Nomination, Compensation and Corporate Governance Committee (Independent director)	✓	✓	✓	3/3
2. Mr. Chanmanu Sumawong	Member of the Nomination, Compensation and Corporate Governance Committee (Independent director)	✓	✓	✓	3/3
3. Mr. Vorasit Pokachaiyapat	Member of the Nomination, Compensation and Corporate Governance Committee	✓	✓	✓	3/3

8.3.2 The results of duty performance of the Nomination, Compensation and Corporate Gevernance Committee

The Nomination, Compensation and Corporate Governance Committee of Finansa Public Company Limited comprised 2 independent directors and 1 executive director as follows:

1. Mr. Akarat Na Ranong — Chairman (Independent director)
2. Mr. Chanmanu Sumawong — Member (Independent director)
3. Mr. Vorasit Pokachaiyapat — Member (Executive director/Managing Director)

The Committee appointed Ms. Wipa Nilsophon, Assistant Managing Director Compliance Department, acting as the Secretary of the Nomination, Compensation and Corporate Governance Committee

2021 Performance Report of the Nomination, Compensation and Corporate Governance Committee can be found in attachment 6.

9. Internal control and related party transactions

9.1 Internal control

In addition, an annual evaluation and review of the internal control systems has been carried out in order to make improvements and enhance their operating performance.

Four audit committee meetings were held in 2021; all members of the audit committee attended all meetings. The Audit Committee and the Board of Directors evaluated the Company's internal control systems, reviewed the internal audit report and the report of the auditor and concluded that there were no significant areas of concern, and the Company had an internal control system which was sufficient to safeguard against any use of the Company's assets by the executives and employees for personal interest.

The Board of Directors is aware the importance of the internal control system, which is a crucial mechanism to reduce business risks, protect properties, increase credibilitu to financial reports. It also safeguards the investment of shareholders. Therefore, the Audit Committee is assigned to develop an effective internal control system and manage risks to an acceptable level.

9.1.1 Adequacy and appropriateness of the Company's internal control system

Internal Control

The Company maintains internal control through the following procedures:

(1) The Company has consistently evaluated significant business risks affecting the Company and has pursued a follow-up and risk mitigation process.

(2) In controlling working operations of executives, the Company has stated, in a written document, the scope of duties and budget approval authority for each level of those executives and has allocated responsibility for cross-auditing.

(3) The Company has stated and pursued an accounting policy which is consistent with the Thai accounting standards and considered most appropriate for the business. All documents accompanying accounting records are categorized and maintained.

(4) The Company has set out a policy and guidelines of internal control to prevent corruption

(5) The Company has set out a policy and guidelines of internal control to prevent bribery of government officials, foreign state officials and staff of International public organizations.

(6) Accounting Revolution Company Limited, an out-sourced independent internal auditor, has true independence in its work in reviewing that all main business and financial operations are in compliance with relevant laws and regulations and performed with efficiency. The independent internal auditor is under the supervision of, and reports to, the Audit Committee in considering the adequacy of the internal control system and supervising business operations to comply with relevant laws and regulations. In addition, Deloitte Touche Tohmatsu Jaiyos Audit (Deloitte), the Company's Auditor, also reviews the internal control system in accordance with the audit of the financial statements. Deloitte reports the audit results directly to the Audit Committee every quarter.

Risk Management

Realizing the importance of managing risks that may affect operational performance, the Company regularly reviews and assesses important risk factors as well as monitors and establishes measures to lessen these risks. In this regard, the Company has established the Group Risk Management Committee which is comprised of directors and management personnel from each company in the group responsible for setting risk management guidelines and policies of the Company and its affiliates. The Group risk management report is presented to the Board of Directors every quarter.

9.1.2 What are the issues of the internal control system? Have they been resolved? And why?

In the Board Meeting No. 2/2565 held on 24 February 2022, with 3 members of the Audit Committee (Independent Director) attending, the Board assessed the adequacy of the internal control of the Company and subsidiaries by considering five main factors as follows:

Factor 1 Organizational Control and Environment Measures

Factor 2 Risk Management Measures

Factor 3 Management Control Activities

Factor 4 Information and Communication Measures

Factor 5 Monitoring

The Meeting reached an opinion that the Company's internal control is sufficient to operate its business according to its goals and objectives, and in accordance with applicable laws. The Company has appointed Accounting Revolution Co., Ltd. as the internal auditor of the Company for the year 2021 to assess the efficiency of internal controls, as well as reviewing the performance according to the procedure in the Audit Plan of 2021. The overall audit results showed no significant issues. The following were audited in 2021:

(1) Debt payment system, advance money, and petty cash of Finansa Public Company Limited

- Payment approval
- Check issuance and check register recording
- Storing of checks, including blank checks and account payable checks
- Check payment and transfer to creditors
- Advance money withdrawal and clearance
- Petty cash payment and reimbursement

(2) Revenue and payment receipt systems of Finansa Public Company Limited - investment, consultant, and management incomes

- Contracts
- Service and billing
- Debt reduction
- Storing of pending checks
- Reconciliation of bank balances

(3) Debt payment system, advance money, and petty cash of Finansa Securities Limited

- Payment approval
- Check issuance and check register recording
- Storing of checks, including blank checks and account payable checks
- Check payment and transfer to creditors
- Advance money withdrawal and clearance
- Petty cash payment and reimbursement

(4) Follow-up reports

- Debt payment system, advance money, and petty cash of Finansa Public Company Limited
- Revenue and payment receipt systems for investment, consultant, and management incomes of Finansa Public Company Limited
- Debt payment system, advance money, and petty cash of Finansa Securities Limited

The Audit Committee receives internal audit reports from the Internal Auditors on a quarterly basis and reports to the Board of Directors to consider and discuss improvements of internal control guidelines. In the overview of the follow-up report, it is stated that the related party has already resolved the issues.

9.1.3 The opinion of the Audit Committee in case of differences in opinion with the Board of Directors.

In the Audit Committee Meeting no. 1/2022 on 24 February 2022, the adequacy of the internal control system of the Company and subsidiaries was evaluated. The Audit Committee agreed with the Board of Directors that the Company has an efficient internal control system that is sufficient to protect its properties from misuse by the management and employees.

9.1.4 The opinion of the Audit Committee whether and how the head of the internal audit unit has educational qualifications, experiences and training suitable and sufficient for such duty performance;

The Audit Committee Meeting no. 1/2021 on 22 February 2021 appointed Accounting Revolution Company Limited to act as an out-sourced independent internal auditor of the Company for the year 2021 with Mrs. Sasivimon Suksai, Managing Director to be the main responsible internal auditor. The Audit Committee was of the opinion that Accounting Revolution Company Limited and Mrs. Sasivimon Suksai were considered to be qualified and appropriate as they had true independence and long-term experience in internal audit and internal control review. The Audit Committee was responsible for the appointment or removal of the internal auditor of the Company. The Company had assigned Ms. Wipa Nilsophon, Head of Compliance Department to coordinate with the out-sourced independent internal audit company.

The Company had also assigned Ms. Wipa Nilsophon, Head of Compliance Department to supervise the conduct of the Company in order to comply with regulatory requirements and to provide suggestions and advice on relevant laws and regulations to every business unit of the Finansa Group. The Compliance Department reported to the Audit Committee and Board of Directors and also reported to the Managing Director. The qualification of the Head of Compliance was disclosed in the Biographies of Directors and Management section (see Attachment 1). The role and responsibility of the Compliance Department was written in the Code of Conduct of the Finansa Group.

9.1.5 The appointment, discharge and transfer of the head of the internal audit

The consideration and approval of the appointment, removal, transfer of the head of the Company's internal audit department must be approved (or have been consented) from the audit committee.

9.2 Related Party Transactions

9.2.1 The related party transaction occurred in 2021 as shown in the financial statements for the year ended 31 December 2021 were as follows:

(The outstanding as at 31 December 2020 and 2019 were shown for a comparison.)

(Additional information were shown in the Note to Financial Statements No.10 and 26.)

Transaction / Related Parties (Relationship with the Company)	Types of Transaction	Transaction value for the year / Outstanding Value as at 31 December (THB million)			Rationale
		2021	2020	2019	
1. M.K. Real Estate Development PCL. (MK) (Associate)	**Investments in an associate.** 1. % of share holdings 2. Investment value under cost method 3. Investment value under equity method	 31.51% 1,376.52 1,360.21	 26.54% 1,207.66 1,244.94	 18.80% 945.84 1,012.42	FNS acquired additional shares in MK. Investment in MK was accounted for under equity method.
	Income 1. Information technology services	2.40	2.40	2.40	FNS signed a service agreement with MK to provide information technology services for MK and its subsidiaries with service fees as agreed.
	2. Interest income	0.23	-	-	FNS invested in MK's short term debenture with fixed interest as agreed.
	3. Selling agent fees	8.59	4.13	7.80	FSL provided selling agent services and received fees.
	Expenses 1. Rental and other services	0.83	-	-	FNS rented a part of the office space in MK's building at market rate.
	Outstanding transactions 1. Service income receivable	1.50	1.68	0.43	FNS had accrued information technology service income. FSL had accrued selling agent fee income.

Transaction / Related Parties (Relationship with the Company)	Types of Transaction	Transaction value for the year / Outstanding Value as at 31 December (THB million)			Rationale
		2021	2020	2019	
	2. Short-term loans and advance to related parties	200.00	-	-	FNS invested in MK's short term debt instruments with fixed interest as agreed.
	3. Other receivable	0.17	-	-	FNS had accrued interest income from investment in MK's short term debt instruments.
2. Prospect Logistics and Industrial Leasehold Real Estate Investment Trust (PROSPECT REIT) (Associate)	**Investments in an associate.**				
	1. % of share holdings	22.99%	22.99%	-	FNS invested in PROSPECT REIT, representing a 22.29% shareholding in August 2020.
	2. Investment value under cost method	544.45	563.20	-	
	3. Investment value under equity method	527.17	564.07	-	Investment in PROSPECT REIT was accounted for under equity method.
3. Kanom Café Co., Ltd. (Kanom) (Associate)	**Investments in an associate.**				
	1. % of share holdings	30%	-	-	In June, FNS converted loan into a 30 percent share investment in Kanom.
	2. Investment value under cost method	60.00	-	-	
	3. Investment value under equity method	53.46	-	-	Investment in Kanom was accounted for under equity method.
	Income				
	1. Interest income	1.51	-		FNS received interest income from lending to Kanom.
	Outstanding transactions				
	1. Short-term loans and advance to related parties	67.03	-	-	FNS lent money to Kanom under the loan agreement with fixed interest rate as mutually agreed.
	2. Other receivable	1.51	-	-	Accrued interest income from loans to Kanom.

Transaction / Related Parties (Relationship with the Company)	Types of Transaction	Transaction value for the year / Outstanding Value as at 31 December (THB million)			Rationale
		2021	2020	2019	
4. BFTZ Wangnoi Co., Ltd. (BFTZ WN) (Associate)	**Investments in an associate.**				
	1. % of share holdings	50%	-	-	In May 2021 FNS established BFTZ WN, a joint venture with PD to operate business in developing warehouses and factory for lease.
	2. Investment value under cost method	2.50	-	-	
	3. Investment value under equity method	2.09	-	-	Investment in BFTZ WN was accounted for under equity method.
	Income				
	1. Interest income	3.23	-	-	FNS received interest income from loan as agreed under the shareholders' agreement.
	Outstanding transactions				
	1. Short-term loans and advance to related parties	128.00	-	-	FNS provided financial support to BFTZ WN in accordance with its shareholding proportion as stated in the shareholders' agreement with a fixed interest rate as mutually agreed.
	2. Other receivable	1.46	-	-	Accrued interest income from loans to BFTZ WN

Transaction / Related Parties (Relationship with the Company)	Types of Transaction	Transaction value for the year / Outstanding Value as at 31 December (THB million)			Rationale
		2021	2020	2019	
5. Prospect Development Co., Ltd. (PD) (Common director)	**Income** 1. Fee and other service income	3.00	9.00	9.00	FNS provided human resources management service to PD with service fees, calculated from actual incurred cost, as agreed by both parties.
	2. Selling agent and other fees	4.08	4.82	4.58	FSL received selling agent fees.
	3. Other income	0.04	2.84	2.83	FNS receives phone system service fees and utilities service fees.
	Expenses 1. Property Management service fee and other expenses	-	16.32	18.70	FNS paid property management service fee and other services, i.e. building repair to PD, the property management service provider, at the mutually agreed rate base on the actual rental and service income that FNS received and gains from leasing business operation. FNS disposed the leasehold right in August 2020.
	Outstanding transactions 1. Receivable service income	0.003	0.08	0.07	FNS had accrued phone system service fees.
	2. Other current liabilities	0.01	0.62	3.68	FNS had accrued property management service fee (calculated from the rent collected on a cash basis), and refunded the deposit for the office space lease to PD following the cancellation of the office space rent.

Transaction / Related Parties (Relationship with the Company)	Types of Transaction	Transaction value for the year / Outstanding Value as at 31 December (THB million)			Rationale
		2021	2020	2019	
6. Prospect REIT Management Co., Ltd. (PRM) (Common director)	**Income** 1. Other income	0.01	0.28	-	FNS received phone system service income.
	Outstanding transaction 1. Receivable service income	0.002	-	-	FNS had accrued phone system service income.
7. Finansia Syrus Securities Plc. (FSS) (Associate)	**Investments in an associate** 1. % of share holdings	-	29.29%	29.29%	FNS sold its investment in FSS in December 2021
	2. Investment value under cost method	-	536.35	536.35	
	3. Investment value under equity method	-	669.02	645.13	Investment in FSS was accounted for under equity method.
	Income 1. Selling agent fees and other service fee	0.89	5.62	-	FSL received advisory and selling agent fees.
	Expenses 1. Other service fees	6.47	12.12	0.04	FSL paid service fees related to underwriting activity. FFM paid custodian service fee
	Outstanding transaction 1. Service income receivables	-	5.78	-	FSL had accrued advisory service fees.
	2. Other receivable	-	0.09	0.09	FSL's clients' assets were taking care by FSS under custody service agreement.
8. Directors' and management	Directors' and management's remuneration	42.91	75.18	31.66	FNS paid meeting fees and annual remuneration to directors and paid remuneration to management.
	Advisory cost	3.46	3.38	3.35	FFM pays advisory fee to management.

9.2.2 Necessity and reasonability of the related transactions

The Company has set policies on related transactions based on the rules and regulations set forth by the Stock Exchange of Thailand concerning related transactions of listed companies and transfers of assets by listed companies. In the case that there is a conflict of interest with the Company or subsidiaries, the directors involved shall not have voting rights on such conflict matters.

The related party transactions are necessary and reasonably conducted in the best interest of the Company. The board of directors and audit committee of the Company were of the opinion that:

- transactions between the Company and its wholly owned subsidiaries (more than 99% holding) were done in the ordinary course of business and at arm's length prices.
- transactions between the Company, its subsidiaries (less than 99% holding) and its related parties were done in the ordinary course of business and at arm's length prices.

For the related party transactions occurring in 2021 as shown above, the Audit Committee considered that they were done in the ordinary course of business.

9.2.3 Future Related Transactions

In 2008, the Board approved in principle related party transactions which are conducted in the normal course of business between the Company and its subsidiaries with related parties. Related party transactions can be carried out under commercial terms, agreed upon in the ordinary course of business and without interference from any of such related parties. The related party transaction policy was signed by the Chairman of the Board and disseminated to all related parties for acknowledgement.

It is the Audit Committee's duty to consider and ensure the accuracy and completeness of information disclosure on related transactions or transactions which may cause conflicts of interest. Additional responsibilities are to review and ensure the Company adopts proper and effective internal control and internal audit systems, and complies with the laws on securities exchange, the SET's regulations, or other laws relating to its business.

The related party transactions in the future are expected to occur in the ordinary course of business.

Part 3
Financial Statements

REPORT OF THE INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

TO THE SHAREHOLDERS AND BOARD OF DIRECTORS FINANSA PUBLIC COMPANY LIMITED

Opinion

We have audited the consolidated financial statements of Finansa Public Company Limited and its subsidiaries (the "Group") and the separate financial statements of Finansa Public Company Limited (the "Company"), which comprise the consolidated and separate statements of financial position as at December 31, 2021, and the related consolidated and separate statements of profit or loss and other comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated and separate financial statements present fairly, in all material respects, the financial position of Finansa Public Company Limited and its subsidiaries and of Finansa Public Company Limited as at December 31, 2021, and its financial performance and its cash flows for the year then ended in accordance with Thai Financial Reporting Standards ("TFRSs").

Basis for Opinion

We conducted our audit in accordance with Thai Standards on Auditing ("TSAs"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements section of our report. We are independent of the Group in accordance with the Federation of Accounting Professions' Code of Ethics for Professional Accountants together with the ethical requirements that are relevant to the audit of the consolidated and separate financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matter is matter that, in our professional judgment, was of most significance in our audit of the consolidated and separate financial statements of the current period. This matter was addressed in the context of our audit of the consolidated and separate financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on this matter.

Key Audit Matters	Audit Responses
Revenue recognition - Revenue from securities business Revenue from securities business is mostly derived from financial advisory fees for which applied assumptions and used management's judgments to estimate percentage of completion. Therefore, the key audit matter is whether the revenue from financial advisory has been accurately recorded in accordance with TFRSs. The accounting policy regarding revenue recognition and details of revenue from securities business information were disclosed in the Notes 3.1.1 and 27 to the financial statements, respectively.	**Key audit procedures included** • Understanding the process relating to recognition of revenue from securities business and the design of the related internal control • Evaluating the design and implementation of the internal controls relating to recognition of revenue from securities business • Performing the operating effectiveness testing over the internal controls relating to recognition of revenue from securities business, and • Performing substantive testing as follows: - Reviewing assumptions and management's judgments to estimate percentage of completion and recalculating the revenue from securities business whether it has been recorded appropriately and examining the related supporting documents of the revenue from securities business, - Performing substantive analytical procedures relating to the revenue from securities business.

Other Information

Management is responsible for the other information. The other information comprises information in the annual report, but does not include the consolidated and separate financial statements and our auditor's report thereon, which is expected to be made available to us after the date of this auditors' report.

Our opinion on the consolidated and separate financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to management and those charged with governance for correction of the misstatement.

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

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

In preparing the consolidated and separate financial statements, management is responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group and the Company 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 Consolidated and Separate Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated and separate 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 our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with TSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

As part of an audit in accordance with TSAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated and separate 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 our 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 and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated and the separate financial statements, including the disclosures, and whether the consolidated and separate 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. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We 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 we identify during our audit.

We also provide those charged with governance with a statement that we 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 our independence, and where applicable, related safeguards.

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

BANGKOK

February 24, 2022

Kasiti Ketsuriyonk

Certified Public Accountant (Thailand)

Registration No. 8833

DELOITTE TOUCHE TOHMATSU JAIYOS AUDIT CO., LTD.

FINANSA PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION
AS AT DECEMBER 31, 2021

Unit : Thousand Baht

	Notes	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
		2021	2020	2021	2020
ASSETS					
CURRENT ASSETS					
Cash and cash equivalents	4.1	197,259	72,635	8,476	18,243
Other current financial assets	7	363,226	647,732	237,803	447,558
Service income receivables					
Related parties	26.2	1,503	7,535	264	354
Other parties		6,515	40,016	664	30,430
Total service income receivables		8,018	47,551	928	30,784
Receivables and loans to others	5	100,000	199,054	100,000	199,054
Other receivables		32,184	37,500	32,180	47,670
Short-term loans and advance to related parties	26.2, 26.3.1	395,028	-	395,895	527,560
Digital tokens	8	475,000	-	475,000	-
Other current assets	9	33,676	38,963	25,302	30,083
TOTAL CURRENT ASSETS		1,604,391	1,043,435	1,275,584	1,300,952
NON-CURRENT ASSETS					
Other non-current financial assets	7	316,328	286,061	23,204	23,048
Investment in associates	10.1, 10.2	1,943,642	2,478,859	1,983,468	1,770,852
Investment in subsidiaries	10.2	-	-	1,459,697	1,459,697
Premises and equipment	11	86,715	87,502	78,097	76,943
Right-of-use assets	17	8,804	4,388	945	1,376
Goodwill	12	156,920	156,920	-	-
Leasehold rights	13	-	-	-	-
Other intangible assets other than goodwill	14	2,134	2,523	1,887	1,858
Deferred tax assets	15	7,886	7,297	-	-
Other non-current assets		1,658	1,313	1,025	1,025
TOTAL NON-CURRENT ASSETS		2,524,087	3,024,863	3,548,323	3,334,799
TOTAL ASSETS		4,128,478	4,068,298	4,823,907	4,635,751

Notes to the financial statements form an integral part of these financial statements

FINANSA PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION (CONTINUED)
AS AT DECEMBER 31, 2021

Unit : Thousand Baht

	Notes	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
		2021	2020	2021	2020
LIABILITIES AND SHAREHOLDERS' EQUITY					
CURRENT LIABILITIES					
Short-term debentures	16.1	300,000	-	300,000	-
Current portion of long-term debentures	16.2	340,000	400,000	340,000	400,000
Current portion of lease liabilities	17	4,310	1,557	459	421
Short-term loans from related parties	26.2, 26.3.2	-	-	690,200	713,500
Corporate income tax payable		7	-	-	-
Other current liabilities	18	126,580	153,887	78,981	36,645
TOTAL CURRENT LIABILITIES		770,897	555,444	1,409,640	1,150,566
NON-CURRENT LIABILITIES					
Long-term debentures, net of current portion	16.2	666,800	640,000	666,800	640,000
Lease liabilities	17	4,759	2,985	589	1,048
Provision for post-employment benefits	19	68,755	63,479	29,383	27,601
TOTAL NON-CURRENT LIABILITIES		740,314	706,464	696,772	668,649
TOTAL LIABILITIES		1,511,211	1,261,908	2,106,412	1,819,215
SHAREHOLDERS' EQUITY					
Share capital					
Authorized share capital					
345,855,440 ordinary shares of Baht 5 each		1,729,277	1,729,277	1,729,277	1,729,277
Paid-up share capital					
345,855,440 ordinary shares of Baht 5 each, fully paid		1,729,277	1,729,277	1,729,277	1,729,277
Premium on ordinary shares		208,455	208,455	208,455	208,455
Retained earnings					
Appropriated					
Legal reserve	20	65,000	61,000	65,000	61,000
Unappropriated		936,011	1,164,954	722,712	826,207
Other components of shareholders' equity		(321,476)	(357,296)	(7,949)	(8,403)
TOTAL SHAREHOLDERS' EQUITY		2,617,267	2,806,390	2,717,495	2,816,536
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		4,128,478	4,068,298	4,823,907	4,635,751

Notes to the financial statements form an integral part of these financial statements

FINANSA PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE YEAR ENDED DECEMBER 31, 2021

Unit : Thousand Baht

	Notes	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
		2021	2020	2021	2020
REVENUES					
Revenues from investment, advisory and management business		43,716	78,009	188,434	128,928
Revenues from securities business		213,348	349,417	-	-
Revenues from warehouse and factory leasing business		-	124,624	-	124,624
Compensation fee from termination of sublease agreement		-	198,136	-	198,136
Gain from dissolution of a subsidiary		-	3,181	-	-
Other income		8,879	10,267	13,450	8,300
Total Revenues		265,943	763,634	201,884	459,988
COSTS AND EXPENSES					
Finance costs		58,830	72,732	71,798	85,189
Investment, advisory and management business costs and expenses		36,217	45,481	17,227	21,914
Securities business costs and expenses		121,206	168,567	-	-
Warehouse and factory leasing business costs and expenses		-	69,684	-	69,684
Servicing and administrative expenses		63,603	54,697	41,576	42,725
Loss from sale of investment in an associate		56,056	-	-	-
Impairment loss on investment (reversal)		-	-	-	(89,385)
Allowance for expected credit loss (reversal)		(32,896)	61,755	(32,896)	61,755
Directors and managements remuneration	26.4	42,908	75,178	30,748	31,658
Total Costs and Expenses		345,924	548,094	128,453	223,540
PROFIT (LOSS) FROM OPERATING ACTIVITIES		(79,981)	215,540	73,431	236,448
Share of profit of associates accounted for using equity method		50,864	30,780	-	-
PROFIT (LOSS) BEFORE INCOME TAX EXPENSE FOR THE YEARS		(29,117)	246,320	73,431	236,448
INCOME TAX EXPENSE	15	(13,072)	(23,057)	-	-
NET PROFIT (LOSS) FOR THE YEARS		(42,189)	223,263	73,431	236,448

FINANSA PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (CONTINUED) FOR THE YEAR ENDED DECEMBER 31, 2021

Unit : Thousand Baht

	Notes	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
		2021	2020	2021	2020
OTHER COMPREHENSIVE INCOME (LOSS)					
Components of other comprehensive income (loss)					
that will reclassified to profit or loss					
Gain (loss) on fair value measuring financial assets		(10,657)	(12,608)	454	306
Gain on dilution of investment in an associate		2,831	-	-	-
Exchange differences on translating financial statements		31,545	(8,584)	-	-
Total components of other comprehensive income (loss) that will reclassified to profit or loss, net of tax		23,719	(21,192)	454	306
Components of other comprehensive income (loss) that will not reclassified to profit or loss					
Share of other comprehensive loss of associates		(1,690)	(6,205)	-	-
Actuarial gain (loss) on defined employee benefit plans		3,963	(19,420)	-	(5,189)
Total components of other comprehensive income (loss) that will reclassified to profit or loss, net of tax		2,273	(25,625)	-	(5,189)
OTHER COMPREHENSIVE INCOME (LOSS) FOR THE YEARS, NET OF TAX		25,992	(46,817)	454	(4,883)
TOTAL COMPREHENSIVE INCOME (LOSS) FOR THE YEARS		(16,197)	176,446	73,885	231,565
PROFIT (LOSS) ATTRIBUTABLE TO					
Owners of the Company		(42,189)	223,263	73,431	236,448
		(42,189)	223,263	73,431	236,448
TOTAL COMPREHENSIVE INCOME (LOSS) ATTRIBUTABLE TO					
Owners of the Company		(16,197)	176,446	73,885	231,565
		(16,197)	176,446	73,885	231,565
BASIC EARNINGS (LOSS) ATTRIBUTABLE TO OWNERS OF THE COMPANY PER SHARE	Baht	(0.12)	0.65	0.21	0.68
WEIGHTED AVERAGE NUMBER OF ORDINARY SHARES	Shares	345,855,440	345,855,440	345,855,440	345,855,440

Notes to the financial statements form an integral part of these financial statements

FINANSA PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2021

Unit : Thousand Baht

		CONSOLIDATED FINANCIAL STATEMENTS									
				Other components of shareholders' equity					Retained earnings		
									Appropriated		
	Notes	Issue and paid-up share capital	Premium on ordinary shares	Gain (loss) on fair value measuring of financial assets	Actuarial gain (loss) on defined employee benefit plans	Unrealized gain on dilution of investment in an associate	Exchange differences on translating financial statements	Share of other comprehensive gain (loss) of associates	Legal reserve	Unappropriated	Total Shareholders' equity
Beginning balance as at January 1, 2020		1,729,277	208,455	6,460	(14,536)	3,509	(298,040)	(7,872)	49,000	1,005,569	2,681,822
Total comprehensive income (loss) for the year		-	-	(12,608)	(19,420)	-	(4,520)	(6,205)	-	223,263	180,510
Cumulative exchange differences in respect of dissolution a subsidiary		-	-	-	-	-	(4,064)	-	-	-	(4,064)
Legal reserve	20	-	-	-	-	-	-	-	12,000	(12,000)	-
Interim dividends paid	21	-	-	-	-	-	-	-	-	(51,878)	(51,878)
Ending balance as at December 31, 2020		1,729,277	208,455	(6,148)	(33,956)	3,509	(306,624)	(14,077)	61,000	1,164,954	2,806,390
Beginning balance as at January 1, 2021		1,729,277	208,455	(6,148)	(33,956)	3,509	(306,624)	(14,077)	61,000	1,164,954	2,806,390
Total comprehensive income (loss) for the year		-	-	(10,657)	3,963	2,831	31,545	(1,690)	-	(42,189)	(16,197)
Cumulative share of other comprehensive loss of associates		-	-	-	-	-	-	9,828	-	(9,828)	-
Legal reserve	20	-	-	-	-	-	-	-	4,000	(4,000)	-
Dividends paid	21	-	-	-	-	-	-	-	-	(172,926)	(172,926)
Ending balance as at December 31, 2021		1,729,277	208,455	(16,805)	(29,993)	6,340	(275,079)	(5,939)	65,000	936,011	2,617,267

FINANSA PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2021

Unit : Thousand Baht

		SEPARATE FINANCIAL STATEMENTS						
				Other components of shareholders' equity		Retained earnings		
						Appropriated		
	Notes	Issued and paid-up share capital	Premium on ordinary shares	Gain on fair value measuring of financial assets	Actuarial loss on defined employee benefit plans	Legal reserve	Unappropriated	Total shareholders' equity
Beginning balance as at January 1, 2020		1,729,277	208,455	65	(3,585)	49,000	653,637	2,636,849
Total comprehensive income (loss) for the year		-	-	306	(5,189)	-	236,448	231,565
Legal reserve	20	-	-	-	-	12,000	(12,000)	-
Interim dividends paid	21	-	-	-	-	-	(51,878)	(51,878)
Ending balance as at December 31, 2020		1,729,277	208,455	371	(8,774)	61,000	826,207	2,816,536
Beginning balance as at January 1, 2021		1,729,277	208,455	371	(8,774)	61,000	826,207	2,816,536
Total comprehensive income for the year		-	-	454	-	-	73,431	73,885
Legal reserve	20	-	-	-	-	4,000	(4,000)	-
Dividends paid	21	-	-	-	-	-	(172,926)	(172,926)
Ending balance as at December 31, 2021		1,729,277	208,455	825	(8,774)	65,000	722,712	2,717,495

Notes to the financial statements form an integral part of these financial statements

FINANSA PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2021

Unit : Thousand Baht

	Notes	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
		2021	2020	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES					
Profit (loss) for the periods		(42,189)	223,263	73,431	236,448
Adjustments for:					
Income tax expense		13,072	23,057	-	-
Share of profit of associates accounted for using equity method		(50,864)	(30,780)	-	-
Depreciation and amortization		13,003	49,035	6,535	45,646
Amortization of discount on investment in debt securities		299	293	299	293
Amortization of discounts paid on bills of exchange		416	-	416	-
Gain on exchange rate		(789)	(12,650)	-	-
(Gain) loss on fair value measuring of financial assets		(10,780)	(47)	454	306
Allowance for expected credit loss (reversal)		(32,896)	61,755	(32,896)	61,755
Impairment loss on investment (reversal)		-	-	-	(89,385)
Loss from sale of investment in an associate		56,056	-	-	-
Gain from disposal and amortization of fixed assets and intangible assets		(11)	(297)	(11)	(297)
Compensation fee from termination of sublease agreement		-	(198,136)	-	(198,136)
Service and interest costs on employees benefits		5,276	5,125	1,782	1,752
Dividends income		(24,572)	(300)	(132,053)	(29,474)
Interest Income		(13,496)	(28,115)	(24,937)	(39,747)
Finance costs		58,830	72,732	71,798	85,189
Profit (loss) from operating activities before changes in operating assets and liabilities		(28,645)	164,935	(35,182)	74,350
Operating assets (increase) decrease					
Other financial assets		284,628	(695,664)	209,302	(389,536)
Service income receivables		39,533	(40,880)	29,856	(29,277)
Receivables and loans to others		105,609	417,471	115,783	151,217
Other current assets		(1,511)	(1,638)	(165)	(376)
Other non-current assets		(345)	4,992	-	5,008
Operating liabilities increase (decrease)					
Deposits from customers		-	(64,037)	-	(64,037)
Other current liabilities		(28,862)	109,630	41,652	(5,936)
Employee benefits paid		-	(1,108)	-	(1,108)
Cash received (paid) from operations		370,407	(106,299)	361,246	(259,695)
Interest received		45,153	13,706	56,594	25,338
Interest paid		(56,658)	(74,244)	(70,915)	(92,916)
Cash received of refundable corporate income tax		9,777	-	7,841	-
Income tax paid		(16,550)	(23,087)	(2,896)	(5,551)
Net cash used in operating activities		352,129	(189,924)	351,870	(332,824)

FINANSA PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF CASH FLOWS (CONTINUED)
FOR THE YEAR ENDED DECEMBER 31, 2021

Unit : Thousand Baht

	Notes	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
		2021	2020	2021	2020
CASH FLOWS FROM INVESTING ACTIVITIES					
Cash received from repayment of short-term loans and advance to related parties		-	730	580,694	-
Cash paid for short-term loans and advance to related parties		(395,028)	-	(449,029)	-
(Increase) decrease in deposits subject to restrictions		-	630	-	630
Cash paid for other non-current financial assets		(29,131)	(9,810)	-	(9,810)
Distribution from investment		18,743	-	18,743	143,500
Cash received from sale of investement in an associate		692,999	-	-	-
Cash paid for investment in associates		(231,360)	(825,011)	(231,360)	(825,011)
Cash paid for acquisition of digital tokens		(475,000)	-	(475,000)	-
Cash paid for acquisition of fixed assets and intangible assets		(8,485)	(16,783)	(8,068)	(15,012)
Cash received from sales of fixed assets and intangible assets		177	26,258	177	26,258
Cash received from termination of sublease agreement		-	1,279,544	-	1,279,544
Cash received from sales of investment in subsidairy		-	2,800	-	2,800
Dividends received		79,020	29,774	132,053	29,474
Net cash provided by investing activities		(348,065)	488,132	(431,790)	632,373
CASH FLOWS FROM FINANCING ACTIVITIES					
Cash received from bill of exchange issued		49,584	-	-	-
Cash paid for bill of exchange issued		(50,000)	-	-	-
Cash received from short-term loans from related parties	4.2	-	-	63,500	121,500
Cash paid for short-term loans from related parties	4.2	-	-	(86,800)	(129,800)
Cash received on short-term debenture issued	4.2	300,000	-	300,000	-
Cash received on long-term debenture issued	4.2	366,800	-	366,800	-
Cash paid for long-term debenture issued	4.2	(400,000)	(230,000)	(400,000)	(230,000)
Cash paid for liabilities under finance lease agreement	4.2	(4,443)	(1,167)	(421)	(386)
Dividends paid	21	(172,926)	(51,878)	(172,926)	(51,878)
Net cash provided by (used in) financing activities		89,015	(283,045)	70,153	(290,564)
Net increase (decrease) in cash and cash equivalents before effect of exchange rate		93,079	15,163	(9,767)	8,985
Differences on translation of financial statements		31,545	(8,584)	-	-
Net increase (decrease) in cash and cash equivalents		124,624	6,579	(9,767)	8,985
Cash and cash equivalents as at January 1,		72,635	66,056	18,243	9,258
Cash and cash equivalents as at December 31,	4.1	197,259	72,635	8,476	18,243
Non-cash items:					
Revaluation surplus on investments increase (decrease)		(10,657)	(12,605)	454	306
Payable for acquisition of fixed assets and intangible assets increase (decrease)		(113)	(729)	(616)	690
Discounts on bills of exchange increase		416	-	416	-

Notes to the financial statements from an integral part of these financial statements

FINANSA PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2021

1. OPERATIONS AND GENERAL INFORMATION

1.1 The Company's information

Finansa Public Company Limited (the "Company") was incorporated as a limited company under Thai law on December 7, 1989, registered the change of its status to a public limited company on June 19, 2002 and listed on the Stock Exchange of Thailand on September 25, 2002. Its registered office is located at 48/48 TISCO Tower, 20th Floor, North Sathorn Road, Silom, Bangrak, Bangkok. The Company operates its business in Thailand and its principal activity is to invest in and provide finance and management advisory services to its affiliated and related parties as well as to provide warehouse and factory leasing business. Furthermore, the Company's subsidiaries also provide financial services, including investment banking, underwriting, selling agent of mutual funds, bond trading services and investment.

Coronavirus Disease 2019 Pandemic

The Coronavirus disease 2019 ("COVID-19") pandemic is continuing to evolve, resulting in an economic slowdown and adversely impacting most businesses and industries. This situation may bring uncertainties and have an impact on the environment in which the group operates. Nevertheless, the Group's management will continue to monitor the ongoing development and regularly assess the financial impact in respect of valuation of assets, provisions and contingent liabilities.

2. BASIS FOR PREPARATION OF THE FINANCIAL STATEMENTS

2.1 Basis for preparation and presentation of financial statements

The Group maintains its accounting records in Thai Baht and prepares its statutory financial statements in the Thai language in conformity with Thai Financial Reporting Standards and accounting practices generally accepted in Thailand.

The Group's financial statements have been prepared in accordance with the Thai Accounting Standard (TAS) No. 1 "Presentation of Financial Statements", which was effective for financial periods beginning on or after January 1, 2021 onward, and the Regulation of The Stock Exchange of Thailand (SET) dated October 2, 2017, regarding the preparation and submission of financial statements and reports for the financial position and results of operations of the listed companies B.E. 2560 and the Notification of the Department of Business Development regarding "The Brief Particulars in the Financial Statement (No.3) B.E. 2562" dated December 26, 2019.

The financial statements have been prepared under the historical cost convention except as disclosed in the significant accounting policies (see Note 3).

2.2 Basis for preparation of consolidated financial statements

(a) These consolidated financial statements include the financial statements of Finansa Public Company Limited and the following subsidiaries, which were incorporated in Thailand and overseas:

	Percentage of shareholding as at		Country of registration	Nature of business
	December 31, 2021	December 31, 2020		
Subsidiaries held directly by the Company				
Finansa Securities Ltd.	100	100	Thailand	Investment banking / Securities business
Finansa Fund Management Ltd.	100	100	Cayman Islands	Investment business
Finansa (Cambodia) Ltd.	100	100	Cambodia	Investment advisory business

(b) The financial statements of the subsidiaries incorporated overseas are translated into Thai Baht at the prevailing exchange rates on the statement of financial position dates for assets and liabilities, and at the monthly average exchange rates for revenue and expense items. The resulting differences have been shown under the caption of Translation of financial statement differences which is a part of other components of shareholders' equity.

(c) Material balances and transactions between the Group have been eliminated from the consolidated financial statements.

(d) The financial statements of the subsidiaries for the years ended December 31, 2021 included in the consolidated financial statements were audited except for the financial statements of Finansa (Cambodia) Ltd. which were not audited and therefore the management accounts for these subsidiaries are included in the consolidated financial statements. These subsidiaries' assets, liabilities and net profit (loss) are not significant to the consolidated financial statements.

(e) On June 5, 2020, Finansa Hong Kong Limited has registered the dissolution. The Company derecognized the assets and liabilities of the subsidiary from the consolidated statement financial position. In addition, the Company reversed impairment loss on investment in the amount of Baht 32.24 million in the separate statements of profit or loss and other comprehensive income for the year ended December 31, 2020.

(f) On December 25, 2020, the Company disposed all investments in Finansa Capital Company Limited to third party. The Company derecognized the assets and liabilities of the subsidiary from the consolidated statement financial position. In addition, the Company reversed impairment loss on investment in the amount of Baht 57.15 million in the separate statements of profit or loss and other comprehensive income for the year ended December 31, 2020.

2.3 Thai Financial Reporting Standards affecting the presentation and disclosure in the current period financial statements

During the year, the Group has adopted the revised financial reporting standards and the Conceptual Framework for Financial Reporting issued by the Federation of Accounting Professions which are effective for fiscal years beginning on or after January 1, 2021. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards, with most of the changes directed towards revisions to references to the Conceptual Framework in TFRSs, the amendment for definition of business, the amendment for definition of materiality and accounting requirements for interest rate reform. The adoption of these financial reporting standards does not have any significant impact on the Group's financial statements

2.4 Thai Financial Reporting Standards announced in the Royal Gazette but not yet effective

The Amendment to Thai Financial Reporting Standards No. 16 "Leases" ("TFRS 16") added the requirements for the temporary exception arising from the Phase 2 of the interest rate benchmark reform amendments, which an entity shall apply these amendments for annual reporting periods beginning on or after January 1, 2022 with earlier application permitted. This revised TFRS 16 has been announced in the Royal Gazette on January 27, 2021.

The Federation of Accounting Professions has issued the Notification regarding the amendments to Thai Financial Reporting Standards No. 4 "Insurance Contracts", Thai Financial Reporting Standards No. 7 "Financial Instruments: Disclosures", and Thai Financial Reporting Standards No. 9 "Financial Instruments", which have been announced in the Royal Gazette on June 28, 2021 and will be effective for the financial statements for the period beginning on or after January 1, 2022 onwards with earlier application permitted. The amendment to such Thai Financial Reporting Standards are relevant to the Phase 2 of the interest rate benchmark reform amendments which provided practical expedients for the modification of the contractual cash flows of financial assets or financial liabilities resulted from the interest rate benchmark reform, including temporary exceptions from specific hedge accounting requirements, and additional disclosure requirements of TFRS 7.

The Group's management will adopt such TFRSs in the preparation of the Group's financial statements when it becomes effective. The Group's management is in the process to assess the impact of these TFRSs on the financial statements of the Group in the period of initial application.

3. SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies are summarized below:

3.1 Revenue and expense recognition

3.1.1 Revenue

(a) Commission fees from selling agent
Commission fees from selling agent are recognized at a point in time on execution date of the trades on the basis stipulated in each fund's agreements.

(b) Fees and service income
Fees and service income comprise financial advisory fee and underwriting fee which are recognized at a point of time when completion of transaction. And, retainer fee which is recognized when satisfying performance obligation in providing the promised service to customer, based on contractual rate.

3.1.2 Rental and service income

Rental and service income are recognized as revenue based on period of rental agreement on a straight line basis.

3.1.3 Interest and discounts on loans

Interest and discounts on loans are recognized on effective interest rate basis over the term of the loans, based on the amount of principal outstanding. Accrued interests from defaulted loans, with uncertainty for collectible on loan principal and interest on loan. The Group will cease to recognize such interest income, and will consider providing allowance for expected credit loss for accrued interest together with the loan principal.

3.1.4 Gains (losses) on trading in financial assets

Gains (losses) on trading in financial assets are recognized as revenue or expenses on the transaction dates.

3.1.5 Interest and dividends on investments

Interest is recognized as interest accrued based on the effective yield rate method. Dividends income is recognized when the right to receive the dividends is established.

3.1.6 Interest on borrowings

Interest on borrowings is charged as expense on effective interest rate basis.

3.1.7 Expenses

Expenses are recognized on an accrual basis.

3.2 Cash and cash equivalents

Cash and cash equivalents consist of cash on hand, cash at banks and all highly liquid investments with an original maturity of three months or less and not subject to withdrawal restrictions or pledge/guarantee commitments.

3.3 Financial instruments

Financial assets and financial liabilities are recognized in the Group's statement of financial position when the Group becomes a party to the contractual provisions of the financial instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss.

Financial assets

All recognized financial assets are measured subsequently in their entirely at either amortized cost or fair value, depending on the classification of the financial assets.

Classification of financial assets

Debt instruments that meet the following conditions are measured subsequently at amortized cost;

- The financial asset is 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 asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Debt instruments that meet the following conditions are measured subsequently at fair value through other comprehensive income;

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

All other financial assets are measured subsequently at fair value through profit or loss (FVTPL).

Impairment of financial assets

The Group recognizes a loss allowance for expected credit losses on investments in debt instruments that are measured at amortized cost or at fair value through other comprehensive income (FVTOCI), fees and service income receivables and loans. The amount of expect credit losses is updated at each reporting period date to reflect changes in credit risk since initial recognition of the respective financial instrument.

For all other financial instruments, the Group recognizes lifetime Expected Credit Loss (ECL) when there has been a significant increase in credit risk since initial recognition. However, if the credit risk on the financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month ECL.

Derecognition of financial assets

The Group derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognizes its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received.

On derecognition of a financial asset measured at amortized cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognized in profit or loss. In addition, on derecognition of an investment in a debt instrument classified as at FVTOCI, the cumulative gain or loss previously accumulated in the investments revaluation reserve is reclassified to profit or loss. In contrast, on derecognition of an investment in equity instrument which the Group has elected on initial recognition to measure at FVTOCI, the cumulative gain or loss previously accumulated in the investments revaluation reserve is not reclassified to profit or loss, but is transferred to retained earnings.

Financial liabilities

All financial liabilities are measured subsequently at amortized cost using the effective interest method.

3.4 Receivable and loans

Receivable and loans are presented at principal balances, excluding accrued interest receivable, less allowance for expected credit loss.

Unrecognized deferred income and discounts on loans are deducted from the principal balances.

3.5 Investments in subsidiaries and associates

Consolidated financial statements

Investments in associates except for investments which the Group intend to hold temporarily, as presented in the consolidated financial statements, are accounted for under the equity method.

Separate financial statements

Investments in subsidiaries and associates as presented in the separate financial statement are presented atcost less allowance for impairment loss.

For investments in subsidiaries, which are wholly owned by the Company and have deficits on equities, such deficits are presented as a part of other current liabilities in the separate statements of financial position.

3.6 Digital tokens

Digital token is an intangible assets with indefinite useful life. The Company will test for impairment annually and whenever there is an indication that the intangible assets may be impaired and any provisions made for impairment (if any) are recorded as expenses in the statements of profit or loss and other comprehensive income.

Digital token held-for-sale met only when available for immediate sale and its sale is highly probable. Such asset is measured at the lower of their carrying amount and fair value less costs to sell, and presented under current assets.

3.7 Premises and equipment/depreciation

Premises and equipment are stated at cost less accumulated depreciation. Depreciation of premises and equipment is calculated by reference to their costs on a straight-line basis over the estimated useful lives as follows:

Office buildings	25 and 30	years
Office buildings improvement	5	years
Leasehold improvement	3, 5 and 10	years
Office equipment	3 and 5	years
Furniture & fixtures	5	years
Vehicles	4 and 5	years

Depreciation is included in statements of profit or loss and other comprehensive income and no depreciation is provided for assets in progress.

3.8 Leasehold rights

Leasehold rights are stated at cost less accumulated amortization and allowance for devaluation (if any). Amortization charge is calculated by the straight-line method, based on the lease periods.

3.9 Intangible assets and amortization

(a) Goodwill
The Company's goodwill is an intangible asset with indefinite useful life occurring from an investment amount in a subsidiary over the subsidiary's net book value. The Company now tests the impairment of goodwill on an annual basis and allowance for impairment will be provided (if any).

(b) Other intangible assets
Intangible assets with definite useful life are stated at cost less accumulated amortization.

- Software amortizations are calculated by reference to their cost on a straight-line basis not exceeds 10 years.
- Amortization of deferred golf membership fees is made on a straight-line basis over the period of the membership term.

Intangible assets with indefinite useful life are tested for impairment annually and any provisions made for impairment are recorded as expenses in the statements of profit or loss and other comprehensive income.

3.10 Leases

The Group as lessee

The Group assesses whether a contract is or contains a lease, at inception of the contract. The Group recognizes a right-of-use asset and corresponding lease liability with respect to all lease arrangements in which it is the lease.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Group uses its incremental borrowing rate.

Lease payments included in the measurement of the lease liability comprise:

- Fixed lease payments (including in-substance fixed payments), less any lease incentives receivable;
- Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date;
- The amount expected to be payable by the lease under residual value guarantees;
- The exercise price of purchase options, if the lease is reasonably certain to exercise the options; and
- Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The Group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

- The lease term has changed or there is a significant event or change in circumstances resulting in a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.
- The lease payments change due to changes in an index or rate or a change in expected payment under a guaranteed residual value, in which cases the lease liability is remeasured by discounting the revised lease payments using an unchanged discount rate (unless the lease payments change is due to a change in a floating interest rate, in which case a revised discount rate is used).
- A lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification.

The Group did not make any such adjustments during the years presented.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement day, less any lease incentives received and any initial direct costs. They are subsequently measured at cost less accumulated depreciation and impairment losses (if any).

Whenever the Group incurs an obligation for costs to dismantle and remove a leased asset, restore the site on which it is located or restore the underlying asset to the condition required by the terms and conditions of the lease, a provision is recognized and measured under TAS 37-Provisions, Contingent Liabilities and Contingent Assets. To the extent that the costs relate to a right-of-use asset, the costs are included in the related right-of-use asset.

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the lease.

The right-of-use assets are presented as a separate line in the statement of financial position.

The Group applies TAS 36-Impairment of Assets to determine whether a right-of-use asset is impaired and accounts for any identified impairment loss as described in the "Equipment" policy.

Variable rents that do not depend on an index or rate are not included in the measurement the lease liability and the right-of-use asset. The related payments are recognized as an expense in the period in which the event or condition that triggers those payments occurs and are included in the line "Other expenses" in profit or loss.

3.11 Provisions

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

3.12 Related parties

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

In addition, related parties include associates and individuals which have significant influence over the Group, key management personnel, and directors and officers with authority in the planning and direction of the Group operations, together with close members of the families of such persons and companies which are controlled or influenced by them, whether directly or indirectly.

3.13 Foreign currency transactions

Transactions during the year denominated in foreign currencies are translated into Baht at the rates of exchange on the transaction dates. Monetary assets and liabilities at the end of the year denominated in foreign currencies are translated into Baht at the reference exchange rates announced by the Bank of Thailand on that date.

All foreign exchange gains or losses are recognized as income or expense in the statements of profit or loss and other comprehensive income.

The financial statements of foreign subsidiaries are translated into Baht using the reference exchange rate established by the Bank of Thailand at the end of the reporting period for the translation of foreign assets and liabilities, the historical exchange rate for the translation of foreign shareholders' equity and the average exchange rate for the translation of transactions in the statements of profit or loss and other comprehensive income. Differences in exchange rates from the translation of the financial statements of foreign subsidiaries are recognized in other comprehensive income and presented as translation of financial statements differences in other components of shareholders' equity.

3.14 Derivative financial instruments

The Group initially recognizes derivatives as assets or liabilities at fair value on the date on which a derivative contract is entered into and is subsequently remeasured at fair value on the statement of financial position date. Gains or losses arising from changes in fair value on derivatives which are not designated as hedging are immediately recognized in the statements of profit or loss and other comprehensive income.

3.15 Impairment of assets

The Group assess at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, the Group make an estimate of the asset's recoverable amount. Where the carrying amount of the asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. Impairment losses are recognized in the statements of profit or loss and other comprehensive income. An asset's recoverable amount is the higher of fair value less costs to sell and value in use.

3.16 Employee benefits

The Group recognized salary, wages, bonuses and contributions to the social security fund and provident fund are recognized as expenses when incurred.

Post-employment benefits obligation

The Group calculated the post-employment benefits obligation under the Thai Labor Protection Act based on actuarial assumptions at the end of reporting period using Projected Unit Credit Method, which is estimated based on the present value of expected cash flows of benefits to be paid in the future taken into account the actuarial assumptions, including salaries, turnover rate, years of service and other factors. Discount rate used to calculate the post-employment benefit obligations is based on yield rate of government bond.

The expenses for the defined benefit plan are recognized as personnel expenses in the statements of profit or loss and other comprehensive income.

Past service cost related to the plan amendment is recognized as an expense in the statements of profit or loss and other comprehensive income when the plan amendment is effective.

3.17 Taxation

Income tax expense represent the sum of the tax currently payable and deferred tax.

(a) Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the statements of profit or loss and other comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The liability for current tax is calculated using tax rates that have been enacted or substantively enacted at the statement of financial position date.

(b) Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax basis used in the computation of taxable profit (tax base). Deferred tax liabilities are generally recognized for all taxable temporary differences, and deferred tax assets are generally recognized for temporary differences to the extent that it is probable that taxable profits will be available against which those temporary differences can be utilized. The carrying amount of deferred tax assets is reviewed at each statement of financial position date. Deferred tax asset shall be reduced to the extent that utilized taxable profits are decreased. Any such reduction shall be reversed to the extent that it becomes probable that sufficient taxable profit will be available to allow total or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rates that have been enacted or substantively enacted at the statement of financial position date.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off the recognized amounts and the Group intend to settle on a net basis or to realize the asset and settle the liability simultaneously.

Income tax expense related to profit or loss is presented in the statement of profit or loss and other comprehensive income. For current income taxes and deferred taxes related to items recognized directly in shareholders' equity in the same or different year, they will be recognized directly in shareholders' equity.

3.18 Earning per share

Earning per share as presented in the statements of profit or loss and other comprehensive income is basic earning per share, which is determined by dividing net profit by the weighted average number of ordinary shares issued during the year.

3.19 Critical accounting judgments and key source of estimation uncertainty

Preparation of financial statements in conformity with Thai Financial Reporting Standards requires the Group' management to make estimates and assumptions in certain circumstances, affecting amounts of assets, liabilities and related notes of contingent assets and liabilities at the date of financial statement and reported amounts of revenues and expenses during the year reported. Although the management's estimation is reasonably determined given recent circumstances, actual results could differ from these estimates.

Significant sources of estimation uncertainty are as follows:

(a) Fair value

The fair value of marketable securities is based on the latest bid price on the last working day of the year as quoted on the Stock Exchange of Thailand. The fair values of government bonds, and private sector debt securities are determined based on the yield rates quoted by the Thai Bond Market Association or other financial institutions, as appropriate. The fair value of investment units is determined from their net asset value.

For the fair value of financial instrument disclosures, considerable judgment is necessarily required in estimation of fair value. Accordingly, the estimated fair value presented herein is not necessarily indicative of the amount that could be realized in a current market exchange. The use of different market assumptions and/or estimation methodologies may have a material effect on the estimated fair value.

(b) Allowance for expected credit loss

- The Group excluding securities business subsidiary

When measuring expected credit losses, the Group uses reasonable and supportable forward looking information, which is based on assumptions for the future movement of different economic drivers and how these drivers will affect each other.

Loss given default is an estimate of the loss arising on default. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, taking into account cash flows from collateral and integral credit enhancements.

Probability of default constitutes a key input in measuring ECL. Probability of defaults is an estimate of the likelihood of default over a given time horizon, the calculation of which includes historical data, assumptions and expectations of future conditions.

- Securities business subsidiary

A subsidiary has provided an allowance for doubtful accounts in accordance with the Notification No. Kor Thor. 33/2543 of the Office of the Securities and Exchange Commission, dated August 25, 2000, which was amended by the Notification No. Kor Thor. 5/2544 dated February 15, 2001.

(c) Impairment of goodwill

Determining whether goodwill is impaired requires an estimation of the value in use of the cash-generating units to which goodwill has been allocated. The value in use calculation requires the Group' management to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate present value where the actual future cash flows are less than expected, a material impairment loss may arise.

(d) Deferred tax assets

The Group recognize deferred tax assets 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 utilized. The Group' management uses judgements based upon the likely timing and level of estimate future taxable profits to determine the amount of deferred tax assets that can be recognized.

4. CASH AND CASH EQUIVALENTS

4.1 Cash and cash equivalents

(Unit : Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	As at December 31, 2021	As at December 31, 2020	As at December 31, 2021	As at December 31, 2020
Cash	15	15	5	5
Deposits at financial institutions				
Current accounts	192,872	57,928	4,099	3,546
Savings accounts	4,372	14,060	4,372	14,060
Time deposit	-	632	-	632
Total cash and cash equivalents	**197,259**	**72,635**	**8,476**	**18,243**

4.2 Reconciliation of liabilities arising from financing activities for the years ended December 31, 2021 and 2020 are as follows:

(Unit : Thousand Baht)

	Consolidated financial statements				
	Balance as at January 1, 2021	Financing cash inflows	Financing cash outflows	Changes in non-cash item	Balance as at December 31, 2021
Short-term debentures	-	300,000	-	-	300,000
Long-term debentures	1,040,000	366,800	(400,000)	-	1,006,800
Lease liabilities	4,542	8,970	(2,211)	(2,232)	9,069
Total	**1,044,542**	**675,770**	**(402,211)**	**(2,232)**	**1,315,869**

(Unit : Thousand Baht)

	Consolidated financial statements				
	Balance as at January 1, 2020	Financing cash inflows	Financing cash outflows	Changes in non-cash item	Balance as at December 31, 2020
Long-term debentures	1,270,000	-	(230,000)	-	1,040,000
Lease liabilities	4,282	-	(1,167)	1,427	4,542
Total	**1,274,282**	**-**	**(231,167)**	**1,427**	**1,044,542**

(Unit : Thousand Baht)

	Separate financial statements				
	Balance as at January 1, 2021	Financing cash inflows	Financing cash outflows	Changes in non-cash item	Balance as at December 31, 2021
Short-term debentures	-	300,000	-	-	300,000
Short-term borrowings from related parties	713,500	63,500	(86,800)	-	690,200
Long-term debentures	1,040,000	366,800	(400,000)	-	1,006,800
Lease liabilities	1,469	-	(421)	-	1,048
Total	**1,754,969**	**730,300**	**(487,221)**	**-**	**1,998,048**

(Unit : Thousand Baht)

	Separate financial statements				
	Balance as at January 1, 2020	Financing cash inflows	Financing cash outflows	Changes in non-cash item	Balance as at December 31, 2020
Short-term borrowings from related parties	721,800	121,500	(129,800)	-	713,500
Long-term debentures	1,270,000	-	(230,000)	-	1,040,000
Lease liabilities	1,855	-	(386)	-	1,469
Total	**1,993,655**	**121,500**	**(360,186)**	**-**	**1,754,969**

5. RECEIVABLES AND LOANS TO OTHERS

In order to present the statement of financial position in compliance with the Notification of the Department of Business Development, items due within one year are to be presented as current assets and items due longer than one year are to be presented as non-current assets. The Group therefore present "Receivables and loans to others" as follows:

(Unit : Thousand Baht)

	Consolidated and Separate financial statements	
	As at December 31, 2021	As at December 31, 2020
Receivables and loans to others (see Note 5.2)	113,000	244,950
Less Allowance for expected credit loss (see Note 6)	(13,000)	(45,896)
Receivables and loans to others	100,000	199,054
Less Current portion	(100,000)	(199,054)
Receivables and loans to others, net of current portion	-	-

- On December 25, 2018, the Company had entered into a loan agreement to provide a loan amounting to Baht 247.50 million to a company with pledged by 54.99 million common shares of a listed company as collateral, and due within December 25, 2019. Subsequently, on December 20, 2019, the agreement had been amended to increase common shares to 60.49 million shares in total to pledge as collateral and extended the repayment period to be within April 30, 2020. Further, on April 24, 2020, the agreement had been amended again to extend the repayment period to be within November 30, 2020. Then, on December 28, 2020, the Company entered into a debt restructuring agreement with the borrower. The borrower agreed to repay Baht 187.55 million, and the Company agreed to release all pledged common shares and amended the repayment term to installment payment according to the amount and period specified in the agreement. The borrower agreed to make a final repayment within December 30, 2021.

  As at December 31, 2021, there is no outstanding loan as the borrower had already paid back all the loan according to the loan agreement.

- On December 28, 2018, the Company had entered into an agreement to provide a loan amounting to Baht 120 million to a company with a convertible option to exchange into common shares of the borrower. The loan has a maturity of less than 1 year. However, the agreement has been amended to extend the repayment period to December 30, 2021. Subsequently, on June 1, 2021, the Company agreed to exercise the conversion option to convert the loan and accrued interest amounting to Baht 60 million into an investment in 3,836,000 ordinary shares of the borrower, which equivalent to 30% of registered capital of such company. The Company classified such investment as investment in associates (see Note 10) and on the same date, the Company entered into a new loan agreement of Baht 100 million. The outstanding loan, which had not been exercised the conversion option amounted Baht 30.53 million, was accounted for loan under this new agreement. The loan repayment will be due on December 30, 2022.

  As at December 31, 2021, such loan was drawn-down by Baht 67.03 million and has been classified as loans to related parties, and presented under current assets. (see Note 26.3.1)

5.1 Classified by loan type

(Unit : Thousand Baht)

	Consolidated and Separate financial statements	
	As at December 31, 2021	As at December 31, 2020
Bills of exchange	13,000	13,000
Loans	100,000	231,950
Total other loans	113,000	244,950
Less Allowance for expected credit loss	(13,000)	(45,896)
Total receivables and loans to others	100,000	199,054

5.2 Classified by remaining period of the contract

(Unit : Thousand Baht)

	Consolidated and Separate financial statements	
	As at December 31, 2021	As at December 31, 2020
At call (including defaulted contracts)	13,000	13,000
Not over 1 year	100,000	231,950
Total receivables and loans to others	113,000	244,950

6. ALLOWANCE FOR EXPECTED CREDIT LOSS

(Unit : Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	As at December 31, 2021	As at December 31, 2020	As at December 31, 2021	As at December 31, 2020
Beginning balances of the years	45,896	149,081	45,896	13,000
Add Allowance for expected credit loss (reversal)	(32,896)	32,896	(32,896)	32,896
Less Decrease from disposal of a subsidiary	-	(136,081)	-	-
Ending balances of the years	13,000	45,896	13,000	45,896

7. FINANCIAL ASSETS

(Unit : Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	As at December 31, 2021	As at December 31, 2020	As at December 31, 2021	As at December 31, 2020
Other current financial assets				
Investments in equity instruments measured at FVTPL				
Domestic marketable equity securities - Investment units	363,226	647,732	237,803	447,558
Total other current financial assets	363,226	647,732	237,803	447,558
Other non-current financial assets				
Investments in equity instruments measured at FVTPL				
Domestic marketable equity securities - Investment units	1,291	1,204	-	-
	1,291	1,204	-	-
Investments in debt instruments measured at FVTOCI				
Government bond	10,856	11,304	10,856	11,304
	10,856	11,304	10,856	11,304
Investments in equity instruments measured at FVTOCI				
Domestic non-marketable equity securities	264,874	263,535	12,348	11,744
Foreign marketable equity securities	29,131	-	-	-
Investment units in foreign funds	10,176	10,018	-	-
	304,181	273,553	12,348	11,744
Total other non-current financial assets	316,328	286,061	23,204	23,048

As at December 31, 2021 and 2020, the Company had pledged investments in government bond amounting to Baht 10.86 million and Baht 11.30 million, respectively, to secure bank overdrafts limit with a bank.

8. DIGITAL TOKENS

On October 7, 2021, the Company has purchased 47.50 million digital tokens at Baht 10 per token, totaling Baht 475 million. Subsequently, on December 22, 2021, the Company has entered into a forward purchase agreement with a third party to sell all tokens at the price as stipulated in the agreement. The Company will transfer all digital tokens in June 2022.

9. OTHER CURRENT ASSETS

(Unit : Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	As at December 31, 2021	As at December 31, 2020	As at December 31, 2021	As at December 31, 2020
Withholding tax	2,851	5,551	2,851	5,551
Refunded corporate income taxes	28,605	32,775	21,820	24,055
Others	2,220	637	631	477
Total	33,676	38,963	25,302	30,083

10. INVESTMENTS IN SUBSIDIARIES AND ASSOCIATES

10.1 Investments in associates in the consolidated financial statements

As at December 31, 2021 and 2020, the Group had investments in the following entities and funds which are associated companies and accounted for under equity method in the consolidated financial statements.

(Unit : Thousand Baht)

			Consolidated financial statements					
			Percentage of Shareholding		Cost		Carrying value under equity method	
Company name	Nature of business	Country	As at December 31, 2021	As at December 31, 2020	As at December 31, 2021	As at December 31, 2020	As at December 31, 2021	As at December 31, 2020
Associated companies								
M.K. Real Estate Development Plc. (1)	Land and building development	Thailand	31.51	26.54	1,376,516	1,207,657	1,360,243	1,244,936
Prospect Logistics and Industrial Leasehold Real Estate Investment Trust (2)	Property Fund & REITs	Thailand	22.99	22.99	544,452	563,195	527,191	564,071
BFTZ Wangnoi Co., Ltd.	Developing factory building and warehouse for rent	Thailand	50	-	2,500	-	2,090	-
Kanom Café Co., Ltd.	Cafe, bakery and restaurant business	Thailand	30	-	60,000	-	53,458	-
Subsidiaries' associated companies								
Finansia Syrus Securities Plc.	Securities business	Thailand	-	29.29	-	536,350	-	669,015
Siam Investment Partners, L.P.(3)	General Partner of a fund	Cayman Islands	50	50	3,786	3,786	660	660
FSS International Investment Advisory Securities Company Limited(4)	Investment Advisory	Thailand	-	3.75	-	300	-	177
Total investments in associate companies					1,987,254	2,311,288	1,943,642	2,478,859

(1) The Company has increased its investment in M.K. Real Estate Development Plc. through tender offer and additional purchase.
(2) On August 14, 2020, the Company has invested in Prospect Logistics and Industrial Leasehold Real Estate Investment Trust at the portion of 22.99%
(3) Siam Investment Partners, L.P. is under liquidation process.
(4) Finansia Syrus Securities Public Company Limited holds an investment in FSS International Investment Advisory Securities Co., Ltd. ("FSSIA") at the portion of 96.25%; therefore, the Group hold an investment in FSSIA at the portion of 31.94% in totals However, on December 16, 2021, a subsidiary sold all of its investment in Finansia Syrus Securities Public Company Limited to other investor; therefore, as at December 31, 2021, FSSIA is not an associate of the Group.

On December 16, 2021, a subsidiary sold all investment in Finansia Syrus Securities Public Company Limited to a third party of Baht 693.00 million, which the agreed price is based on market value during the negotiated period. The Group recognized loss from sale of investment in an associate in the amount of Baht 56.06 million in the consolidated statements of profit or loss and other comprehensive income for the year ended December 31, 2021.

10.2 Investments in subsidiaries and associates in the separate financial statements

As at December 31, 2021 and 2020, the Company had investments in the following subsidiaries and associates which are accounted for under the cost method in the separate financial statements.

(Unit: Thousand Baht)

			Separate financial statements							
			Paid-up share capital		Percentage of shareholding		Carrying value under cost method		Dividends received	
									For the years ended December 31,	
Company Name	Nature of business	Country	As at December 31, 2021	As at December 31, 2020	As at December 31, 2021	As at December 31, 2020	As at December 31, 2021	As at December 31, 2020	2021	2020
Subsidiaries										
Finansa Securities Ltd.	Securities	Thailand	700,000	700,000	100	100	734,709	734,709	86,800	-
Finansa Fund Management Ltd.	Investment	Cayman Islands	690 (ordinary shares)	690 (ordinary shares)	100	100	151,790	151,790	-	-
			5,732 (preference shares)	5,732 (preference shares)	100	100	573,198	573,198	-	-
Finansa (Cambodia) Ltd.	Investment advisory	Cambodia	192	192	100	100	204	204	-	-
Investments in subsidiaries							1,459,901	1,459,901	86,800	-
Less Allowance for impairment							(204)	(204)		
Investments in subsidiaries - net							1,459,697	1,459,697		
Associate										
M.K. Real Estate Development Plc.	Land and building Development	Thailand	1,091,205	1,091,205	31.51	26.54	1,376,516	1,207,657	-	22.564
Prospect Logistics and Industrial Leasehold Real Estate Investment Trust	Property Fund and REITs	Thailand	2,450,000	2,450,000	22.99	22.99	544,452	563,195	45,253	6,910
BFTZ Wangnoi Co., Ltd.	Developing factory building and warehouse for rent	Thailand	5,000	-	50	-	2,500	-	-	-
Kanom Café Co., Ltd.	Cafe, bakery and restaurant business	Thailand	127,860	-	30	-	60,000	-	-	-
Investment in associates							1,983,468	1,770,852	45,253	29,474
Total investment in subsidiaries and associates							3,443,165	3,230,549		

On May 7, 2021, the Company have jointly established a new joint venture company, namely BFTZ Wangnoi Co., Ltd., which operates business in developing factory buildings and warehouses for rent. The Company invested in such company amounting to Baht 2.50 million, which is 50% shareholding. Shareholders of the joint venture company has entered into the shareholders' agreement and agreed to provide financial support for the joint venture company operation in a proportion according to each shareholding percentage. As at December 31, 2021, the joint venture company has disbursed loan under the shareholders' agreement totaling Baht 128 million.

On June 1, 2021, the Company had exercised the option to convert the loan and accrued interest amounting to Baht 60 million into an investment in ordinary shares of Kanom Café Co., Ltd., which resulted in a shareholding of 30%. (see Note 5)

11. PREMISES AND EQUIPMENT

(Unit : Thousand Baht)

	Consolidated financial statements						
	Building and building improvement	Leasehold improvement	Office equipment	Furniture and fixture	Vehicle	Assets in progress	Total
Cost							
December 31, 2020	154,809	-	59,203	35,836	12,233	640	262,721
Additions/transfer in	-	-	4,664	1,551	-	780	6,995
Disposals/transfer out	(9,720)	-	(1,664)	(3,823)	(167)	(1,273)	(16,647)
December 31, 2021	145,089	-	62,203	33,564	12,066	147	253,069
Accumulated depreciation							
December 31, 2020	(89,531)	-	(53,073)	(27,501)	(5,114)	-	(175,219)
Depreciation	-	-	(2,381)	(3,044)	(918)	-	(6,343)
Disposals/transfer out	9,720	-	1,821	4,009	(342)	-	15,208
December 31, 2021	(79,811)	-	(53,633)	(26,536)	(6,374)	-	(166,354)
Net book value							
December 31, 2021	65,278	-	8,570	7,028	5,692	147	86,715
December 31, 2020	65,278	-	6,130	8,335	7,119	640	87,502

(Unit : Thousand Baht)

	Consolidated financial statements						
	Building and building improvement	Leasehold improvement	Office equipment	Furniture and fixture	Vehicle	Assets in progress	Total
Cost							
December 31, 2019	154,809	23,128	62,892	34,843	17,042	204	292,918
Additions/transfer in	-	10,494	2,356	1,106	-	719	14,675
Disposals/transfer out	-	(33,622)	(6,045)	(113)	(4,809)	(283)	(44,872)
December 31, 2020	154,809	-	59,203	35,836	12,233	640	262,721
Accumulated depreciation							
December 31, 2019	(89,531)	(4,409)	(56,751)	(24,841)	(5,015)	-	(180,547)
Depreciation	-	(3,575)	(2,175)	(2,767)	(994)	-	(9,511)
Disposals/transfer out	-	7,984	5,853	107	895	-	14,839
December 31, 2020	(89,531)	-	(53,073)	(27,501)	(5,114)	-	(175,219)
Net book value							
December 31, 2020	65,278	-	6,130	8,335	7,119	640	87,502
December 31, 2019	65,278	18,719	6,141	10,002	12,027	204	112,371

Depreciation for the years ended December 31,

2021	6,343
2020	9,511

(Unit : Thousand Baht)

	Separate financial statements						
	Building and building improvement	Leasehold improvement	Office equipment	Furniture and fixture	Vehicle	Assets in progress	Total
Cost							
December 31, 2020	154,809	-	45,499	22,844	400	640	224,192
Additions/transfer in	-	-	4,298	1,521	-	780	6,599
Disposals/transfer out	(9,720)	-	(558)	(3,728)	-	(1,273)	(15,279)
December 31, 2021	145,089	-	49,239	20,637	400	147	215,512
Accumulated depreciation							
December 31, 2020	(89,531)	-	(40,837)	(16,492)	(389)	-	(147,249)
Depreciation	-	-	(1,744)	(2,263)	-	-	(4,007)
Disposals/transfer out	9,720	-	448	3,673	-	-	13,841
December 31, 2021	(79,811)	-	(42,133)	(15,082)	(389)	-	(137,415)
Net book value							
December 31, 2021	65,278	-	7,106	5,555	11	147	78,097
December 31, 2020	65,278	-	4,662	6,352	11	640	76,943

(Unit : Thousand Baht)

	Separate financial statements						
	Building and building improvement	Leasehold improvement	Office equipment	Furniture and fixture	Vehicle	Assets in progress	Total
Cost							
December 31, 2019	154,809	23,128	48,424	21,839	2,551	204	250,955
Additions/transfer in	-	10,494	2,026	1,106	-	719	14,345
Disposals/transfer out	-	(33,622)	(4,951)	(101)	(2,151)	(283)	(41,108)
December 31, 2020	154,809	-	45,499	22,844	400	640	224,192
Accumulated depreciation							
December 31, 2019	(89,531)	(4,409)	(44,382)	(14,650)	(658)	-	(153,630)
Depreciation	-	(3,575)	(1,375)	(1,937)	(76)	-	(6,963)
Disposals/transfer out	-	7,984	4,920	95	345	-	13,344
December 31, 2020	(89,531)	-	(40,837)	(16,492)	(389)	-	(147,249)
Net book value							
December 31, 2020	65,278	-	4,662	6,352	11	640	76,943
December 31, 2019	65,278	18,719	4,042	7,189	1,893	204	97,325
Depreciation for the years ended December 31,							
2021							4,007
2020							6,963

As at December 31, 2020, the Company had mortgaged office condominium units with net book value of Baht 65.28 million to secure a working capital credit facility of Baht 150 million from a local financial institution (see Note 25). (As at December 31, 2021 : nil)

12. GOODWILL

(Unit : Thousand Baht)

	Consolidated financial statements		
	Finansa Securities Limited	Finansa Fund Management Limited	Total
Goodwill as at acquisition date			
Cost	234,709	108,000	342,709
Less Book value as at acquisition date	(49,021)	(44,879)	(93,900)
Goodwill	185,688	63,121	248,809
Less Accumulated amortization of goodwill	(74,124)	(17,765)	(91,889)
Goodwill, net before impairment	111,564	45,356	156,920
Goodwill as at December 31, 2021	111,564	45,356	156,920
Allowance for impairment	-	-	-
Goodwill, net			
December 31, 2021	111,564	45,356	156,920
December 31, 2020	111,564	5,356	156,920

13. LEASEHOLD RIGHTS

(Unit : Thousand Baht)

	Consolidated and Separate financial statements			
	Balance as at January 1, 2020	Additions	Disposals	Balance as at December 31, 2020
Cost				
Land leasehold rights	1,415,875	-	(1,415,875)	-
Total	1,415,875	-	(1,415,875)	-
Accumulated amortization				
Land leasehold rights	(270,988)	(35,933)	306,921	-
Total	(270,988)	(35,933)	306,921	-
Leasehold rights	1,144,887			-
Amortization for the year ended December 31,				
2020				35,933

On July 14, 2020, the Board of Directors' Meeting had a resolution to approve the Company to terminate sub-lease of land and building on Bangkok Free Trade Zone.

Subsequently, on August 7, 2020, the Company and sublessor had entered into a memorandum. The Company agreed to return leasehold rights to the sublessor and sublessor agreed to make a payment of Baht 1,307.09 million to the Company. The Company had already disposed the leasehold rights on August 17, 2020 and recognized compensation fee from termination of sublease agreement in the amounting to Baht 198.14 million in statements of profit or loss and other comprehensive income for the year ended December 31, 2020.

14. INTANGIBLE ASSETS

(Unit : Thousand Baht)

	Consolidated financial statements									
	Cost				Accumulated amortization					
	Balance as at January 1, 2021	Additions	Disposals	Balance as at December 31, 2021	Balance as at January 1, 2021	Additions	Disposals	Balance as at December 31, 2021	Provision for impairment of assets	Balance as at December 31, 2021
Computer software	18,810	2,132	(51)	20,891	(16,702)	(2,106)	51	(18,757)	-	2,134
Golf membership	2,253	-	(2,253)	-	(1,838)	-	1,838	-	-	-
Total	21,063	2,132	(2,304)	20,891	(18,540)	(2,106)	1,889	(18,757)	-	2,134

(Unit : Thousand Baht)

	Consolidated financial statements									
	Cost				Accumulated amortization					
	Balance as at January 1, 2020	Additions	Disposals	Balance as at December 31, 2020	Balance as at January 1, 2020	Additions	Disposals	Balance as at December 31, 2020	Provision for impairment of assets	Balance as at December 31, 2020
Computer software	17,452	1,358	-	18,810	(14,305)	(2,397)	-	(16,702)	-	2,108
Golf membership	2,239	14	-	2,253	(1,754)	(84)	-	(1,838)	-	415
Total	19,691	1,372	-	21,063	(16,059)	(2,481)	-	(18,540)	-	2,523

Amortization for the years ended December 31,

2021	2,106
2020	2,481

(Unit : Thousand Baht)

	Separate financial statements									
	Cost				Accumulated amortization					
	Balance as at January 1, 2021	Additions	Disposals	Balance as at December 31, 2021	Balance as at January 1, 2021	Additions	Disposals	Balance as at December 31, 2021	Provision for impairment of assets	Balance as at December 31, 2021
Computer software	17,377	2,126	(51)	19,452	(15,519)	(2,097)	51	(17,565)	-	1,887
Total	17,377	2,126	(51)	19,452	(15,519)	(2,097)	51	(17,565)	-	1,887

(Unit : Thousand Baht)

	Separate financial statements									
	Cost				Accumulated amortization					
	Balance as at January 1, 2020	Additions	Disposals	Balance as at December 31, 2020	Balance as at January 1, 2020	Additions	Disposals	Balance as at December 31, 2020	Provision for impairment of assets	Balance as at December 31, 2020
Computer software	16,020	1,357	-	17,377	(13,199)	(2,320)	-	(15,519)	-	1,858
Total	16,020	1,357	-	17,377	(13,199)	(2,320)	-	(15,519)	-	1,858

Amortization for the years ended December 31,

2021	2,097
2020	2,320

15. DEFERRED TAX ASSETS AND INCOME TAX

Deferred tax assets are as follows:

(Unit : Thousand Baht)

	Consolidated financial statements	
	As at December 31, 2021	As at December 31, 2020
Deferred tax assets	7,985	7,297
Less Deferred tax liabilities	(99)	-
Deferred tax assets	7,886	7,297

The deductible temporary differences and unused tax losses which have not been recognized as deferred tax assets in the statements of financial position as at December 31, 2021 and 2020 are as follows:

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	As at December 31, 2021	As at December 31, 2020	As at December 31, 2021	As at December 31, 2020
Unused tax losses	365	268	365	268
Temporary differences	6	6	6	6

Movements of deferred tax assets and liabilities in the consolidated financial statements incurred during the year are as follows:

(Unit : Thousand Baht)

	As at January 1, 2021	Recognized in statements of profit or loss	Recognized in other comprehensive income (loss)	As at December 31, 2021
Deferred tax assets				
Provision for post-employment benefits	7,176	699	-	7,875
Liabilities under finance lease agreements	57	53	-	110
Loss on remeasuring financial assets	64	(64)	-	-
Total	7,297	688	-	7,985
Deferred tax liabilities				
Gain on remeasuring financial assets	-	(99)	-	(99)
Total	-	(99)	-	(99)
Deferred tax asset	7,297	589	-	7,886

(Unit : Thousand Baht)

	As at January 1, 2020	Recognized in statements of profit or loss	Recognized in other comprehensive income (loss)	As at December 31, 2020
Deferred tax assets				
Unused tax losses	9,025	(9,025)	-	-
Provision for post-employment benefits	2,943	675	3,558	7,176
Liabilities under finance lease agreements	10	47	-	57
Loss on remeasuring financial assets	-	64	-	64
Total	11,978	(8,239)	3,558	7,297
Deferred tax liabilities				
Gain on remeasuring financial assets	(397)	397	-	-
Total	(397)	397	-	-
Deferred tax asset	11,581	7,842	3,558	7,297

Income tax in the consolidated financial statements for the years ended December 31, 2021 and 2020 are as follows:

(Unit : Thousand Baht)

	Consolidated financial statements	
	For the years ended December 31,	
	2021	2020
Deferred tax (income) expenses	(589)	7,842
Current income tax expenses for the years	13,661	15,215
Income tax expenses	13,072	23,057

The utilization of the deferred tax assets is subject to the ability of a subsidiary to generate future taxable profits within the timeframe required by laws.

The Group use tax rates of 20% for the corporate income tax calculation for the years ended December 31, 2021 and 2020. Income tax expense is calculated from income before tax, added back transactions which are non-deductible expenses and deducted income or expense exemption under the Revenue Code.

Reconciliation between income tax expenses and the product of accounting profit multiplied by the applicable tax rates for the years ended December 31, 2021 and 2020 are as follows;

(Unit : Thousand Baht)

	Consolidated financial statements	
	For the years ended December 31,	
	2021	2020
Profit (loss) before income tax	(29,117)	246,320
Applicable tax rate (20%)	(5,823)	49,264
Deferred tax relating to origination and reversal of temporary differences	(589)	7,842
Effects of income exempt from tax and non-deductible expenses for tax purpose	19,484	(34,049)
Income tax expense presented in the statement of profit or loss and other comprehensive income	13,072	23,057

16. DEBENTURES

16.1 Short-term debentures

As at December 31, 2021 and 2020, short-term debentures issued by the Company which are charged interest at the rates with reference to the Money Market rate are summarized as follows:

(Unit : Thousand Baht)

	Consolidated and Separate financial statements	
	As at December 31, 2021	As at December 31, 2020
Short-term debentures	300,000	-
Total	300,000	-

16.2 Long-term debentures

As at December 31, 2021 and 2020, outstanding of long-term debentures issued by the Company which are charged interest at the rates with reference to the Money Market Rate are summarized as follows:

(Unit : Thousand Baht)

	Consolidated and Separate financial statements	
	As at December 31, 2021	As at December 31, 2020
Long-term debentures		
Mature in 2021	-	400,000
Mature in 2022	340,000	340,000
Mature in 2023	300,000	300,000
Mature in 2025	366,800	-
	1,006,800	1,040,000
Less Current portion	(340,000)	(400,000)
	666,800	640,000

17. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

The statement of financial position included following transactions relating to leases as follows:

(Unit : Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	As at December 31, 2021	As at December 31, 2020	As at December 31, 2021	As at December 31, 2020
Right-of-use assets				
Office building	3,927	-	-	-
Vehicles	2,781	4,233	945	1,376
Equipment	2,096	155	-	-
Total right-of-use assets	8,804	4,388	945	1,376
Lease liabilities				
Current	4,310	1,557	459	421
Non-current	4,759	2,985	589	1,048
Total lease liabilities	9,069	4,542	1,048	1,469

Movements of the right-of-use assets are as follows:

(Unit : Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	For the years ended December 31,		For the years ended December 31,	
	2021	2020	2021	2020
Beginning balances	4,388	4,181	1,376	1,806
Increase during the years	8,970	1,427	-	-
Depreciation for the years	(4,554)	(1,220)	(431)	(430)
Ending balances	8,804	4,388	945	1,376

18. OTHER CURRENT LIABILITIES

(Unit : Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	As at December 31, 2021	As at December 31, 2020	As at December 31, 2021	As at December 31, 2020
Accrued bonus expenses	49,140	121,498	7,413	10,612
Accrued interest expenses	9,454	9,903	12,472	11,476
Accrued expenses	1,956	1,816	1,046	572
Other accounts payable	1,687	7,517	620	4,955
Deposit received	50,000	-	50,000	-
Others	14,343	13,153	7,430	9,030
Total	126,580	153,887	78,981	36,645

19. PROVISION FOR POST-EMPLOYMENT BENEFITS

The Group operate post-employment benefits plans under the Thai Labor Protection Act, which are considered as unfunded defined benefit plans.

Amounts recognized in profit or loss in respect of the defined benefit plans for the years ended December 31, 2021 and 2020 are as follows:

(Unit : Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	For the years ended December 31,		For the years ended December 31,	
	2021	2020	2021	2020
Current service cost	4,669	4,574	1,595	1,578
Interest on obligation	607	551	187	174
Total	5,276	5,125	1,782	1,752

Movements in the present value of the defined benefit obligation for the year ended December 31, 2021 and 2020 are as follows:

(Unit : Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Defined benefit obligation brought forward	63,479	36,486	27,601	21,768
Current service cost	4,669	4,574	1,595	1,578
Interest on obligation	607	551	187	174
Actuarial loss on defined employee benefit plan recognized in other comprehensive income	-	22,976	-	5,189
Less Employee benefits paid during the years	-	(1,108)	-	(1,108)
Defined benefit obligation carried forward	68,755	63,479	29,383	27,601

The principle actuarial assumptions used to calculate the obligations under the defined benefit are as follows:

	Consolidated financial statements		Separate financial statements	
	As at December 31, 2021	As at December 31, 2020	As at December 31, 2021	As at December 31, 2020
Financial assumptions				
Discount rate	0.36% - 2.31%	0.36% - 2.31%	0.86%	0.86%
Salary increase rate	6%	6%	6%	6%
Turnover rate	0% - 25%	0% - 25%	0% - 25%	0% - 25%

Significant actuarial assumptions - impact on increase/(decrease) in present value of defined benefit obligation

(Unit : Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	As at December 31, 2021	As at December 31, 2020	As at December 31, 2021	As at December 31, 2020
Discount rate - 1% increase	(4,335)	(4,511)	(1,121)	(1,305)
Discount rate - 1% decrease	4,432	4,525	950	1,066
Salary incremental rates - 1% increase	4,632	4,224	1,092	1,057
Salary incremental rates - 1% decrease	(4,213)	(3,854)	(1,028)	(999)
Employee's turnover rate - 20% increase	(1,314)	(1,132)	(138)	(118)
Employee's turnover rate - 20% decrease	1,554	1,330	163	138

20. LEGAL RESERVE

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

In 2021, the Company transferred a portion of Baht 4 million from its net profit of the year to legal reserve. As at December 31, 2021, the Company had legal reserve of Baht 65 million.

In 2020, the Company transferred a portion of Baht 12 million from its net profit of the year to legal reserve. As at December 31, 2020, the Company had legal reserve of Baht 61 million.

21. DIVIDENDS

On February 22, 2021, the Board of Directors' Meeting passed a resolution to pay interim dividend from the 2020 net profit at Baht 0.35 per share totaling Baht 121.05 million. The Company had already paid such interim dividend on March 22, 2021.

On April 29, 2021, the Ordinary Shareholders' meeting passed a resolution to pay dividends for the year 2020 at Baht 0.15 per share totaling Baht 51.88 million. The Company paid such dividend on May 27, 2021.

On September 15, 2020, the Board of Directors' meeting passed a resolution to pay interim dividends at Baht 0.15 per share totaling Baht 51.88 million. The Company paid such interim dividend on October 14, 2020.

22. PROVIDENT FUND

The Company, its subsidiaries and employees have jointly established provident funds in accordance with the Provident Fund Act B.E. 2530. The Company, its subsidiaries and employees contributed to the funds monthly at the rate of 5% and 7% of basic salary. The funds, which are managed by CIMB Principal Asset Management Co., Ltd., will be paid to employees upon termination in accordance with the funds' rules. The consolidated financial statements for the years 2021 and 2020, the Group contributed Baht 6.62 million and Baht 6.49 million, respectively (the separate financial statements: Baht 2.21 million and Baht 2.28 million, respectively) to the funds.

23. CAPITAL MANAGEMENT

The objective of the capital management of the Group is to sustain the ability to continue as a going concern in order to generate returns to the shareholders and benefits for other stakeholders, and to maintain an optimal capital structure.

24. EXPENSES BY NATURE

Significant expenses by nature for the years ended December 31, 2021 and 2020 are as follows: structure.

(Unit : Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	For the years ended December 31,		For the years ended December 31,	
	2021	2020	2021	2020
Finance costs	58,830	72,732	71,798	85,189
Personnel expenses	124,365	164,477	17,227	21,914
Depreciation and amortization	13,003	49,035	6,535	45,646
Other premises and equipment expenses	11,515	22,152	10,474	20,420
Taxes and duties	1,459	561	1,459	561
Directors and management remuneration	42,908	75,178	30,748	31,658
Fees and services expenses	38,650	43,864	16,309	28,890
Expected credit loss (reversal)	(32,896)	61,755	(32,896)	61,755
Loss on impairment of investment (reversal)	-	-	-	(89,385)

25. ENCUMBRANCE OF ASSETS

As at December 31, 2021, the Company had pledged its investment in common shares of an associate with book value of Baht 2.50 million to secure an associate's borrowing from a local financial institution. (As at December 31, 2020 : nil)

As at December 31, 2020, the Company had mortgaged office condominium units with net book value of Baht 65.28 million to secure working capital credit facility of Baht 150 million from a local financial institution. (As at December 31, 2021 : nil)

As at December 31, 2021 and 2020, the Company had pledged a portion of its investment in common shares of an associate with total market value of Baht 167.20 million and Baht 171.60 million, respectively, to secure working capital credit facility of Baht 100 million from a local financial institution. The Company had to maintain required ratios between outstanding debt and collateral amount as specified in the agreement.

26. RELATED PARTY TRANSACTIONS

The Company has extensive transactions and relationships with its subsidiaries and related companies. Accordingly, the accompanying financial statements may not necessary be indicative of the conditions that would have existed or the results of operations that would have occurred had the Company operated without such affiliations.

26.1 Significant business transactions incurred during the years

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

26.1.1 Amounts of related party transactions incurred for the years ended December 31, 2021 and 2020 were as follows:

(Unit : Thousand Baht)

	Relationship	Consolidated financial statements For the years ended December 31, 2021	Consolidated financial statements For the years ended December 31, 2020	Separate financial statements For the years ended December 31, 2021	Separate financial statements For the years ended December 31, 2020	Pricing policies
Revenues from financial, investment advisory businesses						
Management fee and service income						
Finansa Securities Limited	Subsidiary	-	-	17,600	17,600	see Note 26.1.2, 26.1.4, 26.1.5
Finansa Capital Limited	Subsidiary	-	-	-	800	
Finansa Fund Management Ltd.	Subsidiary	-	-	8,000	8,000	
M.K. Real Estate Development Plc.	Associate	2,400	2,400	2,400	2,400	
Prospect Development Co., Ltd.	Common director	3,000	9,000	3,000	9,000	
		5,400	11,400	31,000	37,800	
Dividend income						
Finansa Securities Limited	Subsidiary	-	-	86,800	-	As paid to other shareholders
M.K. Real Estate Development Plc.	Associate	-	-	-	22,564	
Prospect Logistics and Industrial Leasehold Real Estate Investment Trust	Associate	-	-	45,253	6,910	
		-	-	132,053	29,474	
Interest income						
Finansa Fund Management Ltd.	Subsidiary	-	-	11,441	11,632	2.25% per annum
BFTZ Wangnoi Co., Ltd.	Associate	3,225	-	3,225	-	6.5% per annum
M.K. Real Estate Development Plc.	Associate	234	-	234	-	3.2%-3.5% per annum
Kanom Café Co., Ltd.	Associate	1,510	-	1,510	-	5% per annum
		4,969	-	16,410	11,632	
Revenues from securities business						
Selling agent fee and other fee income						
Finansia Syrus Securities Plc.	Associate	888	5,620	-	-	As agreed by both parties
M.K. Real Estate Development Plc.	Associate	8,587	4,134	-	-	
Prospect Development Co., Ltd.	Common director	4,082	4,820	-	-	
		13,557	14,574	-	-	
Other income						
Rental and service income						
Finansa Securities Limited	Subsidiary	-	-	4,764	5,013	Market prices
Finansa Capital Limited	Subsidiary	-	-	-	54	
Finansia Syrus Securities Plc.	Associate	5,188	-	5,188	-	
Prospect Development Co., Ltd.	Common director	36	2,840	36	2,840	
Prospect Reit Management Co., Ltd.	Common director	12	284	12	284	
		5,236	3,124	10,000	8,191	
Finance costs						
Finansa Securities Limited	Subsidiary	-	-	13,088	10,782	1.50%-1.75% per annum
Finansa Capital Limited	Subsidiary	-	-	-	1,798	
		-	-	13,088	12,580	
Property management fee and other expenses						
Prospect Development Co., Ltd.	Common director	-	16,317	-	16,317	see Note 26.1.3
		-	16,317	-	16,317	
Selling agent fee and other fees						
Finansa Securities Limited	Subsidiary	-	-	2,386	537	As agreed by both parties
Finansia Syrus Securities Plc.	Associate	6,470	12,123	500	-	
		6,470	12,123	2,886	537	
Rental and service fees						
M.K. Real Estate Development Plc.	Associate	830	-	830	-	Market prices
		830	-	830	-	

26.1.2 The Company has entered into service agreements with its subsidiaries and an associated company. These contracts require the Company to provide services, including management, marketing, and other business operation support, to the subsidiaries and an associated company. The Company charged service fees as agreed by both parties based on estimated time spent and cost incurred for each subsidiary plus margin. Service fees for the years ended December 31, 2021 and 2020 are as follows.

(Unit : Thousand Baht)

	2021		2020	
Company Name	Period of contract	Annual Fee	Period of contract	Annual Fee
Finansa Securities Limited	1 January - 31 December 2021	16,000	1 January - 31 December 2020	16,000
Finansa Capital Limited	-	-	1 January - 31 December 2020	800
Finansa Fund Management Ltd.	1 January - 31 December 2021	8,000	1 January - 31 December 2020	8,000
Prospect Development Co., Ltd.	1 January - 31 December 2021	3,000	1 May - 31 December 2020	9,000

26.1.3 In 2020, the Company has entered into a property management service agreement with Prospect Development Co., Ltd. to manage the Company's warehouse and factory buildings for lease. The fee is determined based on rental and service fee income and profit from leasing operation of the Company. (2021 : nil)

26.1.4 The Company has entered into a service agreement with a subsidiary of which the Company will provide compliance and board secretary services. The Company charged service fee as agreed by both parties at Baht 1,600,000 per annum.

26.1.5 The Company has entered into a service agreement with its associated company of which the Company will provide information technology services to an associate. The Company charged service fee for 2021 and 2020 as agreed by both parties at Baht 200,000 per month.

26.2 Outstanding balances at the date of the statements of financial position

As at December 31, 2021 and 2020, outstanding balances of transactions between the Group with their related parties can be summarized as follows:

(Unit : Thousand Baht)

	Relationship	Consoildated financial statements		Separate financial statements	
		As at December 31, 2021	As at December 31, 2020	As at December 31, 20210	As at December 31, 2020
Service income receivables					
Finansa Securities Limited	Subsidiary	-	-	45	65
Finansia Syrus Securities Plc.*	Associate	-	5,778	-	-
M.K. Real Estate Development Plc.	Associate	1,498	1,682	214	214
Prospect Development Co., Ltd.	Common director	3	75	3	75
Prospect Reit Management Co., Ltd.	Common director	2	-	2	-
		1,503	7,535	264	354
Other receivables					
Finansa Fund Management Ltd.	Subsidiary	-	-	-	11,822
Finansia Syrus Securities Plc.*	Associate	-	85	-	-
M.K. Real Estate Development Plc.	Associate	172	-	172	-
BFTZ Wangnoi Co., Ltd.	Associate	1,456	-	1,456	-
Kanom Café Co., Ltd.	Associate	1,510	-	1,510	-
		3,138	85	3,138	11,822
Short-term loans and advances to related parties					
Finansa Fund Management Ltd.	Subsidiary	-	-	867	527,560
M.K. Real Estate Development Plc.	Associate	200,000	-	200,000	-
BFTZ Wangnoi Co., Ltd.	Associate	128,000	-	128,000	-
Kanom Café Co., Ltd.	Associate	67,028	-	67,028	-
		395,028	-	395,895	527,560
Other non-current asset					
Rental deposit					
M.K. Real Estate Development Plc.	Associate	137	-	137	-
		137	-	137	-
Short-term loans from related parties					
Finansa Securities Limited	Subsidiary	-	-	690,200	713,500
		-	-	690,200	713,500
Other current liabilities					
Accrued interest payables					
Finansa Securities Limited	Subsidiary	-	-	165	1,574
Fee and service payables					
Prospect Development Co., Ltd.	Common director	11	29	11	29
Rental deposit					
Finansa Securities Limited	Subsidiary	-	-	1,044	1,044
Prospect Development Co., Ltd.	Common director	-	589	-	589
		11	618	1,220	3,236

* On December 16, 2021, a subsidiary sold all of its investment in Finansia Syrus Securities Plc. to a third party. As a result, as at December 31, 2021, Finansia Syrus Securities Plc. was no longer the Group's associate.

26.3 Movements of intercompany loans and borrowings

26.3.1 Short-term loans and advances to related parties

During the year ended December 31, 2021, the Group had movements of short-term loans and advances to related parties as follows:

(Unit : Thousand Baht)

		Consolidated financial statements				
	Relationship	As at January 1, 2021	Increase	Decrease	Effect from exchange rate	As at December 31, 2021
M.K. Real Estate Development Plc.	Associate	-	200,000	-	-	200,000
BFTZ Wangnoi Co., Ltd.	Associate	-	173,000	(45,000)	-	128,000
Kanom Café Co., Ltd.	Associate	-	67,028	-	-	67,028
Siam Investment Fund II, L.P.	Related party	727	-	(809)	82	-
Related persons		-	843	(843)	-	-
Less Allowance for expected credit loss		(727)	-	809	(82)	-
		-	440,871	(45,843)	-	395,028

(Unit : Thousand Baht)

		Separate financial statements				
	Relationship	As at January 1, 2021	Increase	Decrease	Effect from exchange rate	As at December 31, 2021
Finansa Fund Management Ltd.	Subsidiary	527,560	9,001	(535,694)	-	867
M.K. Real Estate Development Plc.	Associate	-	200,000	-	-	200,000
BFTZ Wangnoi Co., Ltd.	Associate	-	173,000	(45,000)	-	128,000
Kanom Café Co., Ltd.	Associate	-	67,028	-	-	67,028
		527,560	449,029	(580,694)	-	395,895

26.3.2 Borrowings

During the year ended December 31, 2021, the Company had movements of borrowings from related parties as follows:

(Unit : Thousand Baht)

		Separate financial statements				
	Relationship	As at January 1, 2021	Increase	Decrease	Effect from exchange rate	As at December 31, 2021
Short-term loans from related parties						
Finansa Securities Limited	Subsidiary	713,500	63,500	(86,800)	-	690,200
		713,500	63,500	(86,800)	-	690,200

26.4 Directors and management remuneration

Directors and management remuneration for the years ended December 31, 2021 and 2020 consist of the following:

(Unit : Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
Short-term management remuneration	41,563	74,053	29,594	30,699
Long-term management remuneration	1,345	1,125	1,154	959
	42,908	75,178	30,748	31,658

For the years ended December 31, 2021 and 2020, a subsidiary has paid for advisory fee to managements, totaling Baht 3.46 million and Baht 3.38 million, respectively. Such cost is presented as part of investment, advisory and management business costs in the consolidated statements of profit or loss and other comprehensive income.

27. FINANCIAL INFORMATION BY SEGMENT

The Group have been operating in three principal business segments: (1) Investment, advisory and management business, (2) Securities business and (3) Warehouse and factory leasing business, which are organized and managed separately and carried out in various geographical areas. Although its subsidiaries are registered and incorporated in various countries, their ultimate assets and investments are mainly in Asia. Therefore, no geographical segment information is presented.

The financial information of the Group for the years ended December 31, 2021 and 2020 are presented by business segment as follows:

(Unit : Thousand Baht)

	For the year ended December 31, 2021				
	Investment, advisory and management business	Securities business	Warehouse and factory leasing business	Elimination of inter-segment revenues	Consolidated financial statements
Revenue from external customers					
Service income					
- Overtime	5,400	-	-	-	5,400
Advisory fee and Success fee					
- At the point of time	-	185,828	-	-	185,828
- Overtime	-	7,999	-	-	7,999
Commission fee					
- At the point of time	-	17,976	-	-	17,976
Gains (losses) on investments	445	1,349	-	-	1,794
Interest income and dividend	37,872	196	-	-	38,068
Inter - segment revenues	178,288	15,474	-	(193,762)	-
Total revenues	222,005	228,822	-	(193,762)	257,065
Segment income	177,227	102,939	-	(180,525)	99,641
Unallocated income and expenses :					
Other income					8,879
Loss from sale of investment in an associate					(56,056)
Servicing and administrative expenses					(106,511)
Expected credit loss (reversal)					32,896
Share of profit of associates using equity method	50,864				50,864
Finance costs					(58,830)
Income tax expense					(13,072)
Net loss					(42,189)

(Unit : Thousand Baht)

	For the year ended December 31, 2020				
	Investment, advisory and management business	Securities business	Warehouse and factory leasing business	Elimination of inter-segment revenues	Consolidated financial statements
Revenue from external customers					
Service income					
- At the point of time	35,173	-	-	-	35,173
- Overtime	11,400	-	-	-	11,400
Advisory fee and Success fee					
- At the point of time	-	332,150	-	-	332,150
- Overtime	-	2,400	-	-	2,400
Commission fee					
- At the point of time	-	13,541	-	-	13,541
Rental income					
- Overtime	-	-	124,624	-	124,624
Gains (losses) on investments	(8,231)	1,026	-	-	(7,205)
Interest income and dividend	39,667	300	-	-	39,967
Compensation fee from termination of sublease agreement	-	-	198,136	-	198,136
Inter - segment revenues	62,393	11,307	-	(73,700)	-
Total revenues	140,402	360,724	322,760	(73,700)	750,186
Segment income	86,305	187,144	253,076	(60,071)	466,454
Unallocated income and expenses :					
Other income					10,267
Gain from dissolution of a subsidiary					3,181
Servicing and administrative expenses					(129,875)
Expected credit loss					(61,755)
Share of profit of associates using equity method	30,780				30,780
Finance costs					(72,732)
Income tax expense					(23,057)
Net profit					223,263

Transfer prices between the Group are set out in Note 26 to the financial statements.

Assets and liabilities information of the Group as at December 31, 2021 and 2020 presented by business segment are as follows:

(Unit : Thousand Baht)

	As at December 31, 2021				
	Investment, advisory and management business	Securities business	Warehouse and factory leasing business	Eliminations	Consolidation
Total assets	5,500,914	884,169	-	(2,256,605)	4,128,478
Total liabilities	2,109,491	94,042	-	(692,322)	1,511,211

(Unit : Thousand Baht)

	As at December 31, 2020				
	Investment, advisory and management business	Securities business	Warehouse and factory leasing business	Eliminations	Consolidation
Total assets	5,774,177	982,528	-	(2,688,407)	4,068,298
Total liabilities	2,360,346	157,127	-	(1,255,565)	1,261,908

28. FINANCIAL INSTRUMENTS

A financial instrument is any contract that gives rise to both financial assets of one enterprise and financial liabilities or equity instrument of another enterprise at the same time.

28.1 Financial risk management

The financial risks associated with these financial instruments and how they are managed is described below.

Credit risk

The Group are exposed to credit risk with respect to (a) lending and loans, (b) investments in debt securities and (c) credit terms given to customers. The Group therefore manage and control the risk by having in place lending and investment policies, credit control procedures and credit term policies. The Group therefore expect such risk to be at a manageable level.

The maximum exposure to credit risk is limited to the carrying amounts of the outstanding balances of those transactions as stated in the statement of financial position.

Interest rate risk

Interest rate risk in the financial statements arises from the potential change in interest rates which may have an adverse effect on the net interest earnings in the current and future reporting period. Interest rate risk arises from the structure and characteristics of assets, liabilities and shareholders' equity, and in the mismatch in repricing dates of their assets and liabilities.

The Group is exposed to interest rate risk because entities in the Group borrow funds at both fixed and floating interest rates. The risk is managed by the Group by maintaining an appropriate mix between fixed and floating rate borrowings.

The following table presents the Company's and its subsidiaries' financial assets and financial liabilities repricing profile, counting from the earlier of contractual repricing date or maturity date, as at December 31, 2021 and 2020

(Unit : Million Baht)

	Consolidated financial statement			
	Outstanding balances of financial instruments As at December 31, 2021			
Description	Floating interest rate	Fixed interest rate	Non-interest Bearing	Total
Financial assets				
Cash and cash equivalents	4	-	193	197
Investments	-	11	669	680
Service income receivables	-	-	8	8
Receivables and loans to others[1]	-	113	-	113
Short-term loans and advances to related parties	-	395	-	395
Financial liabilities				
Short-term debentures	-	300	-	300
Long-term debentures	-	1,007	-	1,007
Lease liabilities	-	9	-	9

[1] Baht 13 million of total receivables and loans to others carrying fixed interest rates are receivables and loans to others of which income recognition is ceased.

(Unit : Million Baht)

Description	Consolidated financial statement Outstanding balances of financial instruments As at December 31, 2020			
	Floating interest rate	Fixed interest rate	Non-interest Bearing	Total
Financial assets				
Cash and cash equivalents	14	1	58	73
Investments	-	11	923	934
Service income receivables	-	-	48	48
Receivables and loans to others[1]	-	245	-	245
Short-term loans and advances to related parties	-	-	1	1
Financial liabilities				
Long-term debentures	-	1,040	-	1,040
Lease liabilities	-	5	-	5

[1] Baht 149 million of total receivables and loans to others carrying fixed interest rates are receivables and loans to others of which income recognition is ceased.

(Unit : Million Baht)

Description	Separate financial statement Outstanding balances of financial instruments As at December 31, 2021			
	Floating interest rate	Fixed interest rate	Non-interest Bearing	Total
Financial assets				
Cash and cash equivalents	4	-	4	8
Investments	-	11	250	261
Service income receivables	-	-	1	1
Loans to others[1]	-	113	-	113
Short-term loans and advances to related parties	-	395	1	396
Financial liabilities				
Short-term loans and advances from related parties	-	690	-	690
Short-term debentures	-	300	-	300
Long-term debentures	-	1,007	-	1,007
Lease liabilities	-	1	-	1

[1] Baht 13 million of total loans to others carrying fixed interest rates is loans to others of which income recognition is ceased.

(Unit : Million Baht)

Description	Separate financial statement			
	Outstanding balances of financial instruments As at December 31, 2020			
	Floating interest rate	Fixed interest rate	Non-interest Bearing	Total
Financial assets				
Cash and cash equivalents	14	1	3	18
Investments	-	11	460	471
Service income receivables	-	-	31	31
Loans to others[1]	-	245	-	245
Short-term loans and advances to related parties	-	516	12	528
Financial liabilities				
Short-term loans and advances from related parties	-	714	-	714
Long-term debentures	-	1,040	-	1,040
Lease liabilities	-	1	-	1

[1] Baht 13 million of total loans to others carrying fixed interest rates is loan to others of which income recognition is ceased.

As at December 31, 2021 and 2020, the fixed interest rate financial instruments which have new repricing dates or maturity dates (whichever are sooner) after the statement of financial position dates, are as follows:

(Unit : Million Baht)

Description	Consolidated financial statement						
	As at December 31, 2021						
	Remaining periods to repricing dates or maturity dates						
	At call	Within 1 year	1-5 years	Over 5 years	No maturity	Total	Interest rate (%)
Financial assets							
Investments	-	-	11	-	-	11	4.50
Receivable and loans to others[1]	13	100	-	-	-	113	6.75
Short-term loans and advances to related parties	128	267	-	-	-	395	3.20 - 6.50
Financial liabilities							
Short-term debentures	-	300	-	-	-	300	3.90
Long-term debenture	-	340	667	-	-	1,007	4.75 - 5.25
Lease liabilities	-	4	5	-	-	9	5.21 - 8.36

[1] Receivables and loans for which the new repricing dates or maturity dates (whichever is sooner) under "at call" are receivables and loans of which income recognition is ceased.

(Unit : Million Baht)

Description	Consolidated financial statement						
	As at December 31, 2020						
	Remaining periods to repricing dates or maturity dates						
	At call	Within 1 year	1-5 years	Over 5 years	No maturity	Total	Interest rate (%)
Financial assets							
Cash and cash equivalents	-	1	-	-	-	1	1.30
Investments	-	-	11	-	-	11	4.50
Receivable and loans to others[1]	13	232	-	-	-	245	5.00 - 7.00
Financial liabilities							
Long-term debentures	-	400	640	-	-	1,040	4.75 - 5.25
Lease liabilities	-	2	3	-	-	5	3.80 - 8.76

[1] Receivables and loans for which the new repricing dates or maturity dates (whichever is sooner) under "at call" are receivables and loans of which income recognition is ceased.

(Unit : Million Baht)

Description	Separate financial statement						
	As at December 31, 2021						
	Remaining periods to repricing dates or maturity dates						
	At call	Within 1 year	1-5 years	Over 5 years	No maturity	Total	Interest rate (%)
Financial assets							
Investments	-	-	11	-	-	11	4.50
Loans to others[1]	13	100	-	-	-	113	6.75
Short-term loans and advances to related parties	128	267	-	-	-	395	3.20 - 6.50
Financial liabilities							
Short-term loan and advance from related parties	690	-	-	-	-	690	1.75
Short-term debentures	-	300	-	-	-	300	3.90
Long-term debentures	-	340	667	-	-	1,007	4.75 - 5.25
Lease liabilities	-	-	1	-	-	1	8.76

[1] Loans to others for which the new repricing dates or maturity dates (whichever is sooner) under "at call" is loans to others of which income recognition is ceased.

(Unit : Million Baht)

Description	Separate financial statement						
	As at December 31, 2020						
	Remaining periods to repricing dates or maturity dates						
	At call	Within 1 year	1-5 years	Over 5 years	No maturity	Total	Interest rate (%)
Financial assets							
Cash and cash equivalents	-	1	-	-	-	1	1.30
Investments	-	-	11	-	-	11	4.50
Loans to others(1)	13	232	-	-	-	245	5.00 - 7.00
Short-term loans and advances to related parties	516	-	-	-	-	516	2.25
Financial liabilities							
Short-term loan and advance from related parties	714	-	-	-	-	714	1.75
Long-term debentures	-	400	640	-	-	1,040	4.75 - 5.25
Lease liabilities	-	-	1	-	-	1	8.76

(1) Loans to others for which the new repricing dates or maturity dates (whichever is sooner) under "at call" is loans to others of which income recognition is ceased.

Liquidity risk

Liquidity risk is the risk that the Group might be unable to liquidate financial assets and/or procure sufficient funds to discharge obligations in a timely manner.

The periods to the maturity dates of financial instruments held as at December 31, 2021 and 2020, counting from the statements of financial position date, are as follows:

(Unit : Million Baht)

Description	Consolidated financial statement					
	As at December 31, 2021					
	At call	Within 1 year	1-5 years	Over 5 years	No maturity	Total
Financial assets						
Cash and cash equivalents	197	-	-	-	-	197
Investments	364	-	254	-	62	680
Service income receivables	-	8	-	-	-	8
Receivables and loans to others(1)	13	100	-	-	-	113
Short-term loans and advances to related parties	128	267	-	-	-	395
Financial liabilities						
Short-term debentures	-	300	-	-	-	300
Long-term debentures	-	340	667	-	-	1,007
Lease liabilities	-	4	5	-	-	9

(1) Receivables and loans which mature at call represent default loans of which income recognition is ceased. Therefore, the term of loan repayment depends upon the result of debt restructuring.

(Unit : Million Baht)

Description	Consolidated financial statement					
	As at December 31, 2020					
	At call	Within 1 year	1-5 years	Over 5 years	No maturity	Total
Financial assets						
Cash and cash equivalents	72	1	-	-	-	73
Investments	649	-	11	-	274	934
Service income receivables	48	-	-	-	-	48
Receivables and loans to others[1]	13	232	-	-	-	245
Short-term loans and advances to related parties	1	-	-	-	-	1
Financial liabilities						
Long-term debentures	-	400	640	-	-	1,040
Lease liabilities	-	2	3	-	-	5

[1] Receivables and loans which mature at call represent default loans of which income recognition is ceased. Therefore, the term of loan repayment depends upon the result of debt restructuring.

(Unit : Million Baht)

Description	Separate financial statement					
	As at December 31, 2021					
	At call	Within 1 year	1-5 years	Over 5 years	No maturity	Total
Financial assets						
Cash and cash equivalents	8	-	-	-	-	8
Investments	238	-	11	-	12	261
Service income receivables	-	1	-	-	-	1
Loans to others[1]	13	100	-	-	-	113
Short-term loans and advances to related parties	128	267	-	-	-	395
Financial liabilities						
Short-term loan and advance from related parties	690	-	-	-	-	690
Short-term debentures	-	300	-	-	-	300
Long-term debentures	-	340	667	-	-	1,007
Lease liabilities	-	-	1	-	-	1

[1] Loans to others which mature at call represent default loans of which income recognition is ceased. Therefore, the term of loan repayment depends upon the result of debt restructuring.

(Unit : Million Baht)

Description	Separate financial statement					
	As at December 31, 2020					
	At call	Within 1 year	1-5 years	Over 5 years	No maturity	Total
Financial assets						
Cash and cash equivalents	17	1	-	-	-	18
Investments	448	-	11	-	12	471
Service income receivables	31	-	-	-	-	31
Loans to others[1]	13	232	-	-	-	245
Short-term loans and advances to related parties	528	-	-	-	-	528
Financial liabilities						
Short-term loan and advance from related parties	714	-	-	-	-	714
Long-term debentures	-	400	640	-	-	1,040
Lease liabilities	-	-	1	-	-	1

[1] Loans to others which mature at call represent default loans of which income recognition is ceased. Therefore, the term of loan repayment depends upon the result of debt restructuring.

Foreign exchange risk

Foreign exchange risk is the risk arising from changes in foreign exchange rates which may result in changes in the value of financial instruments, fluctuations in revenues or value of financial assets and liabilities.

As at December 31, 2021 and 2020, the Group had foreign currency-denominated financial assets, which had not been hedged against foreign exchange risk, as follows:

(Unit : Thousand)

	Consolidated financial statements		Separate financial statements	
	As at December 31, 2021	As at December 31, 2020	As at December 31, 2021	As at December 31, 2020
US dollars	6,357	1,767	-	1,010

As at December 31, 2021 and 2020, average foreign exchange rates are summarized below:

	As at December 31, 2021	As at December 31, 2020
Baht/US dollar	33.4199	30.0371

Equity position risk

Equity position risk is the risk arising from changes in the market prices of equity securities which may result in change in the value of investments, fluctuations in revenues and/or the value of investments in equity securities. The Group have equity position risk, occurring from their investments in domestic and overseas marketable equity securities, which the Group recognize at fair value as at the statements of financial position dates. The maximum amount of exposure to such risk is the carrying value of those investments as at the statements of financial position dates.

28.2 Fair value of financial instruments

Fair value represents the amount for which an asset could be exchanged or a liability settled between knowledgeable and willing parties in an arm's length transaction. The Group have estimated the fair value of financial instruments as follows:

Cash and cash equivalents

The fair value of cash and cash equivalents are estimated equal to their carrying value.

Financial Investments

The fair values of the Financial Investments are calculated based on criteria as described in Note 3.3 to the financial statements, except the fair value of held-to-maturity debt securities which are estimated to be the present value of cash to be received by the Group, discounted by the market interest rate.

Receivables and loans to others

The fair values of receivables and loans to others are considered to approximate their respective carrying values as discussed in Notes 3.4 and 3.19.

Short-term loans and advances to related parties

The fair values of short-term loans and advances to related parties are considered to approximate their respective carrying values since they have short maturities and/or charge interest rates approximate the current market interest rates.

Short-term debentures/Long-term debentures/short-term loans and advances from related parties

The fair values of short-term debentures, long-term debentures and short-term loans and advances from related parties are considered to approximate their respective carrying values since their interest rates approximate the current market interest rates and/or their maturities are short.

As at December 31, 2021 and 2020, the fair values of financial assets and liabilities are not significantly different from carrying amounts.

29. FAIR VALUE MEASUREMENT

Fair value of the Group's financial assets and financial liabilities are measured at fair value on a recurring basis.

Certain financial assets and financial liabilities of the Group are measured at fair value at the end of reporting period. The following table gives information about how the fair values of these financial assets and financial liabilities are determined.

	Fair value (Thousand Baht)					
	Consolidated financial statements		Separate financial statements			
	As at December 31, 2021	As at December 31, 2020	As at December 31, 2021	As at December 31, 2020	Fair value hierarchy	Valuation technique(s) and key input(s)
Financial Assets						
Government bond	10,856	11,304	10,856	11,304	Level 2	Market yield of debt securities published by the Thai Bond Market Association
Investment units in domestic funds	364,517	648,936	237,803	447,558	Level 2	Net asset value at the end of the reporting period
Investment units in foreign funds	10,176	10,018	-	-	Level 2	Net asset value at the end of the reporting period
Domestic non-marketable equity securities	264,874	263,535	12,348	11,744	Level 3	Discounted cash flows from the effective interest rate method
Foreign marketable equity securities	29,131	-	-	-	Level 1	Market price at the end of reporting period

Short-term loans to others; the carrying values of outstanding balances approximate their fair values due to relatively short period to maturity.

For financial reporting purposes, fair value measurements are categorized into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirely, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; or
- Level 3 inputs are unobservable inputs for the asset or liability.

30. EVENTS AFTER THE REPORTING PERIOD

30.1 On December 17, 2021, the Extraordinary General Meeting of the subsidiary's shareholders passed a resolution to approve the decrease of the subsidiary's registered capital totaling Baht 300 million from the existing registered capital of Baht 700 million to Baht 400 million. The decrease of registered capital is completed on January 24, 2022. The Company already received paid back share subscription on the same date.

30.2 On February 14, 2022, the Company and the purchaser under the digital tokens forward purchase agreement dated December 22, 2021 have entered into a memorandum to terminate such forward purchase agreement. The Company has to pay back deposit to the purchaser as specified in the termination memorandum.

Subsequently, on February 18, 2022, the Company sold 45 million digital tokens to other investors at Baht 10 per token plus a return totaling Baht 457.17 million. The Company has already received the total proceeds from the transaction.

30.3 On January 19, 2022, the Board of Directors' Meeting of the Company passed a resolution to approve the selling of its office condominium to the subsidiary at the price appraised by an independent property appraiser at Baht 370.32 million. And, on the same date, the Board of Directors' Meeting of the subsidiary, passed a resolution to approve the purchasing of the office condominium at the appraised price. The purchasing-selling transaction is completed on February 1, 2022.

31. APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements have been approved for issuing by the Company's Board of Directors on February 24, 2022.

Attachment

Attachment 1 Information of Directors, Executives, Controlling Person, Head of Accounting and Finance, Accounting Controller, and Company Secretary

Attachment 2 Information of Directors in Subsidiaries and Associated Companies

Attachment 3 Information of Head of Internal Audit and Head of Compliance

Attachment 4 Information of Operating Assets

Attachment 5 Policy and guideline of Good Corporate Governance and Code of Conduct prepared by the Company

Attatchment 6 Audit Committee's Report / Report on the Board of Directors Responsibility towards the Financial Statements / Report of the Nomination, Compensation and Corporate Governance Committee

Name-Last Name	**Mr. Akarat Na Ranong**
Age	68 Years
Position / Date of Appointment of Director	Chairman (9 December 2021) / Member of Audit Committee / Member of Nomination Compensation and Corporate Governance Committee (1 March 2022) / Independent Director (13 January 2011)
Education and Training Program	• Master's Degree, Business Administration (Management), Marshall University, USA • Bachelor's Degree, Economics, Chulalongkorn University, Thailand **Training Program** • Certificate, Thai Institute of Directors Association - Audit Committee Program (2004) - Director Accreditation Program (2007) - Role of the Compensation Committee (2007) - Director Certification Program (2013) - Role of the Chairman Program (2017) - Ethical Leadership Program (2019) • Certificate, Capital Market Academy Leadership Program (2008) • Seminar: Role of Audit Committee of listed company (2021)
% Holding in FNS As at 31 December 2021	0
Family Relationship	-
Experience Over Past 5 Years	**Listed Company** ***2017-Present*** • Independent Director / Chairman of Audit Committee / Vice Chairman of Nomination Compensation and Corporate Governance Committee - Symphony Communication Pcl. ***2010-Present*** • Independent Director / Chairman of Audit Committee - Matching Maximize Solution Pcl. **Other Companies** ***2018-Present*** • Director/Executive Direct - Wind Energy Holding Company Limited ***2017-Present*** • Director / Member of Compensation and Remuneration Committee and Investment Committee - Krungthai-AXA Life Insurance Pcl. ***2015-Present*** • Independent Director / Chairman of the Board of Director / Chairman of the Audit Committee - KPN Academy Company Limited ***2011-Present*** • Independent Director and Chairman of Audit Committee - Finansa Securities Ltd.

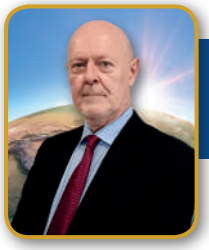
Name-Last Name	**Mr. Vorasit Pokachaiyapat**
Age	58 Years
Position / Date of Appointment of Director	Managing Director / Authorized Director / Member of the Nomination, Compensation and Corporate Governance Committee / 19 June 2002
Education and Training Program	• M.S. Computer Information Systems, Bentley College, USA • B.S. Managerial Economics and Industrial Management Carnegie-Mellon University, USA **Training Program** • Certificate, Thai Institute of Directors Association - Directors Certification Program (2002)
% Holding in FNS As at 31 December 2021	43.102%
Family Relationship	-
Experience Over Past 5 Years	**Listed Company** ***2015-Present*** • Director and Chief Executive Officer - M.K.Real Estate Development Pcl. ***1998-Feb 2018*** • Independent Director - SE-Education Plc. **Other Companies** ***Nov 2019-Present*** • Director - PROSPECT REIT MANAGEMENT CO.,LTD ***2018-Present*** • Director - Frasers Property BFTZ Co., Ltd. ***2016-Present*** • Director - NEO Corporate Co., Ltd. ***2005-Present*** • Executive Director - Prospect Development Ltd. ***1994-Present*** • Director - Finansa Fund Management Ltd.

Name-Last Name	**Mr. Varah Sucharitakul**
Age	57 Years
Position / Date of Appointment of Director	Authorized Director / Executive Director / Company Secretary / 19 June 2002
Education and Training Program	• MBA, University of New Hampshire, USA • B.Eng. (Mechanical Engineering) Chulalongkorn University, Thailand **Training Program** • Certificate, Thai Institute of Directors Association - Directors Certification Program (2002) - Company Secretary Program (2008) - Corporate Governance for Capital Market Intermediaries (2016)
% Holding in FNS As at 31 December 2021	0
Family Relationship	-
Experience Over Past 5 Years	**Listed Company** ***2015-Present*** • Director - SBI Royal Securities Pcl. Phnom Penh, Cambodia ***2009-2021*** • Chairman of Executive Director / Deputy Chairman of the Board / Director of Remuneration Committee - Finansia Syrus Securities Plc. **Other Companies** ***2020-Present*** • Director - BAFS Clean Energy Corporation Company Limited ***2012-Present*** • Executive Director - Finansa Securities Ltd.

Name-Last Name	**Mr. Kittipong Lertvanangkul**
Age	56 Years
Position / Date of Appointment of Director	Authorized Director / Executive Director / 15 September 2020
Education and Training Program	• MBA in Finance, University of Memphis, USA • BBA in Marketing, Assumption University, Thailand **Training Program** • Certificate, Thai Institute of Directors Association - Corporate Governance for Capital Market Intermediaries (2016)
% Holding in FNS As at 31 December 2021	0
Family Relationship	-
Experience Over Past 5 Years	**Other Companies** ***2019-2021*** • President - Thai Digital Technology User Group Association ***2012-Present*** • President and Director - Finansa Securities Ltd.

Name-Last Name	**Mr. Chanmanu Sumawong**
Age	65 Years
Position / Date of Appointment of Director	Chairman of the Audit Committee / Chairman of the Nomination, Compensation and Corporate Governance Committee (1 March 2022) / Independent Director (1 February 2018)
Education and Training Program	• Master of Comparative Law (A.P.), George Washington University, USA • Master of Law, George Washington University, USA • Bachelor of Laws, Second Class Honors, Thammasat University, Thailand • Thai Barrister-at-Law **Training Program** • Certificate, Thai Institute of Directors Association - Director Accreditation Program (2013) • Seminar: Role of Audit Committee of listed company (2021)
% Holding in FNS As at 31 December 2021	0
Family Relationship	-
Experience Over Past 5 Years	**Listed Company** ***2019-Present*** • Executive Vice President - Pruksa Real Estate PCL. ***2018-Present*** • Independent Director, Member of Audit Committee and Member of Nomination and Remuneration Committee - CIMB Thai Bank Public Company Limited ***2017-2019*** • Director of Legal Affairs - Thonburi Healthcare Group Pcl. **Other Companies** ***2018-Present*** • Independent Director, Member of the Audit Committee - Finansa Securities Ltd.

Name-Last Name	**Mr. Nuttawut Phowborom**
Age	57 Years
Position / Date of Appointment of Director	Member of Audit Committee / Independent Director / 25 April 2013
Education and Training Program	• MBA, City University, Seattle, USA • Bachelor's Degree, Economics, University of the Thai Chamber of Commerce, Thailand **Training Program** • Certificate, Thai Institute of Directors Association - Director Accreditation Program (2004) - Audit Committee Program (2005) - Role of the Compensation Committee (2008)
% Holding in FNS As at 31 December 2021	0
Family Relationship	-
Experience Over Past 5 Years	**Listed Company** ***2019-Present*** • Director - Prime Road Power Pcl. (formerly known as Food Capitals Plc.) ***2011-Present*** • Independent Director, Audit Committee Member and Chairman of Nomination and Remuneration Committee - Asia Aviation Plc. **Other Companies** ***2015-Present*** • Director - Navavej International Pcl. (formerly known as KPN Healthcare Plc.) - KPN Energy Holding Co., Ltd. ***2013-Present*** • Director and Chief Executive Officer - KPN Academy Co., Ltd. ***2011-Present*** • Independent Director, Audit Committee Member and Chairman of Nomination and Remuneration Committee - Thai AirAsia Co., Ltd.



Name-Last Name Age	**Mr. James Marshall** 67 Years
Position / Date of Appointment of Director	Authorized Director (24 February 2022) / Head of Research and Business Development
Education and Training Program	**Certificate** • Member of the Chartered Institute for Securities & Investment, United Kingdom (1993) • Achievement of 35 hours of CDP Scheme, CISI, United Kingdom (2020-2021)
% Holding in FNS As at 31 December 2021	0.33%
Family Relationship	-
Experience Over Past 5 Years	**Listed Company** ***Jan 2019-Present*** • Head of Research and Business Development Department - Finansa Plc. ***1999-Jan 2019*** • Chief Investment Officer - Finansa Plc. **Other Companies** ***May 2021-Present*** • Director - BFTZ Wangnoi Co.,Ltd. ***2002-Present*** • Director - Finansa Fund Management Ltd.

Name-Last Name Age	**Mr. Teerath Pratumsuwan** 53 Years
Position / Date of Appointment of Director	Deputy Managing Director
Education and Training Program	• Master of Business Administration (Finance and Investment), The City University of New York, Baruch College, USA • Bachelor of Accountancy, Chulalongkorn University, Thailand **Training Program** • Certificate, The Stock Exchange of Thailand - e-learning CFO's Orientation Course for New IPO's (2021) • Licensure, Securities and Exchange Commission, Thailand - Fund Manager (2011) - Property Fund Manager (2011) • CFA Level 1 (2008)
% Holding in FNS As at 31 December 2021	0
Family Relationship	-
Experience Over Past 5 Years	**Listed Company** ***May 2021-Dec 2021*** • Chief Financial Officer - The Platinum Group Pcl. ***Apr 2020-May 2021*** • Executive Vice President - XSpring Capital Plc. **Other companies** ***Aug 2011-Apr 2020*** • Senior Vice President - UOB Asset Management (Thailand) Co., Ltd.

Name-Last Name	**Ms. Rachanee Mahatdetkul**
Age	55 Years
Position / Date of Appointment of Director	Senior Vice President of Direct Investment Department
Education and Training Program	• MBA, Santa Clara University, USA • B.A. in Business Administration Assumption University, Thailand **Training Program** • Certificate, The Stock Exchange of Thailand - Strategic CFO in Capital Markets Program (2017) • Certificate, Thai Institute of Directors Association - Director Accreditation Program (2005) - Director Certification Program (2018)
% Holding in FNS As at 31 December 2021	0
Family Relationship	-
Experience Over Past 5 Years	**Listed Company** ***2015-Present*** • Executive Director - M.K. Real Estate Development Plc. ***2007-Present*** • Senior Vice President - Direct Investment - Finansa Plc. ***1994-2006*** • Vice President - Direct Investment - Finansa Plc. **Other Companies** ***May 2021-Present*** • Director - BFTZ Wangnoi Co.,Ltd. ***Nov 2019-Present*** • Director - PROSPECT REIT MANAGEMENT CO.,LTD. ***Nov 2018-Present*** • Managing Director - Prospect Development Co., Ltd. ***2017-Present*** • Director - FB Food Service (2017) Ltd. ***2016-Present*** • Director - Frasers Property BFTZ Co., Ltd. ***2009-2018*** • Executive Director - Prospect Development Co., Ltd.

Name-Last Name	**Ms. Wipa Nilsophon**
Age	57 Years
Position / Date of Appointment of Director	Assistant Managing Director - Compliance Department
Education and Training Program	• Master's Degree, MBA, Mercer University, USA • Bachelor's Degree, Accounting, Bangkok University, Thailand **Training Program (2021)** • Knowledge on CG Practice • Role of Audit Committee towards Capital Market and Corporate Governance • Business and Human Rights, 56-1 One Report Handbook
% Holding in FNS As at 31 December 2021	0
Family Relationship	-
Experience Over Past 5 Years	***2011-Present*** • Assistant Managing Director, Compliance Department - Finansa Plc.

Name-Last Name	**Mrs. Siripan Leewanun**
Age	55 Years
Position / Date of Appointment of Director	Head of Accounting
Education and Training Program	• MBA, University of Regina, Canada • B.B.A. (Accounting), Thammasat University, Thailand **Training Program (2021)** • Certificate, Federal of Accounting Professions - Update TFRS9 & TFRS16 Overall • Certificate, The Listed Companies Association - TLCA CFO CPD 8/2021 : The Modern CFO : Driving Digital Transformation of the Finance and Accounting
% Holding in FNS As at 31 December 2021	0
Family Relationship	-
Experience Over Past 5 Years	**Listed Company** ***2004-Present*** • Head of Accounting - Finansa Plc. **Other Company** ***May 2021-Present*** • Director - BFTZ Wangnoi Co.,Ltd. ***Jul 2020-Present*** • Director - Kanom Café Co.,Ltd.

Name-Last Name Age	**Mr. Chakhrit Suphepre** 57 Years
Position / Date of Appointment of Director	• Group Head of Information Technology and Senior Vice President
Education and Training Program	• Master of Science (Computer Science & Information Technology) NIDA, Thailand • Bachelor of Science (Computer Science) King Mongkut's Institute of Technology Ladkrabang, Thailand
% Holding in FNS As at 31 December 2021	0
Family Relationship	-
Experience Over Past 5 Years	***2012-Present*** • Group Head of Information Technology and Senior Vice President - Finansa Plc.

Name-Last Name Age	**Mr. Chankit Assawarotjanamitre** 59 Years
Position / Date of Appointment of Director	Head of Administration
Education and Training Program	Bachelor of Business Administration (General Management), Sukhothai Thammathirat Open University, Thailand
% Holding in FNS As at 31 December 2021	0
Family Relationship	-
Experience Over Past 5 Years	***2004-Present*** • Head of Administration - Finansa Plc.

Name-Last Name Age	**Mrs. Nuchalee Junkhun** 52 Years
Position / Date of Appointment of Director	Head of Human Resources
Education and Training Program % Holding in FNS	• Bachelor of Economics, Chiangmai University, Thailand
As at 31 December 2021	0.000087%
Family Relationship	-
Experience Over Past 5 Years	***1995-Present*** • Head of Human Resources - Finansa Plc.

Information of Directors in Subsidiaries and Associated Companies

	Name	FNS	Subsidiaries		Affiliates		
			FSL	FFM	MK	Kanom Café	BFTZ Wangnoi
1	Mr. Akarat Na Ranong*	1, 2	2	-	-	-	-
2	Mr. Vorasit Pokachaiyapat	3	-	3	3	-	-
3	Mr. Varah Sucharitakul	3	3	-	-	-	-
4	Mr. Kittipong Lertvanangkul	3	3	-	-	-	-
5	Mr. Chanmanu Sumawong**	4	4	-	-	-	-
6	Mr. Nuttawut Phowborom	4	-	-	-	-	-
7	Mr. James Marshall***	-	-	3	-	-	3
8	Miss Rachanee Mahatdetkul	-	-	-	3	-	3
9	Mrs. Siripan Leewanun	-	-	-	-	3	3
10	Mrs. Snitha Asawachinda	-	3	-	-	3	-
11	Mr. Asadej Kongsiri	-	3	-	-	-	-

Note :
1 = Chairman
2 = Chairman of the Audit Committee
3 = Executive Director
4 = Independent Director and Member of the Audit Committee

* Mr. Akarat Na Ranong was appointed the Chairman of the Company with effect from 9 December 2021, and stepped down as the Chairman of the Audit Committee and the Nomination, Compensation and Corporate Governance Committee to be a member of the said committees with effect from 1 March 2022.

** Mr. Chanmanu Sumawong, a member of the Audit Committee and a member of the Nomination, Compensation and Corporate Governance Committee, was appointed the Chairman of the Audit Committee and the Chairman of the Nomination, Compensation and Corporate Governance Committee with effect from 1 March 2022.

*** Mr. James Marshall was appointed a director effective from 24 February 2022.

Internal Auditor

At the Audit Committee Meeting no.1/2022 on 24 February 2022, the Accounting Revolution Company Limited was appointed to act as an out-sourced independent internal auditor of the Company for the year 2022 with Mrs. Sasivimon Suksai, Managing Director, to be the main responsible internal auditor. The Audit Committee was of the opinion that Accounting Revolution Company Limited and Mrs. Sasivimon Suksai were qualified and appropriate as they had true independence and long-term experience in internal audit and internal control review. The Audit Committee is responsible for the appointment or removal of the internal auditor of the Company. The Company had assigned Ms. Wipa Nilsophon, Head of Compliance Department to coordinate with the out-sourced independent internal audit company.

Mrs. Sasivimon Suksai has over 20 years of experience in the field of accounting system and internal auditing. Details on the education background and work experiences are as follows:

Qualification and Education background

- Master of Business Administration, Chulalongkorn University, Thailand
- Bachelor of Accounting, Thammasart University, Thailand
- Certified Public Account (Thailand)
- Lecturer, Dhurakij Pundit University, Thailand
- Lecturer, Eastern Asia University, Thailand

Work Experiences

- 2006-present Managing Director, Accounting Revolution Company Limited
- 2002-2006 Executive Director, Thana Ake Advisory Co., Ltd.
- 1996-2002 Executive Director, CAS Co., Ltd.
- 1991-1996 Executive Director, VSP Consultant Co.,Ltd.
- 1988-1991 Audit Assistant, SGV-Na Thalang Co., Ltd.

Training attendance in 2022

- Upskill professional working paper for anti-corruption
- System design for positive reinforcement EP 4
- Soft Skill Series Critical Thinking
- Soft Skill Series People Transformation
- Panel Discussion: The importance and the role of Forensic Accountant to HML/CFT National Strategy
- Training Course: Technique for witness preparation in civil case
- Training Course: Technique for evidence adduce in Forensic Accounting

Head of Compliance

The Company assigned Ms. Wipa Nilsophon, Head of Compliance Department to supervise the conduct of the Company in order to comply with regulatory requirements and to provide suggestions and advice on relevant laws and regulations to every business unit of the Finansa Group. The Compliance Department reported to the Audit Committee and Board of Directors and also reported to the Managing Director. The qualification of the Head of Compliance was disclosed in the Biographies of Directors and Management section (Attachment 1). The role and responsibility of the Compliance Department was written in the Code of Conduct of the Finansa Group.

Information on Operating Assets

- **Building and Equipment**

FNS owns an office space located on the 20th Floor of TISCO Tower, 48/48 North Sathorn Road, Silom, Bangrak, Bangkok. In addition, FNS owns other office spaces no. 48/29 and 48/32 on the 16th floor, and 48/45-48 on the 20th Floor in the same tower, which were leased out to its subsidiaries and associated companies, FSL and FSS for a term of 3 years. The rental rate and service charge are at market rates. The building and equipment of the Company and its subsidiary are as followings:

(Million Baht)	31 Dec 2021	31 Dec 2020
Building and improvements	65.28	65.28
Office equipment	8.57	6.13
Furniture and fixtures	7.03	8.33
Vehicles and others	5.84	7.76
Building and equipment - Net	86.72	87.50

As at 31 December 2021, the building and equipment of the Company were free from any obligation or mortgage. (As at 31 December 2020, the Company had mortgaged office condominium units with net book value of Baht 65.28 million to secure a working capital credit facility of Baht 150 million from a local financial institution.)

- **Intangible Assets**

(Million Baht)	31 Dec 2021	31 Dec 2020
Computer Software	2.13	2.11
Others	-	0.41
Intangible assets - Net	2.13	2.52

Details on intangible assets and policy on amortization and depreciation were shown in the Note to Financial Statement no. 3.7, 3.9, 3.15, 11 and 14.

- **Accounts receivables and loans to others**

The Company and its subsidiaries had receivables and loans to others as shown below:

(Million Baht)	31 Dec 2021	31 Dec 2020
Loans to others	100.00	231.95
Debentures	13.00	13.00
Total	113.00	244.95
Less Doubtful Debt	(13.00)	(45.00)
Receivables and loans to others	100.00	199.05

- **Short-term loan and allowance to others**

The Company and its subsidiaries had short-term loans and allowance to others as follows:

(Million Baht)	31 Dec 2021	31 Dec 22020
Short-term loan and allowance to others	395.03	-

Details and policy on receivables and loans to others, and short-term loans and allowance were shown in the Note to Financial Statement no. 3.1.3, 3.4, 3.12, 3.19, 5, 6 and 26.3.

- **Goodwill**

The Company's goodwill is stated at cost less accumulated amortization, and the impairment of goodwill is tested on an annual basis.

As at 31 December 2021, the Company recorded Baht 156.9 million of Net Goodwill which occurred from an investment amount in subsidiaries over their net book value. The goodwill value of FSL was Baht 111.6 million and of FFM was Baht 45.4 million, unchanged from the year end 2020. More information is shown in the Note to Financial Statement no. 3.19 and 12.

Investment policy in subsidiaries and associated companies

Formerly FNS was a holding company with strategic investment in various subsidiaries and associated companies in order to provide a wide range of financial services, i.e. Investment Banking, Wealth Management, Financial Advisor, Private Equity including Securities Brokerage and Property Development.

Currently, the Company positions itself as an investment holding company with a significant changing of its target from financial services business to businesses that have potential to generate more recurring income, following the sale of its securities brokerage associated at the end of 2021. Going forward the Company will focus on investments in industrial property development and management, hospitality and wellness industry, and food and beverage industry through its subsidiaries and associated companies: MK, PROSPECT REIT, Kanom and BFTZ WN. Furthermore, FNS aims to support and expand its investment in these companies to enable them to grow, improve the productivity and generate recurring income.

During 2021, there were a few major changes in the following investments:

- FNS invested Baht 2.5 million in BFTZ Wangnoi Co., Ltd. which is a 50:50 joint venture company with Prospect Development Co., Ltd.
- FNS exercised the rights to convert the convertible loan into ordinary shares of Kanom resulting in the Company holding 30% of Kanom's shares, equivalent to Baht 60 million.
- FNS sold its 29.29% stake in Finansia Syrus Securities Pcl. to an institution.

As at 31 December 2021 in the separate financial statement, there were Baht 1,459.70 million of investment in subsidiaries and Baht 1,983.47 million of investment in associated companies. As for the consolidated financial statement, there was Baht 1,943.64 million of investment in subsidiaries. More information on these matter is provided in the Note to Financial Statement no. 3.5 and 10.

FINANSA
Asian Merchant Banking

Corporate Governance Policy

Finansa Public Company Limited

(Revised 2021)

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Corporate Governance Policy

Finansa Public Company Limited and its subsidiaries are committed to conducting their business affairs in line with the principles of good corporate governance, and attach importance to ethics in the conduct of business affairs. They serve as a behavior framework which reflects the organization's values. The main objectives are self-development of the Company's personnel at all levels and recognition of their responsibilities towards the performance of duties in a moral and ethical manner. All Company's Directors, Executives, and employees are obliged to apply such guidelines in an appropriate and adequate manner, adhering to the morality and honesty principles while complying with all the related laws. The Company believes that management processes influenced by good corporate governance and ethics are an important factor in helping the Company achieve its business goals and earning trust from the society, as well as supportting the positive images of the Company.

Corporate Governance Code

Principle 1 Establish Clear Leadership Role and Responsibilities of the Board

Principle 1.1 Understand and recognize responsibilities as leaders

Members of the Company's Board of Directors independently make their decisions. Each Director enjoys rights and equality in making decisions on various matters. The duties of the Board of Directors, the Audit Committee, other Committees, the Chief Executive Officer and the management are clearly segregated. In this connection, the Board of Directors is responsi ble for the duties as specified by the laws and are responsible for attending meetings to consider the Company's business management in line with the established agenda or others as deemed appropriate by the Chairperson. These include, among others, the following:

1. Determine or approve missions, strategies, goals, policies, and budgets.
2. Oversee and monitor the management's performance regularly, ensuring that they are in line with the established goals.
3. Ensure that good internal control systems and appropriate risk management measures are put in place and imple mented.

Principle 1.2 Create sustainable values to the Company

The Board of Directors is confident that an effective and transparent management process on par with international standards will enhance the Company's competitiveness and make it more acceptable. This acceptance will be an important factor not only in helping the Company achieve its business goals and enhance its economic values, but also in building the confidence of shareholders, investors, and all groups of stakeholders, as all of them will be treated in an equitable manner. The Company has thus established the principles of corporate governance under the guidelines from the Stock Exchange of Thailand and the Securities and Exchange Commission, along with the Handbook of the Code of Ethics for Directors, Executives, and employees to adhere to.

Principle 1.3 Role of the Company's Board of Directors

The Company's Board of Directors performs various roles including governing, overseeing and monitoring the Company's business operations, ensuring that they are in line with the strategies, objectives, goals, rules and regulations, resolutions adopted at shareholders' meetings and the Good Corporate Governance Policies. The roles must be performed in a responsible, honest, careful manner in the best interests of the Company. The Board also ensures reasonable implementation, paying attention to the events that affect the Company and

its business affairs. Members of the Board must employ their abilities and dedicate themselves to the performance of their duties. Importantly, they must take full responsibility and work independently.

The Board of Directors also puts in place control systems relating to operations, financial reporting as well as compliance with the regulations and policies. In this connection, the Board appoints persons or work units responsible for monitoring the implementation of such control systems, the information of which must be disclosed in Annual Reports. The persons or work units must be independent in the performance of their duties.

Principle 1.4 Scope of duties and responsibilities

Determine the duties of the Board of Directors, the Audit Committee, the Nomination, Compensation and Corporate Governance Committee, and other sub-committees, as well as clearly segregate the duties and responsibilities of the Chairman and the Managing Directors.

Directors must understand the scope of their responsibilities. The delegation of the authority to manage the organization to the Executive Officer and the management must be made in writing.

Principle 2 Define main objectives and goals of the business, which foster sustainability

Principle 2.1 Main objectives and goals concerned with looking after stakeholders

The Company realizes the importance of protecting the rights of all stakeholders following the requirements of the law and the Company code of conduct as follows:

1. **Shareholders :** The Company is determined to achieve a good operating performance to create shareholders satisfaction, with due consideration to the growth of the Company's value over the long term. The Company discloses all information in a transparent and trustworthy manner. In addition, every shareholder has an equal right to vote except for shareholders who have conflicts of interest in which they will have the right to vote only for the election of directors, but not on that particular matter.
2. **Employees :** The Company treats all employees with care and fairness and provides reasonable remuneration and benefits such as provident funds, including welfare as required by the Labor Law. The Company also supports the enhancement of its employees' capabilities and promotes a decent business culture, teamwork, and a favorable and secure working atmosphere.
3. **Customers :** The Company focuses on providing high quality services, treating customers' information as confidential and ensuring that the process and procedure for handling customers' complaints is clearly and fairly stated, and that responsible persons are assigned to deal with any such complaints.
4. **Business Partners :** The Company focuses on selecting appropriate business partners, dealing with fair treatment and providing opportunity to those business partners of the same product types to compete in the Company's purchasing procedure in both prices and quality of products.

   Moreover, the Company also attaches great importance to the integrity of fulfilling the terms and conditions made with business partners and commits to no exploitation under the agreed conditions; the Company has a procedure in selecting reliable, professional vendors with good performance and providing quality products and services; the Company also organizes a list of regular vendors who provide good services, and updates the list every year by means of assessment of prices, quality of products, delivery and after-sales services in order to maintain business vendors' quality of products and services.

5. **Lenders :** The Company attaches great importance to the integrity of fulfilling the obligations made with trading lenders and commits to no exploitation under the conditions that are mutually agreed and discloses information with accuracy, adequacy and in a timely manner via appropriate channels which lenders can review.

6. **Competitors :** The Company follows the rule of fairness in competing with others and avoids any wrongdoing toward its competitors.

7. **Society and Environment :** The company takes a responsible attitude towards society. Business operations not only strictly adhere to the relevant laws, but also create the benefits for society and public sector in the areas of economy, culture, tradition and environment. The Company also supports activities relating to the environment, including a campaign to turn off the lights and computer screens during the lunch break, to adjust the temperature to suit the workplace, and a campaign to print only necessary documents. The senior management of the Group plays an important role in promoting the principles of social responsibility.

8. **Public Sector :** The Company conducts its business in adherence to laws, rules and regulations of the authorities as well as provides effective cooperation according to government policies. Moreover, the Company will not involve or operate business with any illegal organizations or individuals.

In summary, the Company abides by all relevant laws and regulations in order to ensure the rights of all stakeholders are well protected. The Company also supports useful activities and treats any complaints as important in order to improve its operations.

Principle 2.2 Define main objectives and goals of the business, which foster sustainability

Finansa Plc. is an investment holding company with strategic investments in Investment Banking and Real Estate Development. The Company also makes Private Equity and other investments.

Finansa's strategic objectives over the next three years can be summarized as follows:

1. Support the management of each of Finansa's strategic investments in planning and meeting their respective strategic goals.
2. Monetizing the Private Equity investments by steering them towards a liquidity event, such as a listing on the Stock Exchange of Thailand, that will enable Finansa to generate capital gains.
3. Identify additional Private Equity investment opportunities.

Vision

To deliver returns to shareholders in the form of dividends and capital appreciation through deploying the Company's assets productively into strategic investments that have upside potential both in terms of value recognition and in terms of improved performance across a range of metrics that include financial performance, corporate governance, employee training, development and compensation and overall business sustainability.

Principle 3 Enhance effectiveness of the Board of Directors

Principle 3.1 Specify and review the structures of the Board of Directors

The Company's Board of Directors is responsible for specifying and reviewing the structures of the Board of Directors in terms of size, composition, and appropriate proportion of Independent Directors. The Board is also responsible for ensuring that it is composed of

Directors with diverse qualifications in terms of skills, experiences, abilities, and specific characteristics, as well as gender and age, which are necessary for achieving the organization's key objectives and goals. In this connection, the purpose is to ensure that the Board of Directors as a whole has the right mix of appropriate qualifications.

Number of Directors and proportion

The number of the Company's Directors shall be in line with the legal requirements and the principles of good corporate governance, comprising at least 5 directors and should not be more than 12 directors. Checks and balances of management shall be exercised by non-executive, non-employee directors. Said non-executive, non-employee directors may not authorize decisions or sign binding documents on behalf of the company and must have no interest in the management of the Company or its subsidiaries.

In addition, the Board of Directors includes the Audit Committee, comprising at least 3 independent directors, constituting more than one-third of the total number of Directors and thus considered adequate checks and balances of business operations by non-executive directors. All the Company's independent directors must have required qualifications promulgated by the Securities and Exchange Commission and Stock Exchange of Thailand.

The Board should explicitly disclose in the company's annual report and on the website its diversity policies and details relating to directors, including directors' age, gender, qualifications, experience, shareholding percentage, years of service as director, and director position in other listed companies.

The Company establishes the term of office for directors in its Articles of Association. At each General Meeting of shareholders, one-third of the directors - or if their number is not a multiple of three, then the number nearest to one-third - must retire from office. In the first and second years following a registration of the Company, the directors who retire are decided by drawing lots; after that, directors who have been in office the longest shall retire first. The retiring directors may also be re-elected.

The Company has appointed a Company Secretary to support and assist the Board in its activities including providing advice pertaining to laws and regulations and communicating and monitoring compliance with the resolutions of the Board of Directors.

In terms of the selection process of independent directors, when the independent directors are due to retire from their term of office or when there is a need to nominate more independent directors, the Nomination, Compensation and Corporate Governance Committee will consider selecting qualified persons who have experience, knowledge and expertise suitable and beneficial to the Company and also meet the minimum qualifications set forth below, and set the remuneration to be proposed to the Board of Directors' Meeting or the Shareholders' Meeting for consideration pursuant to the Company's Articles of Association.

The Company's independent directors' qualifications meet all requirements of the Capital Market Supervisory Board. The qualifications are as follows:

1) Holding not more than 0.5% of the Company's shares with voting rights, or those of any subsidiary company, associated company or juristic person with conflict of interest, which shall be inclusive of the shares held by related persons.

2) Not being a director who is involved in the Company management, an employee, a staff member, an advisor who receives a regular salary from the Company, or a controlling person of the Company, subsidiary company, associated company, subsidiary company with the same level or of juristic person with a conflict of interest within the last 2 years.

3) Not being a connected person, by virtue of a blood relationship or legal marriage, being father, mother, spouse, sibling, child, including spouse of a child, of the executives, major shareholders, controlling persons or persons who are about to be nominated as executives or controlling persons of the Company or subsidiary company.

4) Not holding a business relationship with the Company, subsidiary company, associated company or with a juristic person with a conflict of interest in a way that may interrupt the exercise of independent discretion. Not being a major shareholder, a non-independent director, or an executive of a business holding a relationship with the Company, subsidiary company, associated company or of a juristic person with a conflict of interest within the last 2 years.

5) Not being an auditor of the Company, subsidiary company, associated company or of juristic person with a conflict of interest, and not being a major shareholder, non-independent director, executive or managing partner of the audit firm providing the auditors of the Company, subsidiary company, associated company or of juristic person with a conflict of interest within the last 2 years.

6) Not being a professional service provider including legal or financial adviser receiving service fee of more than Baht 2 million a year from the Company, subsidiary company, associated company or from a juristic person with a conflict of interest within the last 2 years. In the case that the professional service provider is a juristic person, it shall include the major shareholder, non-independent director, executive or managing partner of such service provider.

7) Not being a representative director appointed by the Company's directors, major shareholders or shareholders related to major shareholders.

8) Not operating a business with the same nature and in competition with the Company and its subsidiaries or not being a partner in a partnership or a director involved in administration or an employee, officer, routine consultant or holding share more than one percent of all shares with voting rights of other company with the same nature and in competition with the Company and its subsidiaries.

9) Not holding other characteristics that prohibit the expression of independent opinion on the Company's operations.

The Company has organized several committees, including the Executive Committee, the Audit Committee, the Nomination, Compensation and Corporate Governance Committee, the Group Investment Committee and the Group Risk Management Committee in order to administer specific issues in detail. Each committee is composed of members with duties and responsibilities as follows:

1. The Executive Committee

Consisting of 3 executive members, the Executive Committee is authorized to control and oversee the Company's businesses in line with the assignments given by the Board of Directors. As well, the Committee is required to directly report its performance to the Board of Directors.

2. The Audit Committee

Comprises 3 members whose qualifications are in line with the requirements imposed by the regulatory agencies. Performing its duties in a fully independent manner and reporting directly to the Board of Directors, the Committee serves as the Board of Directors' key tool for overseeing and ensuring that the business operations management not only has appropriate standards and transparency, but also complies with the regulations of the state agencies as well as those of the Company. The objectives are to put in place effective internal control as well as reliable reporting systems, which are of benefit to all the parties concerned and shareholders.

3. **The Nomination, Compensation and Corporate Governance Committee**
   Comprises two independent directors and one executive director. the chairperson of the Committee shall be an independent director with power and duties as specified by the Company's Board of Directors. The roles and responsibilities of the Committee which reports directly to the Board of Directors are specified in the Charter of The Nomination, Compensation and Corporate Governance Committee

4. **The Group Investment Committee**
   Is composed of directors from each company in the group responsible for setting business policies and supervising investment of the Company and its affiliates.

5. **The Group Risk Management Committee**
   Is composed of directors from each company in the group responsible for setting risk management guidelines and policies of the Company and its affiliates.

Principle 3.2 Selection of the Chairperson of the Board of Directors

The Chairperson of the Board of Directors should be an independent director and not the same person as the chief executive officer. The Company has clearly defined the scope of authority and duties of the Chairperson of the Board.

Chairman of the Board of Directors: Scope of Duties

1. Setting Board meeting agendas in consultation with the Managing Director and overseeing the process to ensure the Board members receive accurate, complete and clear information prior to the meeting to assist them in the decision making process.

2. Providing leadership and direction to the Board of Directors and being chair of the Board meetings.

   2.1 Conducting a Board meeting according to the agenda, the Company's Articles of Association, and applicable laws.

   2.2 Allocating sufficient time to each Board member to discuss and express his/her opinion freely and use his/her discretion in making decisions by taking all stakeholders into consideration.

   2.3 Summarizing the Board meeting resolutions clearly.

3. Being Chairperson in a meeting of shareholders and conducting the meeting according to the agenda, the Company's Articles of Association and relevant laws by allocating appropriate time along with providing opportunities for shareholders to express their opinions equitably and ensuring that shareholders' inquiries are responded to appropriately.

4. Supporting management according to the principles of good corporate governance and the Company's Code of Conduct.

5. Ensuring that the Board of Directors has an appropriate structure and composition.

6. Ensuring that there is a performance assessment of the Board of Directors as a whole and self-assessment of directors including Sub-committee members and that the assessment results are reviewed for performance improvement.

Principle 3.3 Nomination and selection of Directors

The Nomination, Compensation and Corporate Governance Committee comprises two independent directors and one executive director. It has Roles, Duties, and Responsibilities in Policy Making and Guidelines in Nominating Directors and Authorized Persons:

1) To review the suitability of the overall structure and composition of the Company in order to ensure its strength and achieve a balanced foundation for the Company. The Committee shall seek and select candidates with knowledge and capability that match with the Company's businesses in order to further propose to the Company's Board of Directors or the Shareholders' Meeting as required by each circumstance.

2) To seek and select candidates from the following:

   (2.1) Selecting candidates from the Company's personnel by identifying persons with knowledge, competence, and skills suitable for the position by ways of promoting personnel with knowledge, competence, and direct experiences suitable for that certain position.

   (2.2) Selecting candidates from outside the Company, focusing on persons from financial institutions or financial fields with experience appropriate for the position.

3) To Consider the following qualifications in selecting suitable candidates:

   (3.1) Selecting and nominating persons with appropriate qualifications who are not restricted by any laws or official regulations.

   (3.2) Selecting and nominating persons who have appropriate knowledge, competency, and experience in accordance with the Company's target and vision for those positions.

   (3.3) Selecting and nominating persons who do not have a conflict of interest with the Company.

   (3.4) Selecting and nominating persons with integrity, good morality, and honesty.

   (3.5) Selecting and nominating persons who can dedicate time and effort for such roles and responsibilities.

4) To approach qualified persons as mentioned and to ensure their interest and disposition in assuming directorship if they were to be appointed by the shareholders.

5) To consider the independence of each Independent Director to assess the qualification of an Independent Director. Also, to consider whether nominating a new Independent Director is required in the case of insufficiency in Independent Directors in accordance with the policies set by the Company's Board of Directors.

6) To consider an annual performance evaluation of Directors and authorized persons.

The election of the members of the Board of Directors is made at shareholders' meetings pursuant to the following procedures:

1. Each shareholder has one vote for each share held.

2. Each shareholder may cast all of his/her votes to select one or more candidates, but if selecting more than one candidate the number of votes given to each candidate cannot be greater or lesser than the number of votes given to the other(s).

3. The persons successively receiving the highest number of votes will be elected as directors until the permissible number of directors in the particular election is reached. In the case of an equal number of votes given to more than one candidate, which causes the number of directors to be greater than the permissible number, the chairman shall cast the deciding vote.

Principle 3.4 Remuneration of Directors

The Nomination, Compensation and Corporate Governance Committee is responsible for setting the policy and criteria for the remuneration of directors and managing authorities. The remuneration of the Board of Directors must be approved by the Board of Directors and by the Meeting of Shareholders of the company. The Nomination, Compensation and Corporate Governance Committee uses the following criteria to determine the remuneration of directors:

1) To establish an appropriate structure of remuneration packages, taking into account the duties and responsibilities of Directors and authorized persons in order to retain and incentivize appropriately while fairly reflecting the performance results.

2) The remuneration package must go through a process and procedure that is transparent, in compliance with corporate governance, and open to examination.

3) To determine regulations for the remuneration by considering the following:

   (3.1) Comparing with companies in peer or similar industries.

   (3.2) Suitable with the Company performance, appointed duties and responsibilities, and at an appropriate level to retain and incentivize as well as annual performance evaluation.

   (3.3) Being at a level that is fair to shareholders.

   (3.4) Being under framework, criteria, and regulation of the authority concerned. Being transparent, in compliance with good corporate governance and fair with all related parties.

4) In the evaluation of Directors and authorized persons, responsibilities and associated risks must be considered as well as an importance to add value to shareholders in the long term.

The Board should disclose the roles and responsibilities of the Board and the Committees, the number of meetings and the number of Directors participating in meetings in the previous year, along with board and committee performance in the annual report.

Principle 3.5 Performance of duties and time allocation

All Directors should ensure that they have responsibility for carrying out duties and allotting adequate time as follows:

1. Scheduling the Board of Directors' meeting in advance for each year to ensure attendance of directors.

   1.1 The Board of Directors shall meet at least 4 times a year, considered suitable for the Company.

   1.2 The Audit Committee shall meet at least 4 times a year.

   1.3 The Nomination, Compensation and Corporate Governance Committee shall meet at least 2 times a year.

   1.4 For other Committees, frequency of meetings shall be left to the discretion of each Committee's chairperson.

2. Directors are responsible for participating in all meetings of the Board of Directors, except when necessary. In this connection, the Director who will be absent at a meeting is required to inform the chairperson of the Board of Directors or the corporate secretary of the absence in advance. Each Director is required to attend at least 75% of all Board meetings held each year.

3. The Board of Directors shall hold a meeting at least once a year without the participation of an Executive Director.

4. Upon voting in each Board meeting, there shall be not less than two-thirds of all its members attending which constitutes a quorum. The number of Directors attending Committee meetings, which constitutes a quorum, shall be in line with the charter issued by each Committee, and no less than two-thirds of the total number of directors shall constitute a quorum.

5. Directors shall not hold positions of directors in more than 5 other listed companies.

6. In the case that the Managing Director will take up a directorship in another company (except the company which is owned by his/her immediate family member), this must be approved by the Board of Directors before taking up the directorship. The Board of Directors will consider the type of directorial position and number of companies that a director can take up the directorship. In this connection, holding of a position in any other companies must not violate the requirements or regulations of the other regulatory agencies concerned.

Principle 3.6 Governance of subsidiaries and other invested companies

The Company shall appoint a CEO as a director to oversee business operations of businesses that the Company or its subsidiary company hold as an investment, and reports on their investment status are required at the Board Meeting at least quarterly.

The Board of Directors has determined the subsidiary governance policy as follows:

(1) Assign the Managing Director to appoint in writing subsidiary directors, executives, or others with controlling power.

(2) The duties and responsibilities of the Company's appointed representative as mentioned in (1) are to oversee the subsidiaries' operations to ensure compliance with applicable law and standards, and the subsidiaries' policies. If the company's subsidiary has investors other than the Company, the Company's appointed representative is required to perform his/her role in the subsidiary's best interest and consistent with the governance framework and policies of the company.

(3) The appointed representative shall ensure that the subsidiary's internal control systems are effective and that all transactions comply with relevant law and standards.

(4) In the case of businesses in which the company has or plans to hold a significant investment (such as between 20 percent and 50 percent of shares with voting rights), other than subsidiaries, the board should ensure that shareholder agreements or other agreements are in place to enable the company's performance monitoring and participation in the businesses' management, including approval of significant transactions and decisions. This is to ensure that the company has sufficient, accurate, and timely information for the preparation of its financial statements that conform with relevant standards.

Principle 3.7 Performance appraisal

The board should conduct a formal annual performance evaluation of the board, its committees, and each individual director. The evaluation results should be disclosed in the annual report.

(1) The board's, committee's and individual directors' performance evaluation should be conducted at least once a year to facilitate consideration and improvement of the board's performance and effectiveness and resolution of any problems. Assessment criteria and process for the board's, committees' and directors' performance should be systematically set in advance.

(2) The annual assessment of the performance of the board and committees should be carried out as a whole and on an individual director level. The criteria, process, and results of the evaluation should be disclosed in the annual report.

Principle 3.8 Skills and knowledge enhancement for directors' duties

The Company's Board of Directors oversees the directors, ensuring that each of them has knowledge and understanding about their roles and responsibilities, nature of business operations, and the laws related to the business operations. The Board of Directors also encourages all directors to regularly enhance their skills and knowledge useful for the performance of their duties as directors. In this connection, the directors are required to attend training courses or seminars in order to broaden their knowledge in the performance of their duties. The information of which has to be disclosed in the Annual Report.

The board should ensure that newly appointed directors receive a formal and proper induction and all information relevant to their responsibilities and performing their duties, including details about the company's objectives, the nature of the business, and the company's operations. When a director is replaced, the company secretary or Secretary of the Board of Directors shall prepare the following documents for the newly appointed directors:

1. The Company's annual report, which contains visions, strategies, and goals of the Company.
2. The schedule of the Company's Board of Directors meetings and sub-committees meetings as well as the monthly meeting agendas and special meeting agendas.
3. The manual of position of directors and executives including qualifications and profile prohibited by laws related to financial institutions, key policies of Finansa Group such as Good Corporate Governance Policies, Anti-corruption Policies, risk management policies, policies in using outsourcing services, etc. as well as the relevant acts and notifications.

Principle 3.9 Board of Directors' performance of duties

The Company's Board of Directors ensures orderly performance of its duties and ability to access necessary information. As well, the Board of Directors is supported by the Company's secretary who has knowledge and experience necessary and appropriate for supporting the Board of Directors' performance of duties.

1. The Company establishes the schedules and agenda of various committees' meetings for each year in advance. In this connection, the Company shall notify each director of the schedules so that they will be able to allocate time for attending the meetings as follows:

   1.1 The Board of Directors shall meet at least 4 times a year, considered suitable for the Company, as the Company is a holding business.

   1.2 The Audit Committee shall meet at least 4 times a year.

   1.3 The Nomination, Compensation and Corporate Governance Committee shall meet at least 2 times a year.

   1.4 For other Committees, frequency of meetings shall be left to the discretion of each Committee's Chairperson.

2. Meeting documents should be sent to each director at least 7 business days before the meeting.
3. The board should encourage the chief executive officer to invite key executives to attend board meetings to present details on the agenda items related to matters that they are directly responsible for, and to allow the board to gain familiarity with key executives and assist succession planning.

4. The board should have access to accurate, relevant, timely and clear information required for their respective roles from the chief executive officer, company secretary, or designated executive. If necessary to discharge their responsibilities, the board may seek independent professional advice at the company's expense.

5. Non-executive directors should be able to meet, as necessary, among themselves without the management team to debate their concerns at least once a year and report the outcome of their meeting to the company's managing director.

6. Appoint a company secretary with the necessary qualifications, knowledge, skills, and experience for performing his/her duties, including providing advice on corporate governance, legal, regulatory and administrative requirements, preparing board meetings and other important documents, supporting board meetings, and coordinating the implementation of board resolutions. The board should disclose the qualifications and experience of the company secretary in its annual report and on the company's website.

7. The company secretary should receive ongoing training and education relevant to performing his/her duties. The company secretary is also encouraged to enroll on a company secretary certified program.

Principle 4 **Ensure Effective CEO and People Management**

Principle 4.1 Ensure Effective CEO and People Management

The board should ensure that a proper mechanism is in place for the nomination and development of the chief executive officer and key executives to ensure that they possess the knowledge, skills, experience, and characteristics necessary for the company to achieve its objectives as follows:

1. The board should establish, or assign the Nomination, Compensation and Corporate Governance Committee to establish, the criteria and procedures for nomination and appointment of the managing director.

2. The board should ensure that the managing director appoints knowledgeable, skilled, and experienced key executives. The board or the Nomination, Compensation and Corporate Governance Committee together with the managing director should establish the criteria and procedures for nomination and appointment of key executives.

3. To ensure business continuity, the board should ensure that development and succession plans for the managing director and key executives are in place.

4. The board should promote continuous development and education of the managing director and key executives that is relevant to their roles.

Principle 4.2 The establishment of an appropriate compensation structure and performance evaluation are in place.

The board should ensure that an appropriate compensation structure and performance evaluation are in place as follows:

1. In the remuneration structure for Executives at the levels of Vice President and above, the Managing Director will be responsible for submitting a proposal to the Nomination, Compensation and Corporate Governance Committee.

2. Ensure that the individual total compensation takes into account industry standards and company performance.

3. The Nomination, Compensation and Corporate Governance Committee is responsible for establishing guidelines for appraising the annual performance of key executives as well as chief executive officers in support of the company's objectives, values, and long-term sustainable value creation, taking into account the benchmarks that have been agreed upon in advance with the Chief Executive Officer.
4. The Board of Directors may assign the Chairperson to consider and communicate the outcomes to the Managing Director.
5. The Company's Board of Directors oversees and ensures the establishment of the guidelines and factors to be used for performance appraisal across the organization.

Principle 4.3 Shareholder structure and relationship

The board should consider its responsibilities in the context of the company's shareholder structure and relationships, which may impact the management and operation of the company.

The Company's Board of Directors conducts a study aiming to understand the shareholder structure and relationship. In case there are agreements involving family shareholders, whether in writing or not, agreements amongst shareholders, or policies of the holding company, which have impacts on the power in management of the business operations, the Board of Directors ensures that the information about the various agreements which have impacts on the control of the business is disclosed to the public.

Principle 4.4 Human resources management and development

The board should ensure the company has effective human resources management and development programs to ensure that the company has adequate staffing and appropriately knowledgeable, skilled, and experienced employees and staff.

1. Ensure that the company is properly staffed, and that human resources management aligns with the company's objectives and furthers sustainable value creation. All employees and staff must receive fair treatment.
2. Ensure that the company establishes a provident fund or other retirement plan, and require management to implement a training and development programmer for employees and staff that promotes financial literacy, including on retirement savings, and educates employees and staff on life path investments that are suitable for their age.

Principle 5 Nurture Innovation and Responsible Business

Principle 5.1 Innovation that creates value for the Company

The Company's Board of Directors pays attention to and supports creativity and innovation which not only adds value to businesses but also is of benefit to customers or the parties concerned. The Board of Directors also has responsibility towards society and the environment. The related details are as follows:

1. The Board of Director places emphasis on cultivating a culture of innovation and encourages the management to take into consideration the innovation culture cultivation when they review strategies, develop plans for streamlining business operations and monitoring performance.
2. The Board of Directors fosters creativity with an aim to add value to businesses, taking into account constant changes in the environment which encompasses adoption of business models, designing perspectives, development of products and services, research and work processes as well as cooperation with trading partners.

Principle 5.2 Responsibility towards society and environment

The board should encourage management to adopt responsible operations, and incorporate them into the company's operations plan. This is to ensure that every department and function in the company adopts the company's objectives, goals, and strategies, applying high ethical, environmental and social standards, and contributes to the sustainable growth of the company as follows:

(1) Responsibilities to employees, staff, and workers at least by adhering to applicable law and standards and providing fair treatment and respect for human rights, including a fair level of remuneration and other benefits, a level of welfare that is not less than the legal limit (but can be over the legal limit where appropriate), health care, non-discrimination and safety in the workplace, access to relevant training, potential skills development and advancement.

(2) Responsibilities to customers at least by adhering to applicable law and standards, considering impact on health, safety of products and services, customer information security, sales conduct, after-sales service throughout the lifespan of products and services, and following up on customer satisfaction measurements to improve the quality of products and services. In addition, advertising and public relations should promote responsible consumption and must be done responsibly, avoiding taking advantage of or misleading customers, or causing misunderstanding about the products and services offered by the company.

(3) Responsibilities to business partners by engaging in and expecting fair procurement and contracting, including fair contract or agreement conditions, providing access to training, developing potential and enhancing production and service standards in line with applicable law and standards, and expecting and supervising business partners to respect human rights, social and environmental responsibilities, and treat their employees, staff, and workers fairly including ensuring that business partners have implemented sustainable and values-based business policies and procedures.

(4) Responsibilities to the community by applying business knowledge and experience to develop and follow up on the success of projects that can concretely add value to the community while respecting community interests.

(5) Responsibilities to the environment by preventing, reducing and managing negative impact on the environment from all aspects of the company's operations, including in the context of raw material use, energy use, water use, renewable resources use, rehabilitating the diversity of biology, waste management, and greenhouse gas emissions.

(6) Fair competition by promoting ethical business conduct and not using anti-competitive practices to gain or protect a market position.

(7) Anti-fraud and corruption by ensuring that the company complies with applicable anti-fraud and corruption law and standards, and implements, announces and reports on anti-fraud and corruption policies and practices to the public, including on its participation in private sector anti-corruption initiatives and certification programmes. The board should encourage the company to collaborate with other companies and business partners to establish and implement anti-fraud and corruption measures.

Principle 5.3 Efficient allocation and management of resources

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 as follows:

1. The board should have a thorough understanding of the company's resource needs to support its business model, and how available resources correlate.
2. The board should have a thorough understanding of how the business model affects resource optimisation in support of ethical, responsible, and overall sustainable value creation.
3. The board should ensure that management continuously reviews, adapts, and develops the company's use and optimisation of resources, considering internal and external factors to meet the company's objectives.

Principle 5.4 Governance of enterprise IT

The board should ensure that management continuously reviews, adapts, and develops the company's use and optimisation of resources, considering internal and external factors to meet the company's objectives as follows:

1. The board should ensure that the company has an IT resource allocation policy that ensures adequate and optimal investment in and allocation of IT resources.
2. The board should ensure that the company's risk management includes IT risk management.
3. The board should ensure that IT security policies and procedures are in place.

Principle 6 Strengthen Effective Risk Management and Internal Control

Principle 6.1 Risk management and internal control

The Board should ensure that the company has effective and appropriate risk management and internal control systems that are aligned with the company's objectives, goals and strategies and comply with applicable law and standards as follows:

1. The board should be aware of and understand the nature and scope of the company's principal and substantial risks and should approve the risk appetite of the company.
2. The board should ensure the establishment and implementation of risk management policies that are consistent with the company's goals, objectives, strategies and risk appetite. The risk management policies should support identification and prioritisation of early warning signals of material risks. The risk management policies should be reviewed regularly.
3. The board should ensure that the company's principal and substantial risks are identified through consideration of internal and external factors.
4. The board should ensure that the impact and likelihood of identified risks are assessed and prioritised, and that suitable risk mitigation strategies and plans are in place.
5. Considering the size and nature of the company, the board may establish a risk management committee or assign responsibility to the audit committee to assist the board in its oversight functions related to guidelines nos. 1-4
6. The board should regularly monitor the effectiveness of the company's risk management.
7. The board has to ensure and monitor that the company complies with relevant and applicable law and standards, whether domestic, international or foreign.
8. In assessing the effectiveness of the company's internal controls and risk management, the board should consider the results of internal controls and risk management at its subsidiaries and businesses in which it has a significant investment (between 20 percent to 50 percent of shares with voting rights).

Principle 6.2 Audit Committee

The board shall establish an audit committee that can act effectively and independently.

1. The board shall establish an audit committee that comprises at least three directors, all of whom must be independent directors, with required qualifications, and comply with applicable legal requirements, including those promulgated by the Securities and Exchange Commission and Stock Exchange of Thailand.

2. The board should clearly set out in writing the audit committee's duties and responsibilities, and include at least the following:

   1) To review the Company's financial reporting process to ensure that it is accurate and adequate.

   2) To review the Company's internal control system and internal audit system to ensure that they are suitable and efficient, to determine an internal audit unit's independence, as well as to approve the appointment, transfer and dismissal of the chief of an internal audit unit or any other unit in charge of an internal audit.

   3) To maintain the Anti-Corruption Policy, reconsider the appropriateness of any change in Anti-corruption Policy, verify the report of the internal control system, carry out risk assessment, receive reports about staff violating the Anti-corruption Policy and investigate the report.

   4) To review the Company's compliance with the law on securities and exchange, the Exchange's regulations, and the laws relating to the Company's business.

   5) To consider, select and nominate an independent person to be the Company's auditor including terminating his employment, and to propose such person's remuneration, as well as to attend a non-management meeting with an auditor at least once a year.

   6) To review connected transactions or transactions that may lead to conflicts of interests, to ensure that they are in compliance with the laws and the Exchange's regulations and are reasonable and for the highest benefit of the Company.

   7) To prepare, and to disclose in the Company's annual report, an Audit Committee's report which must be signed by the Audit Committee's chairman and consist of at least the following information:

      (a) an opinion on the accuracy, completeness, and credibility of the Company's financial report,

      (b) an opinion on the adequacy of the Company's internal control system,

      (c) an opinion on the compliance with the law on securities and exchange, the Exchange's regulations, or the laws relating to the Company's business,

      (d) an opinion on the suitability of the auditor,

      (e) an opinion on transactions that may lead to conflicts of interests,

      (f) the number of Audit Committee meetings, and the attendance at such meetings by each committee member,

      (g) an opinion or overview comment received by the Audit Committee from its performance of duties in accordance with the charter, and

(h) other transactions which, according to the Audit Committee's opinion, should be known to the shareholders and general investors, subject to the scope of duties and responsibilities assigned by the Company's board of directors; and

8) To perform any other act as assigned by the Company's Board of Directors, with the approval of the Audit Committee.

Principle 6.3 Managing conflicts of interest

The board should manage and monitor conflicts of interest that might occur between the company, management, directors, and shareholders. The board should also prevent the inappropriate use of corporate assets, information, and opportunities, including preventing inappropriate transactions with related parties.

1. The board should establish an information security system, including appropriate policies and procedures, to protect confidentiality, integrity, and availability of business information, including market-sensitive information. The board should monitor the implementation of the information security policies and procedures and the adherence to confidentiality requirements by insiders, including directors, executives, employees and staff, and professional advisers, such as legal or financial advisers.
2. The board should ensure management and monitoring of conflict of interest situations and transactions. The board should adopt an ethics and conflicts of interest policy consistent with applicable law and standards (including fiduciary duties), and establish clear guidelines and procedures for disclosure and decision-making in conflict of interest situations. For example, any party who has a vested interest in a particular transaction, should disclose that interest, and not be involved in the decision-making.
3. The board should set requirements for all directors to report conflicts of interest in relation to any meeting agenda item at least before consideration of the matter at the meeting and record the reported conflict of interest in the meeting minutes. The board should also ensure that all directors that have a conflict of interest in relation to an agenda item abstain from being present for discussion of or voting on that agenda item.

Principle 6.4 Anti-fraud and anti-corruption

In the conduct of business affairs, the Company adopts the important principle of not supporting businesses, groups of people or persons participating in or supporting direct or indirect pursuit of undue advantages by abusing one's authority. In this connection, the Company has put in place clear guidelines for supporting and cooperating with both the public and private sectors. In addition, the Company and the Group have approved anti-corruption policies and anti-corruption measures. The Company has also established guidelines for whistleblowers, the information of which is made available on the Company's website. Importantly, the Company has established guidelines for checking and assessing the progress achieved in the implementation of the anti-corruption policy, as well as urged the Company and the Finansa Group to become members of Thailand's Private Sector Collective Action Coalition against Corruption (CAC).

Principle 6.5 Handling of complaints

The Company established an Investor Relations Department to take care of the Company's information dissemination to investors as well as receive suggestions or complaints unrelated to corruption issues from investors or stakeholders. Investor Relations can be reached at

Tel.:	02-697-3700
Website:	www.finansa.com
E-mail:	ir@finansa.com

Investors or stakeholders can communicate with directors through the following channel:

Registered mail:	The Office of Directors Finansa Plc., 48/48 North Sathorn Road, 20/F TISCO Tower, Silom, Bangrak Bangkok 10500

Investors or stakeholders who witness any corruption can inform or send a complaint of such corruption issues through the following channels:

Registered mail:	The Independent Director Office Finansa Plc., 48/48 North Sathorn Road, 20/F TISCO Tower, Silom, Bangrak Bangkok 10500
Website:	www.finansa.com
E-mail:	id@finansa.com

The Company has a policy and measures to protect a complainant by treating the complaint or the report about corruption confidentially.

Principle 7 Maintain financial credibility and information disclosure

Principle 7.1 Financial reporting system and disclosure of material information

The board must ensure the integrity of the company's financial reporting system and that timely and accurate disclosure of all material information regarding the company is made consistent with applicable requirements as following:

1. They should ensure that any person (including chief financial officer, accountant, internal auditor, company secretary, Investors Relation officer) involved in the preparation and disclosure of any information of the company has relevant knowledge, skills and experience, and that sufficient resources, including staffing, are allocated.
2. When approving information disclosures, the board should consider all relevant factors, including for periodic financial disclosures:
   (1) The evaluation results of the adequacy of the internal control system.
   (2) The external auditor's opinions on financial reporting, observations on the internal control system, and any other observations through other channels.
   (3) The audit committee's opinions.
   (4) Consistency with objectives, strategies and policies.
3. They should ensure that information disclosures (including financial statements, annual reports, and Form 56-1) reflect the company's financial status and performance accurately and fairly. The board should promote the inclusion of the Management Discussion and Analysis (MD&A) in quarterly financial reports in order to provide to investors more complete and accurate information about the company's true financial status, performance and circumstances.
4. For disclosures related to any individual director, that director should ensure the accuracy and completeness of the information disclosed by the company, including shareholders' information and any shareholders' agreement.

Principle 7.2 Financial liquidity and solvency

The board should monitor the company's financial liquidity and solvency as following:

1. The board should ensure that management regularly monitors, evaluates and reports on the company's financial status. The board and management should ensure that any threats to the company's financial liquidity and solvency are promptly addressed and remedied.
2. They should ensure that it does not consciously approve any transactions or propose any transactions for shareholder approval which could negatively affect business continuity, financial liquidity, and solvency.

Principle 7.3 Guidelines for addressing financial problems

The board should monitor the company's financial liquidity and solvency as following:

1. In the event of financial risk or difficulties, the board should enhance monitoring of the affairs of the company, and duly consider the company's financial position and disclosure obligations.
2. They should ensure that the company has sound financial mitigation plans that consider stakeholder rights including creditor rights. The board should monitor management's handling of financial risk or difficulties and seek regular reports.
3. They should ensure that any actions to improve the company's financial position are reasonable and made for a proper purpose.

Principle 7.4 Sustainability reports

The board should ensure sustainability reporting, as appropriate as following:

1. Consider and report data on the company's compliance and ethical performance (including anti-corruption performance), its treatment of employees and other stakeholders (including fair treatment and respect for human rights), and social and environmental responsibilities, using a report framework that is proportionate to the company's size and complexity and meets domestic and international standards. The company can disclose this information in the annual report and in separate reports, as appropriate.
2. They should ensure that the company's sustainability reporting reflects material corporate practices that support sustainable value creation.

Principle 7.5 Investor Relations

The Company shall establish a dedicated Investor Relations function responsible for regular, effective and fair communication with shareholders and other stakeholders (such as analysts and potential investors) as follows:

1. The board should establish a communication and disclosure policy to assist the company in meeting its disclosure obligations and to ensure that all information relevant and material to the company's shareholders, the market and third parties is disclosed in an appropriate, equal, and timely manner, using appropriate channels, while protecting the company's sensitive and confidential information. The board should ensure company-wide communication and implementation of the company's communication and disclosure policy.
2. The board should ensure the creation of an Investor Relations function responsible for regular, effective and fair communication with shareholders and external parties. The company's designated Investor Relations contact should be suitable for the role and have a thorough understanding of the nature of the company's business, and its objectives and values.

3. Establish a code of conduct for information sharing and market-sensitive information policy, as well as clearly define the roles and responsibilities of the Investor Relations function, so as to ensure effective communication between the company, the financial community and other stakeholders

Principle 7.6 Ensure the effective use by the company of information technology in disseminating information

The board should ensure the effective use by the company of information technology in disseminating information.

The Rights of Shareholders

1. There are several basic rights of shareholders as stated in the Company's Articles of Association and other relevant laws and regulations. Such basic rights include the right to purchase, sell or transfer shares, the right to share in the profits of the Company, the right to receive sufficient information, the right to participate in shareholders' meetings, the right to give opinions and the right to participate in major decision making of the Company such as dividend payment, appointment or removal of directors, appointment of independent auditors, approval on important transactions which effects the Company's business direction and adjustments to the Company's Memorandum of Association and Articles of Association.
2. The Company recognizes and emphasizes the importance of the basic rights of shareholders. Relevant matters are undertaken with efficiency in accordance with the good corporate governance principles to protect such shareholders' rights.

Shareholders' Meeting

1. An annual shareholders' meeting is held within four months from the end of the previous year's accounting period. An extra-ordinary general meeting shall be held if there is an urgent or special agenda that has to be proposed to shareholders i.e. matters that affect shareholders' interests or matters requiring shareholders' approval under relevant laws or regulations.
2. The Company shall carry out the meeting as required by law and encourage all shareholders to vote, ask questions, express opinions and give suggestions on all business matters of the Company. The Chairman and directors shall clearly explain and answer every important inquiry from shareholders, and welcome shareholders' suggestions for business operations. In addition, representatives of the Company's auditor shall present at the meeting to answer shareholders' questions on financial statements. Voting procedures shall be transparently carry out according to the scheduled agenda.
3. The Company sets up a guideline for the shareholders' meeting to ensure that shareholders' rights would not be compromised. At any point in the meeting, shareholders can register and enter the meeting to honor their voting rights on agenda items on which vote casting has not been made. The Company shall not adjust or distribute additional documents which contain important information during the meeting without prior notice.
4. The Company shall undertake steps to facilitate the shareholders' meetings. Greeters and registration staff are arranged to assist shareholders with the registration at least two hours before the meeting. The IT system with barcode is applied to the registration process for acceleration, accuracy and simplicity of the process. Besides, shareholders who attend the meetings are appropriately received.

Prior to the Shareholders' Meeting and Delivery of the Meeting Notice

1. The Company shall publish the Notice of Shareholders' Meeting in both Thai and English, and all complete documentation for the meeting to be attached including a detailed agenda, Board of Directors' opinion, minutes of the last shareholders' meeting, the Company's Articles of Association (Shareholders' Meeting part only), background of independent directors who will be appointed as proxy, other information necessary for making voting decisions and Proxy Form as well as a map of the meeting venue .The aforementioned information will be made available via various channels:

   1.1 News through the system of the SET: The resolutions of the Board of Directors' Meeting

   1.2 The Company's Website (www.finansa.com): The Company shall make available a notice of the annual general meeting at least 30 days before the meeting date.

   1.3 Mailing: The Company assigns Thailand Securities Depository Company Limited, the Company's Share Registrar, to send a notice and relevant document to all shareholders prior to the date of the shareholders' meeting at least for a duration required by law.

   1.4 Newspaper Advertisement: Publish the meeting invitation via newspaper advertisement daily for at least 5 days before the meeting date.

2. The Company's shareholders shall be allowed to propose additional agenda before the date of the shareholders' meeting, as well as to nominate persons for consideration as directors of the company, for a period of more than 2 months via the Company's website (www.finansa.com).

Meeting Procedure

Before the meeting commences, the MC shall clearly inform the meeting of all relevant rules including vote-counting procedures for each agenda item as required by the Company's Articles and voting rights for each agenda item. After information on each agenda item are presented, the Chairman shall offer all shareholders an equal opportunity to ask questions and give suggestions within appropriate time. Directors and management are present to answer all shareholders' queries.

Process after the Meeting

1. The Company discloses the voting results for each agenda via News through the SET System within the meeting day before 9:00 a.m. of the next business day.

2. The minutes of the meeting are recorded accurately and comprehensively, including significant details, e.g., the name of attending Directors, voting procedure, questions and answers for each agenda item, as well as the numbers of votes for approval, disapproval, abstention or void. The minutes of the meeting shall be submitted to the SET and also made available on the Company's website (www.finansa.com) within 14 days after the meeting day.

The Equitable Treatment of Shareholders

The Company recognizes the importance of equitable treatment of all shareholders including executive shareholders, non-executive shareholders as well as foreign shareholders. Therefore, the Company has undertaken the following tasks to ensure such equal and fair treatment. Moreover, the Board of Directors also provides opportunities to minority shareholders so they can nominate a candidate for a director position and/or propose additional items for meeting agenda prior to the meeting. A proxy is made possible as an alternative for shareholders who are unable to attend the meeting to exercise their rights:

Voting Rights in the Shareholders' Meeting

1. Every shareholder has the right to vote in the meeting with one vote for each share held. In the event that there is a conflict of interest on any agenda item, the shareholder involved shall not have voting rights on that item (except for the election of directors).
2. Shareholders unable to participate in the meeting have the option to appoint proxies who could be independent directors or any other person instructed to attend the meeting. The Company will provide the name of an independent director who will act as a proxy in the proxy forms, as per the Ministry of Commerce's designation, to attend and vote in the meeting.

Meeting Agenda and Proposal for Additional Agenda Item

1. Meetings will be carried out in line with the Company's Articles of Association and according to the announced agenda. Detailed information on each agenda item is presented to the meeting for shareholders' consideration. The Company will avoid adding other agenda items besides the ones already presented to shareholders, especially important agenda items that shareholders need time to review prior to making any decision.
2. Shareholders holding an aggregate number of shares not less than one-third of the total number of shares sold can request to add other agenda items besides the ones already presented in the meeting notice.

Suggestions, Comments or Complaints

Independent Directors shall make up of no less than one-third of the total number of Directors and at least 3 Directors. The Company has 3 independent directors to ensure fair treatment of minority shareholders. Minority shareholders can express their opinions and give suggestions or complaints to independent directors who will inspect these opinions or complaints and arrange further measures, as appropriate.

Voting

Voting procedures are transparently carried out according to the scheduled agenda. Each shareholder has the right to vote for the election of each director. The Company provides voting cards for important agenda items and keeps the voting cards for shareholders' review should there be any dispute.

Principle 8 Promote participation of and communication with shareholders

Principle 8.1 Encourage shareholders to participate in decision making on important matters

1. The board should ensure that significant corporate decisions are considered and/or approved by the shareholders pursuant to applicable legal requirements. Matters that require shareholder approval should be included in the agenda for the shareholders' meeting and shareholders should be provided sufficient notice thereof.
2. The board should support participation of all shareholders through reasonable measures, including:

   (1) Establishing criteria that allow minority shareholders to propose agenda items for shareholders' meetings. The board should consider shareholders' proposals to be included in the agenda, and if the board rejects a proposal, the reasons should be given at the meeting.

   (2) Establishing criteria for minority shareholders to nominate persons to serve as directors of the company. The board should ensure that measures and criteria are established and promptly disclosed to ensure shareholder engagement and participation.

3. The board should ensure that the notice of the shareholders' meeting (including the Annual General Meeting (AGM)) is accurate, complete, and provided sufficiently in advance for the shareholders to exercise their rights.
4. The board should ensure that the company arranges for the notice of the shareholders' meeting and related papers to be sent to shareholders and posted on the company's website at least 28 days before the meeting.
5. Shareholders should be allowed to submit questions prior to the meeting. The board should therefore ensure that there are clear criteria and a process for shareholders to submit questions. The criteria should be posted on the company's website.
6. The notice of the shareholders' meeting and related papers should be fully translated into English and published at the same time as the Thai version.

Principle 8.2 Meetings of shareholders

The board of directors should ensure that the shareholders' meetings are held as scheduled and conducted properly, with transparency and efficiency, and ensure inclusive and equitable treatment of all shareholders and their ability to exercise their rights as following:

1. The board should set the date, time, and place of the meeting by considering the interests of shareholders, such as allocating sufficient time for debate, and choosing a convenient location.
2. The board should ensure that the company provide a convenient way for shareholders to attend the meeting and does not place an undue burden on shareholders through its meeting attendance requirements or prerequisites that exceed applicable legal and regulatory requirements.
3. In the interest of transparency and accountability, the board should promote the use of information technology to facilitate the shareholders' meetings, including for registration and vote counting.
4. The chairman of the board is the chairman of the shareholders' meeting with responsibility for compliance with applicable legal requirements and the company's articles of association, allocating sufficient time for consideration and debate of agenda items, and providing opportunity to all shareholders who wish to share their opinions or ask questions related to the company.
5. To ensure the right of shareholders to participate in the company's decision-making process in relation to significant corporate matters by participating and voting at shareholder's meetings on the basis of sufficient notice and information, directors who are shareholders should not be allowed to add items to the meeting agenda that have not been duly notified in advance.
6. All directors and relevant executives should attend the meeting to answer questions from shareholders on company-related matters.
7. The attending shareholders should be informed of the number and the proportion of shareholders and shares represented at the meeting in person and through proxies, the meeting method, and the voting and vote counting methods before the start of the meeting.
8. There should not be any bundling of several items into the same resolution. For example, the appointment of each director should be voted on and recorded as a separate resolution.

9. The board should promote the use of ballots for voting on resolutions proposed at the shareholders' meeting and designate an independent party to count or to audit the voting results for each resolution in the meeting, and to disclose such voting results at the meeting by identifying the number of "for", "against" and "abstain" votes. The voting results for each proposed resolution should be included in the minutes of the meeting.

Principle 8.3 Accurate and complete disclosure of shareholder resolutions and preparation of the minutes of the shareholders' meetings

1. 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.
2. The board should ensure that minutes of the shareholders' meeting are submitted to the Stock Exchange of Thailand within 14 days from the shareholders' meeting date.
3. The board should ensure that the company promptly prepares the minutes of the shareholders' meeting, including the following information:
   (1) attendance of directors, executives, and the proportion of attending directors;
   (2) voting and vote counting methods, meeting resolutions, and voting results ("for", "against", and "abstain") for each proposed resolution; and
   (3) questions asked and answers provided during the meeting, including the identity of the persons asking and answering the questions.

Implementation of the 2017 Corporate Governance Code for Listed Companies (CG Code)

The Company reviewed the Corporate Governance Policy, developed from the 2012 Good Corporate Governance Principles for Listed Companies in aligning with the guideline set by the Stock Exchange of Thailand, and the 2017 Corporate Governance Code for Listed Companies as prescribed by the Office of Securities and Exchange Commission.

After consideration, the Company adopted most principles and proposed to the Board of Directors' Meeting No.6/2018 on November 12, 2018 and would make improvements to suit the business of the Company and to be more in line with the corporate governance policy.

FINANSA
Asian Merchant Banking

Code of Conduct

Finansa Public Company Limited and its affiliated

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Introduction

This Code of Conduct is intended to provide guidance for the conduct and supervision of employees of Finansa PCL and its subsidiaries (the Group). The issues addressed and policies described here are primarily of a compliance, supervisory or regulatory nature. This Code of Conduct is neither a summary of, nor a substitute for, the laws and regulations governing the activities of the Group. Some policies are imposed by law or regulatory requirements while others have been internally developed for the protection of the Group, its clients and personnel. These internally developed policies, reflecting good business practices and ethical considerations, may go beyond legal or regulatory requirements. Some subsidiaries, particularly Finansa Securities, may require additional compliance protocols in some or all of the areas covered.

All employees are required to read this Code of Conduct carefully and adhere to its principles. Of course, no Code of Conduct can anticipate or cover all possible situations, and particular circumstances may warrant an exception from our policies. Therefore, when an issue arises that cannot be resolved by reference to the Code of Conduct or when there is a situation that might warrant a policy exception, employees should seek the advice of their Compliance Unit prior to taking any action.

1. General Business Ethics, Laws and Compliance

1.1 Ethical Standards

"Employees of Finansa PCL and its subsidiaries (the Group)" means Directors, Management Team and Employees

Finansa is proud of its reputation for integrity and fair dealing. Our reputation for commitment to our client's best interests and integrity in all business activities is the most valuable asset of the Group, and maintaining it is the Group's paramount goal. To maintain this reputation, the Group is committed to conducting its business in accordance with applicable laws, industry regulations and high ethical standards.

The financial services industry is one of the most heavily regulated businesses in the world. Adherence to all laws, rules and regulations applicable to the business is essential. However, Finansa's clients, potential clients, competitors and shareholders have come to expect much more than simple obedience to the law. Employees must demonstrate sound ethics, honesty and fairness in all their dealings as if their personal reputation were at stake.

This Code of Conduct sets forth basic standards for your behavior as an employee of the Group. The Group also expects you to assume a sense of personal responsibility for ensuring that all of your colleagues respect these standards.

Protecting the Group's reputation is everyone's obligation. Employees have an obligation to question situations that may violate the Group's ethical standards of business conduct. Any impropriety should be promptly reported to the appropriate level of management for resolution.

1.2 Compliance Units

Each of Finansa's subsidiaries operating regulated businesses has its own compliance unit to provide advice on regulations and correct business practice. The compliance units render advice and counsel to business units on subjects as diverse as corporate affairs, Group interpretations of statutes and regulations and reviewing and commenting on proposed laws or regulations. The compliance units report to the Audit Committee and Board of Directors of their companies and in parallel report to the Managing Director In rendering advice and in determining when issues should be brought to the attention of the Head of the Business Unit,

the compliance staff must act in the best interests of the Group, as opposed to the individual interests of any business entity or employee.

1.3 Exercising Sound Judgment

It is impossible for any code of conduct to formulate standards that anticipate every aspect of a business as diverse as ours. The Group depends upon you to exercise your best judgment in performing the variety of tasks that comprise Finansa's business. For this reason the code of conduct is not precise but is intended as a set of general guidelines.

Where this code articulates a specific standard of conduct, you are expected to conform to it.

In the areas that are not specifically addressed however, you should conduct yourself in the spirit of the Code of Conduct. You should consider whether there is any doubt about the legality of the proposed action and whether it may embarrass rather than enhance the Group's (or your) reputation. Your own experience and common sense will usually tell you if you are acting correctly or if you are entering a grey area where your motives and actions could be called into question.

Assuming, as you must, that any actions you or the Group takes could ultimately be publicized, you should consider how the Group (and you) would be perceived in the harsh glare of publicity. As a final guiding principle, when in doubt, stop, reflect and ask. Should you feel you need guidance, please contact or call upon your compliance unit

1.4 Applicable Laws

Finansa conducts its business in conformity with all laws in jurisdictions in which it transacts business. As a representative of the Group, you are expected to be familiar with and to abide by the laws and rules that apply to your activities.

However the Group is subject to a multitude of securities, banking, finance laws and other relevant regulations and rules, including corporate law, etc. which may affect your business. If you are uncertain about the laws of a particular jurisdiction or whether certain acts or practices comply with the law, contact your compliance unit.

1.5 Misconduct

Finansa's employees are the Group's first line of support for the Group's reputation for integrity and its first line of defense against civil and criminal liability, as well as unethical business practice. If you believe that something you have done may violate the law or the Group's code of conduct, you should report your action to your compliance unit, the Managing Director or Executive Directors of your company. Equally, if you become aware of illegal or improper conduct by another Group employee, or if you see signs of impropriety, it is your obligation to report your observations to your compliance unit. Until the Group's management learns of a problem, the Group cannot deal with it appropriately. Concealing improper conduct compounds a harm, and may prevent prompt countermeasures that could prevent or mitigate any actual damage.

Concerns about illegal or improper behavior that you believe may be significant must be reported to your compliance unit. You should ordinarily communicate your concerns about relatively minor improprieties to the head of your business unit. If you believe that this course would not be productive or appropriate however, you may report to your compliance unit in order to assure that the situation will be addressed.

The Compliance Unit must report any employee who violates or breaches laws, rules, regulations or the standard of conduct to the Managing Director of the company for evaluation and determination of the appropriate penalty, if any. The Compliance unit will later inform the Board of Directors about such misconduct and result of consideration and disciplinary action of the Managing Director. In the case of violent misconduct or executive

misconduct, Compliance Unit must immediately report to the Board of Directors for evaluation and determination of the appropriate disciplinary action, if any.

1.6 Penalties for Noncompliance

It is a condition of employment that any employee who violates or breaches the standard of conduct may be subject to disciplinary action that includes, without limitation, warnings, reprimands, suspensions, probation, dismissal and termination of employment for cause by the Managing Director or the Board of Directors (as the case may be). Civil and criminal penalties could also result, including imprisonment, fines, and the loss or suspension of the Group's license to engage in certain lines of business. In addition, the Group may be required to report certain types of disciplinary actions to regulators and law enforcement officials.

2. Confidentiality

2.1 Proprietary Information

While employed by the Group, you may develop or become aware of information that may have intrinsic value to the Group, its clients or other parties with which the Group has a relationship or that may provide the Group with a competitive advantage. All such information is regarded as proprietary and since it is generally not known to the public, it is also regarded as confidential. As an employee of the Group, you are obligated to safeguard and prevent the disclosure and/or misuse of all such information.

You may not use proprietary or confidential information for their own benefit or for the benefit of any party other than the Group. You must also not disclose proprietary or confidential information to anyone either inside or outside the Group, except in connection with the business of the Group and in a manner consistent with the Group's interests.

2.2 Inside Information

Thai Securities Law prohibits persons in possession of material non-public ("inside information") from taking advantage of such information in connection with the purchase or sale of securities, the recommendation of the purchase or sale of such securities to others, or the disclosure of the information to others who may take advantage of it in the purchase or sale of securities. Information is non-public until it has been communicated to the marketplace. See section 5 on "Investing in Securities" for more details on this matter.

2.3 Client Confidentiality

Confidentiality between the Group and its clients is a fundamental business principle. In the conduct of our business, we receive a great deal of non-public information. Much of this information may be sensitive with a potential impact on market conditions, negotiations, strategic positioning, or relationships with clients. All information concerning a client's transactions, accounts and affairs must be considered confidential and must not be disclosed except with the client's permission or by order of the proper authority. It is essential therefore, that you maintain confidentiality and ensure that such information is used only for the specific purpose or transaction for which it was given. Non-public information must not be discussed internally unless required during the normal routine of our work and must not be passed on to employees who are not directly involved in a project or to family members (including spouses), friends, and other persons outside of the Group.

In all circumstances, the client's interest must be the first consideration. Successful relationships with our clients are based on their faith in the Group's ability to maintain the confidentiality of information entrusted to the Group. You must exercise care in handling confidential information concerning the Group's activities. All employees share in the responsibility for safeguarding confidential information obtained in any manner.

2.4 Proprietary or Confidential Information Security

Caution must always be exercised in discussing client information outside the Group, especially in the presence of anyone not connected with the Group or not authorized by the client to have access to the information. You should avoid placing confidential documents in office areas, including fax and photocopy machines, where they may be read by persons not authorized to read them. These and all other data outputs containing proprietary or confidential information must be properly filed or stored and kept in locked file cabinets or a secure place at all times. All such material should be restricted from public view, including fax and photocopy machines, removed from desks and work areas and properly secured at the end of the day. You should not remove proprietary or confidential information from the Group's premises unless absolutely necessary. If you take proprietary or confidential information out of the office for business purposes, you must keep it on your person or in a secure place at all times and return it promptly to the Group's premises.

You should take special care in public places such as elevators, restaurants, airplanes, and other public places, including when using speakerphones, mobile phones, fax and photocopy machines or message services to ensure that casual conversations or inadvertent displays of proprietary or confidential information do not lead to the release of such information.

Code names should be used for sensitive projects and solicitations. Where code names have been assigned to a project, all documents and information generated internally by the Group with respect to that project should, as appropriate, refer to the relevant companies only by their code names.

Access to the Group network will be granted only to authorized network users on a "need to know" basis and only for official and authorized Group business. Confidential databases and other confidential information accessible by computer should be maintained in computer files that are password-protected or otherwise secure against access by unauthorized persons. You should not disclose their computer passwords to anyone at the Group or outside the Group. Please see 'Finansa Group - IT Handbook' for more details.

2.5 Chinese Walls

To control and prevent the flow of confidential and proprietary information including the dissemination and misuse of material non-public information, the Group has created "Chinese Walls" to separate employees who receive non-public information in the routine course of their employment from other employees. Chinese Walls involve physical separation and organizational segregation of functions within the Group (i.e. Investment Banking, Research, etc.) to provide separate control and management over each of the functions. Employees within such Chinese Walls must take extra care to maintain the confidentiality of pending non-public matters or projects and therefore, may not discuss such matters with anyone other than persons who have a specific "need to know" for business purposes.

3. External Business Activities and Conflicts of Interest

3.1 External Business Activities/ Outside Employment

No employee will be permitted to engage in private business activities or interests outside the Group that may give rise to conflicts of interest with the Group's integrity or reputation. A conflict may exist if an employee's activity or interest is, or may reasonably give the appearance of being, inconsistent with the best interests of the Group and/or its clients.

Full-time employees of the Group are expected to devote their undivided professional attention to their position at Group. Therefore, employees may not be employed outside of the Group, either full-time or part-time, with or without compensation, unless permission is granted by the Managing Director.

3.2 Directorships

Employees may not serve as a director or other officer of company outside the Group unless permission is given by their Managing Director in advance. Permission will routinely be granted to the employee to serve as a non-executive director or other officer of a family firm so long as it is not a company quoted on the stock exchange, that you are required to give it only minor attention, and the firm's activity is not competitive with the Group's activities.

3.3 Conflicts of Interest

Conflicts of interest arise when an individual's position or responsibilities with the Group present an opportunity for personal gain apart from the normal rewards of employment. Employees must make objective business decisions based on the best interests of the Group and its clients without any consideration of personal gain. The Group expects you to avoid any activity, interest or association that could potentially interfere with your responsibilities or judgment on behalf of the Group or its clients.

Performance of day-to-day job responsibilities may expose you to potential conflicts of interest. You should be particularly mindful not to use Group knowledge or influence to further your personal interests. You are prohibited from causing the Group to purchase services or products from your family members or businesses in which you or your family has a significant or controlling interest, unless otherwise authorized to do so after disclosure of the pertinent facts to your Managing Director. In addition, the Group prohibits illegal or improper acquisition of market or competitive information for personal use or gain.

3.4 Requests from Client for Legal or Tax Advice

Clients may ask you, from time to time, to give them legal and tax advice with regard to the complex rules relating to securities, or other issues about which they assume you have knowledge. Group policy prohibits you from giving legal and tax advice to a client unless it lies within the scope of specific areas of the Group's expertise.

When a client asks you to provide legal assistance or general background on a legal question, you should encourage him or her to consult independent counsel. Similarly, clients requiring detailed tax guidance or strategic advice should be referred to their tax advisor.

4. Gifts and Entertainment

Business entertainment and exchanging of gifts is a normal part of business, but if the value of such entertainment is excessive the exchange could be perceived as bribery or corruption. These guidelines try to distinguish between "normal" and "excessive" situations and are very subjective. Common sense will be your best guide to what is appropriate.

Employees should not request gifts or entertainment from customers, potential customers, business partners or regulations.

Employees should neither receive gifts/entertainment from nor present gifts/entertainment to customers, potential customers, business partners and regulators of the Group or to government authorities which may be regarded as bribery, corruption, which give rise to a debt of gratitude beyond the ability of the individual to reciprocate in the normal course of business, or which would be considered excessive or inappropriate by the normal standards of the Group.

Employees should normally receive or present gifts or entertainment only in events of charity, customary festivals and special occasions such as New Year, Chinese New Year and birthdays, or when the entertainment extended is considered to be in the normal course of business. Such gifts should be of nominal value, and should not result in putting the recipient under a sense of obligation or in a position of being unable to reciprocate appropriately.

In the event that an employee is offered entertainment or gifts which are not acceptable under clauses above, he should attempt to decline the gifts or entertainment in a gracious fashion, explaining the Group's policy on such matters. Please note that accepting gifts / entertainment or giving gifts/ entertainment must conform with Anti-Corruption Policy and Anti-Corruption Guidelines

Notes

"Gifts" mean cash, securities, gift vouchers, goods, loans, business or investment opportunities, discounts of products or services, commissions, compensating benefits, etc. Exceptions are training courses, organized by customers, business partners of the Group, and government agencies, to provide knowledge to employees of the Group; or goods provided for charity.

"Entertainment" mean party or entertainment / recreation outside the Group's premises (such as sporting events, shows, cinemas, and concerts) and domestic and overseas travel not undertaken on behalf of the Group. Exceptions are entertainment organized to promote business relationship or for charity.

5. Investing in Securities

Employees of the Group have privileged access to information on customers and their financial affairs. This information should only be used for conducting business between the Group and the customer concerned. It should not be shared with third parties or used for personal benefit. In particular, employees may have advanced knowledge of actions which the Group or its customers will take and which may have an impact on prices of listed securities. Using this information for personal benefit is usually referred to as "insider trading" and is a clear breach of business ethics. These guidelines are intended to prevent any misunderstandings or conflicts of interest arising between the Group, its employees and its customers.

5.1 Employees should not disclose or use insider information concerning the Group or its customers for their personal interests or for the interests of related persons.

5.2 Employees should not conduct any investment activities which may be regarded as an offence against the Securities and Exchange Act.

5.3 Employees who have insider information should not invest, nor should they instruct or suggest to related persons that they invest in securities concerning which they have insider information which may have an impact on the prices of such securities.

5.4 Employees should exercise caution when conducting margin trading, or when incurring indebtedness to conduct investments in listed securities. Employees should ensure that their total liability remains within their ability to repay.

5.5 Employees should avoid all forms of borrowing from unlicensed money lenders.

5.6 Employees must report the possession of securities according to the provisions contained in the Securities and Exchange Act 1992, and in accordance with the requirements of law.

Notes

a) "Related Persons" includes :
Employees' spouses
Employees' spouses or children
Any juristic person in which employees or persons under (1) or (2) holds at least 20% of the total shares.

b) "Securities" mean shares, debentures, derivatives, options, or warrants of the Group, listed affiliates of the Group, or of listed companies that are customers of the Group.

c) "Investment" means buying and selling of securities, agreement to buy and to sell securities (including options) which are listed in the Stock Exchange of Thailand.

6. Money Laundering

Money laundering is the conversion of illegally obtained money or assets into money or assets that have legal status, and it is criminal offence under the Anti-Money Laundering Act of 1999 and/or amended .You should be aware that any employee who violates the provisions under the Anti-Money Laundering Act may be regarded as committing a criminal offences and may be punished according to the Anti-Money Laundering Act. There are many types of illegal activities which give rise to money laundering.

- Drug trafficking
- Trade in women and children
- Deception and fraud of the public
- Criminal misappropriation of funds by managing director or persons, who are responsible or involved in the operation of financial institutions
- Malfeasance in office
- Extortion or blackmail
- Smuggling

These guidelines are intended to make employees aware of actions which could violate the terms of the Anti-Money Laundering Act.

6.1 Employees should not violate Thai government or internal regulations governing money laundering.

6.2 Employees should not conspire, provide assistance, or get involved with customers or others to commit offences within the scope of money laundering.

6.3 Employees should not conceal customers' money laundering offences.

6.4 Employees should not suggest to customers or persons who have business transaction with the Group how to avoid reporting business transactions as required by law.

6.5 Employees should not disclose the reports of business transactions under clause to third parties.

6.6 In case employees notice any suspicious behavior which may involve money laundering, such employees should report such behavior to their unit management and should submit the report of suspicious transactions in accordance with the prescribed regulations immediately.

7. Protecting Group Property

The Group's property includes its funds, premises and technology, as well as proprietary information or intellectual property. You must use all such property for the Group's benefit and not for your own personal benefit. Additionally, proper safeguarding of these properties is required of every employee. Your awareness of, and adherence to the Group's security policies and procedures are critical. The Group expects you to be alert to any incidents that could lead to the loss, misuse or theft of Group property and to immediately report all such occurrences to your Compliance Unit.

Access to the Group's electronic facilities and systems are provided to you for use in connection with the Group's business. Any other uses (whether or not for personal profit), except for reasonable and occasional use, is prohibited. All information stored in the Group's facilities, including electronic systems, is regarded as the Group's property. Please see 'Finansa Group - IT Handbook' for further details.

8. Anti-corruption Policy

Anti-corruption Definition

Corruption means any types of bribery and/or using information received from or provided by the Company's operation by offering, agreeing to give, promising, demanding or accepting money, assets, or other inappropriate benefits from the government officers, private sectors, or responsible person either in direct or indirect action so that person, his/her friends, and/or others could achieve either directly or indirectly an improper benefit in business or any improper benefit, as well as any act that is against the Company's business ethic except the cases that law, regulation, rule, custom, tradition or business traditions allow.

Scope

1. This Anti-corruption Policy applies to Directors, Management Team, and staff of the Company and its subsidiaries.
2. A subsidiary is a company set up in Thailand in which the Company owns more than 50% of its capital stock having ordinary voting rights.
3. The Company expects its representatives and/or intermediaries who are related to or are acting on behalf of the Company to follow this policy.

Roles and Responsibilities

1. The Board of Directors is responsible for approving and supporting anti-corruption practices in the Company to create understanding and raise awareness of the consequences of corruption. In the case that the Audit Committee has reported a corruption case that affects the Company, the Board of Directors is responsible for providing the Managing Director with counsel and advise, assessing penalty, and seeking ways to solve the problem.
2. The roles and responsibilities of the Audit Committee includes :
   - 2.1 Revising the Anti-corruption Policy given by the Managing Director in order to best adjust with the Company's business, environment, and culture, and proposing the Policy to the Board of Directors for approval;
   - 2.2 Reconsidering the appropriateness of any change in Anti-corruption Policy given by the Managing Director and proposing to the Board of Directors for approval;
   - 2.3 Verifying the report of internal control system and carrying out risk assessment according to the proposal from the Internal Auditor to ensure that the system allows lowest risk of corruption that affects the Company's financial status and achievement and conforms to the Company's business;
   - 2.4 Receiving reports about staff violating the Anti-corruption Policy, investigating the report, and submitting the case to the Board of Directors to assess penalty or seek solution.
3. The roles and responsibilities of the Managing Director includes :
   - 3.1 Determining Anti-corruption Policy to propose to the Audit Committee;
   - 3.2 Conveying Anti-corruption Policy to staff and related parties;
   - 3.3 Reconsidering the Anti-corruption Policy in order to best adjust with business changes or regulation and law, and proposing the Policy to the Audit Committee;
   - 3.4 Assisting the Audit Committee in seeking the truth in reported corruption practices or in tasks relating to a corruption investigation assigned by the Audit Committee. The task can be assigned to Directors who are considered capable of seeking the truth.

4. The roles and responsibilities of the Internal Auditor includes :

   4.1 Performing duties according to the prescribed internal audit plan and submitting the internal control system audit report and assessment of corruption risk from internal control system audit to the Audit Committee;

   4.2 Performing duties assigned by the Audit Committee in examining corruption activities relating to the Company other than those prescribed in internal audit plan.

Anti-corruption Guidelines

Staff of Finansa Plc. and its subsidiaries at every level, as well as contractors and related subcontractors, must follow the Anti-corruption Policy strictly by not getting involved with any course of corruption whether in direct or indirect manner by :

1. Not conducting any behavior that can be seen as accepting or offering bribes to interested persons either in direct or indirect action in order to achieve any improper benefit by :

   1.1 Not accepting or giving gifts or souvenirs in the form of cash, cheque, bond, stock, gold, jewel or other equivalent from person in contact in government sectors or private sectors;

   1.2 Not accepting assets, gifts, presents or other benefits that will lead to neglect of duty. Please note that before accepting souvenirs, one should make sure that it conforms to laws and company's regulations and the gift received as business courtesy should not be high in value and suitable for the occasion;

   1.3 Not giving assets, gifts, presents or other benefits in order to influence the decision or in exchange for refraining from following standard business practices used with other business agents. Please note that the value of gifts or benefits given in any occasion must not be unusually high;

   1.4 Not acting as intermediary in offering cash, assets, or other benefits to anyone who is involved with government sectors or any organizations, in exchange for special treatment or refraining from following rules, regulations, and laws.

2. The procurement process must follow the Company's regulations, and uphold transparency and accountability principles.

3. Reception and business meeting expenses and other expenses relating to business contract should be reasonable and accountable.

4. Charitable contributions must follow the following guidelines :

   4.1 Any charitable contribution made with the Company's cash or assets must be made on behalf of the Company and must only be given to certified or trustworthy foundations, public charity organizations, temples, hospitals, clinics or public benefit organizations. The transaction must be accountable and in accordance with rules, regulations, and stipulated laws;

   4.2 Making personal charitable contribution is allowed under the condition that such transaction must not be related to or called into question corruption or bribery act.

5. Financial sponsorships that use the Company's cash or assets must be made only on behalf of the Company with the objectives of promoting the Company's business, image, and reputation. The disbursement must clearly state its purpose. It must be accountable and in accordance with rules, regulations, and stipulated laws.

6. Not getting involved in any internal politics and not using any of the Company's resources to make contribution to the said activities. Finansa Plc believes in political neutrality, and legality. It is not our policy to make contributions to any political party either in a direct or indirect manner.

7. Staff must not be negligent in recognizing corruption or indicated corruption activities that involve the Company. All staff must notify such acts to supervisors or a responsible person and collaborate with any investigation. Should there be any queries or questions, they must consult with the supervisor or the responsible person who monitors the Code of Conduct through provided channels.

8. The Company shall provide fairness and safeguard to staff who deny or inform corruption cases relating to the Company by applying protection measures for appellants or persons who co-oporate with Anti-corruption information as stated in the Protection and Confidentiality Policy.

9. A person who commits the corruption is equivalent to misconduct in the Company's Code of Conduct and disciplinary proceedings will take place. Conviction on laws may be applied in cases that violate laws.

10. The Board of Directors and the Management Team recognize the importance of knowledge sharing, counseling, and communicating with staff and related parties about anti-corruption so the staff and those parties shall conform to this Anti-corruption Policy and set a good example of business honesty, morality, and ethics.

11. The Company strives to create and sustain the organization's culture representing that corruption and/or bribery is unacceptable at every level and in every transaction with government sectors or private sectors.

12. This Anti-corruption Policy covers the process of Human Resource Management starting from recruitment, promotion, training, evaluation, and benefits provided to staff. Every supervisor at every level must communicate with staff about enforcement of the policy in business transaction under their responsibility and must monitor such implementation to be the most effective.

Topics that can be reported or filed as corruption complaints

1. Knowing of any corruption activity that is directly or indirectly related to the Company such as witnessing any person in the organization receiving or providing bribery from/to the government or private sector officers.

2. Knowing of activities that violate the Company's procedure or affect the internal control system that could be seen as an effort to corrupt.

3. Knowing of any activity that may cause a loss of the Company's benefit or the Company's reputational risk.

4. Knowing of any activity that is illegal, immoral, and against the business code of conduct.

Channels for reporting or filing corruption complaints

The Company has set up channels for receiving report and providing guidance about the Anti-corruption Policy to staffs as follows:

Registered letter	Independent Director, Finansa Plc. 20th Floor, TISCO Tower 48/45 Sathorn Road, Si Lom, Bang Rak 10500
Email	id@finansa.com

Protection and Confidentiality Policy

To protect the right of the appellants and informants who raise genuine concerns, the Company will conceal the name, address, or any information that can identify the persons and keep the information provided

by appellants and informants confidential by limiting the access to information to those responsible for investigating the complaints.

In the case that the complaint is filed against the directors, the Audit Committee will protect the appellants, witnesses, and those who collaborate with investigation from troubles, harms, or injustices originated from giving oral evidence or information and requests for the appellants to file complaints directly to the Chairman of the Audit Committee.

The Chairman of the Audit Committee is responsible for giving discretionary orders as appropriate to protect the appellants, witnesses, and informants from troubles, harms, or injustices originated from reporting, filing complaints, giving oral evidence or information.

The Chairman of the Audit Committee has a power to assign other directors to act as him/herself in giving discretionary orders as appropriate to protect the appellants, witnesses, and informants. The designated directors must not be involved with the act that is reported or filed complaint directly or indirectly (for instance, the accused is his/her direct subordinate)

The persons incharge of the complaints have to keep the information, accusations, and documents of the appellants and informants confidential by not providing information to irrelevant persons unless prescribed by laws.

Investigation Procedures and Penalty

1. Upon receiving reports of policy violation, the Chairman of the Audit Committee will assess and investigate the facts.
2. During the investigation process the Chairman of the Audit Committee or proxy (the designated director) will keep the informants or appellants updated.
3. If the information or evidence gathered in the course of investigations finds the corruption complaints well-grounded, the Company will inform the accused of an allegation and give them the rights to defend themselves by providing information or evidences to prove that they are not involved with the alleged corruption activities.
4. If the accused had committed corruption and the acts are equivalent to misconduct in the Company's Code of Conduct, disciplinary proceedings will take place. Conviction on laws may be applied in case such acts violate the laws. In term of disciplinary action, the decision of the Chairman of the Audit Committee is considered final.
5. If the complaints are untruthful or the process of filing complaints, reporting, giving oral evidence or any information are found to be untruthful or made through wrong channels, employees or staffs of the Company that are involved will be subjected to disciplinary action. If the persons involved are outsiders and the Company was damaged by the acts, the Company will take legal action against the persons.

In case of complaints, the Audit Committee is responsible for receiving information, gathering data, and investigating the truth and reporting to the Board of Directors for assessing and making appropriate decision on disciplinary actions.

Publishing the Anti-corruption Policy

To inform people in the organization about the Anti-corruption Policy, the Company will

1. Post a notice of the Anti-corruption Policy in the appropriate places for easy access of everyone in the organization.
2. Publish the Anti-corruption Policy through the Company's communication channels such as website, email, and the next annual report (56-1).

3. Organize staff training on the Anti-corruption Policy for all new recruits.

4. Reconsider the appropriateness of the Anti-corruption policy on a yearly basis.

9. Discrimination and Harassment

The Group is committed to equal employment opportunity. The Group will not refuse to hire, nor will it discharge or discriminate against any person because of the person's race, color, creed, religion, sex, sexual orientation, marital status, or national origin.

In support of this policy, the Group expressly prohibits sexual or any other form of employment harassment. Harassment or derision of any nature is not tolerable, and will not be tolerated at the Group.

Any employee who believes that he or she has been the subject of discrimination or harassment should report the alleged improper conduct immediately to the compliance unit.

บริษัท ฟินันซ่า จำกัด (มหาชน)
FINANSA PUBLIC COMPANY LIMITED

.....
(Mr. Vorasit Pokachaiyapat and Mr. Eugene S. Davis)
Finansa Public Company Limited

บริษัทหลักทรัพย์ ฟินันซ่า จำกัด (มหาชน)
FINANSA SECURITIES LIMITED

.....
(Mr. Varah Sucharitakul and Mr. Kittipong Lertvanangkul)
Finansa Securities Limited

FINANSA CAPITAL LIMITED
บริษัท ฟินันซ่า แคปปิตอล จำกัด

.....
(Mr. Vorasit Pokachaiyapat and Ms. Rachanee Mahatdetkul)
Finansa Capital Limited

Audit Committee's Report for the year 2021

The Audit Committee of Finansa Public Company Limited comprised 3 independent non-executive directors, namely,

1. Mr. Akarat Na Ranong Chairman of the Audit Committee
2. Mr. Nuttawut Phowborom Member of the Audit Committee
3. Mr. Chanmanu Sumawong Member of the Audit Committee

The Committee appointed Ms. Wipa Nilsophon, Assistant Managing Director Compliance Department to act as the Secretary of the Audit Committee.

In the year 2021, the Audit Committee held 4 meetings and all members attended the meetings. The following, major actions were taken in accordance with the scope of duties and responsibilities assigned by the Board of Directors. The Audit Committee :

1. Reviewed the quarterly financial statements as well as the annual financial statements and consolidated financial statements of the Company and its subsidiaries including the accuracy and completeness of information disclosed in the notes to financial statements. In 2021, the audit committee had 4 non-management meetings with the auditors in order to confer about the independence in giving opinions of the auditors. In addition, the auditors reported all examined issues to the Audit Committee for consideration.
2. Reviewed the internal control systems and the auditing reports for the year 2021 performed by the independent Internal Auditor in accordance with the approved annual audit plan.
3. Reviewed the corruption risk assessment for the year 2021 and examined the operation of the Company and its subsidiary in accordance with the Anti-Corruption practices.
4. Reviewed the Company's operations in order to ensure compliance with the securities law, rules and regulations of the Stock Exchange of Thailand or any law concerning the Company's business.
5. Considered the Company's information disclosure about the transactions stipulated by law, connected transactions, related party transactions, including the transactions which may cause conflict of interest.
6. Recommended to the Board of Directors for shareholders' meeting approval in regard to an appointment of the independent auditors of the Company and subsidiaries for the year 2021. The Audit Committee proposed to appoint :

   (1) Mr. Kasiti Ketsuriyonk Certified No. 8833 or

   (2) Mr. Chavala Tienpasertkij Certified No. 4301 or

   (3) Ms. Wilasinee Krishnamra Certified No. 7098 or

   (4) Mr. Yongyuth Lertsurapibul Certified No. 6770

   Deloitte Touche Tohmatsu Jaiyos Audit Co., Ltd. as the auditors of the Company and its subsidiaries for the year 2021.
7. Appointed Accounting Revolution Co., Ltd. as an independent internal auditor and approved the 2021 Internal Audit Plan.
8. Evaluated the performance of the Audit Committee as a whole to comply with good corporate governance practice.
9. Reviewed the report of the Audit Committee for the year 2020.

The Audit Committee was of the opinion that the Company had an internal control system which was satisfactory, that the Company's operation was in compliance with relevant laws and regulations and that the financial statements of the Company were prepared and presented with accurate and sufficient material information in accordance with generally accepted accounting principles. The financial statements of the Company were reviewed and audited by certified auditors whom the Audit Committee considered to be qualified and appropriate auditors for the Company.

On behalf of the Audit Committee

Mr. Akarat Na Ranong)
Chairman of the Audit Committee

Report on the Board of Directors' Responsibility towards the Financial Statements 2021

The Board of Directors is responsible for the supervision of financial statements preparation of the Company and its subsidiaries to be disclosed to the investors in a timely manner and the accounting data are presenting with accuracy and transparency. The financial reports of the Company and its subsidiaries are prepared in accordance with generally accepted accounting principles in Thailand by applying appropriate accounting policies consistently. Moreover, sufficient important information is disclosed in the notes to the financial statements.

The Board of Directors has empowered Audit Committee and the Certified Public Accountants to freely review the internal control system and the accuracy of the financial reporting. The opinion of the Audit Committee on such matters is presented in the Report of the Audit Committee in the annual report.

Based on the Company's internal control system supervised by the Audit Committee and the external auditor's reports, the Board of Directors believes that the consolidated financial statements of the Company and its subsidiaries present accurately, in all material aspects, the financial position, the results of operations and cash flows for the year ended 2021 and are also in conformity with generally accepted accounting principles and were sufficiently disclosed.

(Mr. Akarat Na Ranong)
Chairman

(Mr. Vorasit Pokachaiyapat)
Managing Director

Nomination, Compensation and Corporate Governance Committee's Report for the year 2021

The Nomination, Compensation and Corporate Governance Committee of Finansa Public Company Limited comprised 2 independent directors and 1 executive director as follows:

1. Mr. Akarat	Na Ranong	Chairman (Independent director)
2. Mr. Chanmanu	Sumawong	Member (Independent director)
3. Mr. Vorasit	Pokachaiyapat	Member (Executive director/Managing Director)

The Committee appointed Ms. Wipa Nilsophon, Assistant Managing Director Compliance Department, acting as the Secretary of the Nomination, Compensation and Corporate Governance Committee

The Nomination, Compensation and Corporate Governance Committee performed its duties granted by the Board of Directors with responsibility and due care under the policy and charter of the Nomination, Compensation and Corporate Governance Committee in the best interest of the Company as follows:

1. Nominating suitable personnel qualified in terms of knowledge, capability and experience and without prohibited characteristics according to the law and relevant regulations of the Company. Ensuring that the Board of Directors has appropriate composition and structure for the Company's good corporate governance.

2. Determining that remuneration is in line with the duties and responsibilities and at an adequate level to attract and retain directors and executives as well as reflecting the comparable remuneration paid by other companies in the same industry consistent with the performance of the Company and each of the directors and executives.

3. Conducting corporate governance matters by reviewing, making recommendations and ensuring the Company's operations adhere to its Corporate Governance Policy, ethics, regulations and procedures; reviewing the evaluation of the Company's corporate governance conducted by an external organization; recommending appropriate procedures or code of conduct to the Board of Directors and Sub-Committees; following up to ensure an adequate disclosure of information of the Company concerning corporate governance and sustainable development as well as promoting and propagating the culture of good corporate governance and employee's participation in the sustainable development of the Company.

In 2021, there were 3 meetings of the Nomination, Compensation and Corporate Governance Committee and all members attended the meetings. The following major actions were taken in accordance with the scope of duties and responsibilities assigned by the Board of Directors:

1. Reviewed the report of the Nomination, Compensation Committee and Corporate Governance Committee for the year 2020.
2. Acknowledged the Corporate Governance assessment for the year 2020, the report of Corporate Governance compliance and Social Responsibility for the year 2020.
3. Considered the proposed nomination for director in place of directors who retired by rotation at the 2021 Annual General Meeting of Shareholders.
4. Considered an extension of employment contract of the Executives who were due to retire.
5. Considered an employees' remuneration for the year 2021.
6. Reviewed the Corporate Governance report for the year 2021.

7. Considered an appointment of Mr. Akarat Na Ranong to be the Chairman as replacement for Dr.Virabongsa Ramangkura who passed away.

8. Acknowledged the resignation of a director, Mr. Vorapak Tanyawong.

Roles and responsibilities in policy making and guidelines in nominating, setting remuneration for directors and authorized person, as well as in ensuring good corporate governance are disclosed in this annual report.

On behalf of the Nomination, Compensation and Corporate Governance Committee

(Mr. Akarat Na Ranong)
Chairman of the Nomination, Compensation
and Corporate Governance Committee

FINANSA
Asian Merchant Banking

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