

FNS HOLDINGS PLC.

บริษัท เอฟเอ็นเอส โฮลดิ้งส์ จำกัด (มหาชน)

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ABBREVIATIONS

BFTZ	Bangkok Free Trade Zone, Bangna-Trat Km.23
BFTZ WN	BFTZ Wangnoi Co.,Ltd.
FBF	FB Food Service (2017) Co., Ltd.
FC	Finansa Capital Ltd.
FFM	Finansa Fund Management Ltd.
FNS	FNS Holdings Public Company Limited
FSL	Finansa Securities Ltd.
FSS & FSSIA	Finansia Syrus Securities Public Company Limited & 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 Freehold and Leasehold Real Estate Investment Trust
PRM	Prospect REIT Management Co.,Ltd.
RAKxa	RAKxa, fully integrative wellness and medical centre located at Bang Krachao
RX Wellness	RX Wellness Co., Ltd., a subsidiary of M.K. Real Estate Development Pcl., operates health and wellness business.

Financial Highlights

(Consolidated Financial Statements)

(Bath Million)

As at or for the years ended 31 December	2022	2021	2020
Operating Performance			
Total Income	388.57	265.95	763.63
EBITDA	165.93	43.43	368.38
Net Profit (Loss)	104.92	(42.19)	223.26
Earnings (Loss) per Share (Baht)	0.30	(0.12)	0.65
Return on Average Total Assets (%)	2.83%	-1.03%	5.47%
Return on Average Shareholders' Equity (%)	4.04%	-1.56%	8.15%
Number of Employees	27	65	74
Total Income per Employee	14.39	4.09	10.32
Net Profit (Loss) per Employee	3.89	(0.65)	3.02
Financial Position			
Total Assets	3,291.41	4,128.48	4,068.30
Total Liabilities	721.06	1,511.21	1,261.91
Total Shareholders' Equity	2,570.35	2,617.27	2,806.39
Number of Shares in Issued (share)	345,855,440	345,855,440	345,855,440
Book Value per Share (Baht)	7.43	7.57	8.11

Revenue Structure

Type of Revenue	Operated by	% of share held by FNS Group	2022		2021		2020	
			Revenue (Baht million)	%	Revenue (Baht million)	%	Revenue (Baht million)	%
Investment, advisory and management business	FNS, FFM	100	88.57	22.8	43.72	16.4	78.01	10.2
Investment banking and securities business*	FSL	-	-	-	213.35	80.2	349.42	45.8
Warehouse/factory rental business	FNS	-	-	-	-	-	124.62	16.3
Others		-	300.00	77.2	8.88	3.3	211.58	27.7
Total Revenue			388.57	100.0	265.95	100.0	763.63	100.0
Share of gain (loss) from investment in associates and joint venture	FSS&FSSIA	-	-	-	87.96	172.9	23.63	76.8
	MK	31.51	(11.29)	(180.9)	(57.26)	(112.6)	(0.64)	(2.1)
	PROSPECT REIT	22.99	24.58	393.9	27.11	53.3	7.79	25.3
	BFTZ WN	50	1.84	29.5	(0.41)	(0.8)	-	-
	Kanom	30	(8.89)	(142.5)	(6.54)	(12.9)	-	-
Total			6.24	100.0	50.86	100.0	30.78	100.0

* FNS disposed all of its investment in FSL in May 2022.

FNS Holdings at a Glance

FNS HOLDINGS PUBLIC COMPANY LIMITED

FINANSA FUND MANAGEMENT LTD.

Finansa Fund Management has over 25 years experience in investing in Private Equity in Thailand, Vietnam and Cambodia.

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 initially focused on low-rise residential projects under the brand name “Chuan Chuen” and “Serene House”. Over the past six years, MK’s business has transitioned into building a portfolio of income producing real estate assets including warehouses construction and leasing under subsidiary, Prospect Development Co., Ltd. A recent, major development is the launch of the RAKxa Health and Wellness Retreat on the Chao Phraya River.

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.

PROSPECT LOGISTICS AND INDUSTRIAL FREEHOLD AND LEASEHOLD REAL ESTATE INVESTMENT TRUST

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

BFTZ WANGNOI COMPANY LIMITED

BFTZ Wangnoi Company Limited 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 develop a Distribution Centre with leaseable area of 88,401 sqm. for Siam Makro Pcl.

BOARD OF DIRECTORS



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. 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



Chairman's Statement

Mr. Akarat Na Ranong

A stylized white signature of Mr. Akarat Na Ranong on a dark blue background.

From an overall business and economic perspective, 2022 started positively with the gradual and welcome easing of Covid restrictions in much of the developed world. However, the upswing in sentiment was soon undermined by the launch of a war in Ukraine, a spike in energy prices and the beginning of a series of aggressive interest rate hikes by the Federal Reserve and other central banks.

The change in monetary stance by the Federal Reserve marked the peak in global equity markets. Through much of 2022, equities, especially those in the technology sectors, saw a significant correction. Bond markets also went into reverse after a 30 year bull run. At its low point, the market capitalization of the S&P500 Index had shrunk almost US\$11 trillion in 2022, while longer term US government bonds saw their biggest price drop in over 200 years. Against this backdrop, the Thai economy and stock market were relatively resilient. The Thai economy saw a modest rebound with GDP growth of around 3%, up from 1.5% in 2021, and the SET index was more or less unchanged over the year with a gain of 0.7%. With the sharp rise in US interest rates, the Thai Baht came under some pressure and dropped 3.5% against the US\$ over the year.

While the short term performances of equity and bond markets have little impact on the operating performance of the underlying, core investment positions of FNS Holdings Plc. ("FNS"), underlying financial conditions do impact the ability of the group to access borrowing, the cost of borrowing and the opportunity to monetize investments that are currently unlisted.

In 2022, FNS recorded a consolidated net profit of Bt.104.9 mn which compares with a net loss in 2021 of Bt.42.2 mn. The key drivers of the 2022 financial performance were the disposal of the Company's wholly-owned subsidiary Finansa Securities Ltd.(FSL), the sale of premises and equipment at TISCO Tower and a reduced contribution from Associated Companies. The sale of premises and equipment generated a gain of Bt.298.8 mn and the sale of FSL generated a loss of Bt.125.6 mn. The reduction in the contribution from Associates from Bt.50.9 mn in 2021 to Bt.6.2 mn in 2022 was due primarily to the 2021 earnings including a con-

tribution from the Company's stake in Finansia Syrus Securities Plc., which was sold in late 2021. Associated Company income in 2022 benefited from reduced losses at M.K. Real Estate and Development Plc.(MK), in which the Company has a 31.5% stake.

Following the sale of FSL, the Company changed its name from Finansia Plc. to FNS Holdings Plc.

The principal developments in 2022 in terms of business progress were (1) the completion of the Company's transition out of financial services with the sale of the 100% owned subsidiary, FSL, in May (2) the ongoing transition at Associate Company MK, including a strong performance in warehouse construction and leasing, the sale of non-core assets including the Flora Ville Golf Course and the expansion of the RX Wellness integrated wellness platform (3) strong sales growth at Associate Company, Kanom Café Co., Ltd, in which FNS has a 30% stake and (4) satisfactory progress by 50% owned Joint Venture BFTZ Wangnoi Co., Ltd in the construction of a 88,000 sqm distribution centre to be leased by Siam Makro Plc.

As indicated above, short term moves in equity and bond markets do not impact the group's operating performance, though the underlying factors may impact borrowing costs and opportunities for the group to monetize investments. Going into 2023, glob-

al equity markets were in a relatively buoyant mood during January with inflation falling and optimism that Federal Fund Rate would peak mid-year at 5.00 -5.25%. However, the resilience of the US economy as indicated by employment and consumption data raised concerns that the Federal Reserve still had work to do in terms of driving inflation down towards its 2% target and that peak interest rates may be higher than the previous consensus and stay higher for longer. As a result, investor sentiment has deteriorated. With the Federal Reserve firm on bringing down inflation and curbing inflationary expectations, US interest rate rises (and by implication, global interest rate rises) may well surprise on the upside and an economic recession in the US and Europe is still the most likely scenario, though the extent and timing of the recession remain uncertain. This will have negative implications for corporate earnings and dividend payouts. While the onset of a recession will hasten an eventual peaking in interest rates, which will likely spur a move higher in equity and bond markets, it is far from clear how equity markets will perform in the intervening period. A best case scenario is a short, mild recession that would likely see equities moving higher, while a steeper than expected recession could see equities revisiting the lows seen in 2022. The reopening of the China economy in 2023 adds weight to the case for a soft landing for the global economy.

Looking at the positioning of the group, the core investments can be placed in two broad categories. The first is real estate related, which includes the stakes in MK, Prospect Logistics and Industrial Freehold and Leasehold REIT (PROSPECT REIT) and BFTZ Wangnoi Co., Ltd. (BFTZ WN). The second is Private Equity, which include the investments in NEO Corporation Co., Ltd. (NEO) and Kanom Café Co., Ltd. (Kanom). The key drivers of FNS performance in 2023 will be the strategic objectives in place at each of these core investments and a focus on monetizing assets. The role of FNS management is to help facilitate successful execution of these objectives. The objectives include (i) the sale of an additional c.70,000 sqm of completed warehousing by MK subsidiary, Prospect Development Co., Ltd. (Prospect), to the PROSPECT REIT in Q1 2023, worth c. Bt.1.75 bn (ii) the proposed listing of NEO on the Stock Exchange of Thailand by early 2024 and (iii) continued rapid sales growth at Kanom together with improving profitability. The IPO of NEO will be a significant liquidity event for FNS and in anticipation, FNS management is exploring new investment and business opportunities.

One development in Q1 2023 was the decision to take up the rights units being offered by PROSPECT REIT as part of its purchase of additional assets. The PROSPECT REIT has performed well since its launch in August 2020 with strong cash flows underpinning attractive dividend payouts.

While 2023 could prove to be challenging for the Thai (and global) economy, FNS management is confident that 2023 will prove to be a year of significant progress towards achieving sustainable profitability for FNS.

Mr. Akarat Na Ranong
Chairman

2022 OPERATIONAL REVIEW AND 2023 OUTLOOK **BY BUSINESS ACTIVITY**

Direct Investment : 2022 Review and 2023 Outlook

- **Finansa Fund Management Ltd.**

As at or for the years ended 31 December

Finansa Fund Management Ltd.	2022	2021
Statements of Financial position	Baht Million	
Assets		
Cash and cash equivalents	3.5	173.1
Investments	322.6	282.9
Other assets	0.1	0.1
Total assets	326.2	456.1
Liabilities and Equity		
Total liabilities	3.0	4.0
Equity	323.2	452.1
Total liabilities and equity	326.2	456.1
Statements of Profit or Loss		
Service income	-	-
Other operating income	-	-
Total income	-	-
Operating expenses	(25.2)	(25.2)
Operating loss	(25.2)	(25.2)
Gains from investments & Forex	13.90	16.3
Gain on sale of FSS	-	137.0
Interest expense	-	(11.5)
Net loss	(11.3)	116.6
Return on Average Assets	(2.9%)	18.0%
Return on Average Equity	(2.9%)	31.2%

Direct Investment

• **Finansa Fund Management Ltd. (FFM)**

FFM sees loss in 2022 after one-off gain in 2021.

For 2022, FFM reported a Net Loss of Bt.11.3 million against a Net Profit of Bt.116.6 million for 2021, on a standalone basis. The profit in 2021 included a gain of Bt.137 million on the sale of the company's 29.29% stake in Finansia Syrus Securities Plc, which was sold in late 2021. FFM no longer generates fees from managing third party funds and its current (and future) earnings rely on its principal investment activities, including dividends and interest income. While the income from principal investing is uncertain 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 2022, though margins slip on higher input costs.

FFM undertook a significant, Private Equity investment in NEO Corporate Co., Ltd. in late 2016. NEO is a leading local manufacturer of branded household and personal care products. Brands include D-Nee, Fineline and B-Nice. FFM's investment was to help fund the Company's new manufacturing facility at Lamlukka. NEO is expected to report a c.11% rise in Revenues in 2022 to c.Bt.8.3 billion driven by growth in liquid detergents, fabric softener and liquid soaps, though earnings are expected to decline on higher input costs and supply chain challenges in the early part of the year. Net Earnings are expected to fall around 25% YoY to c. Bt.550 million. However, it should be noted that 2021 was a particularly strong year with Covid-19 boosting demand for cleaning products and for this reason, the 2022 performance can be viewed as satisfactory. In last year's report, we indicated that the IPO schedule had been postponed. We can now report that the company intends to file a listing application later in 2023 with a view to listing on the Stock Exchange of Thailand in 1H 2024.

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

FBF sees continuing earnings improvement in 2022.

A second, much smaller Private Equity investment was made in 2017 in FB Foodservice (2017) Co., Ltd. (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. 2021 saw the company generate a small profit of Bt.408,000 and the improving trend continued into 2022. Though 2022 sales rose just 1% YoY in 2022, the company is expected to report Net Earnings of c. Bt.20 million due to the continuing shift in sales towards the higher margin “HORECA” business and better cost controls in relation to raw material purchases. The focus for 2023 will be on continuing to growing the “HORECA” business, which includes wakame and ready to eat and cook lines such as chicken/pork tonkatsu and nuggets.

• **Kanom Café Co.,Ltd. (Kanom)**

Kanom sees strong sales growth in 2022.

In late 2018, Finansia Plc., now renamed FNS Holdings Plc. (“FNS”) committed to a Private Equity investment in Kanom Factory (1999) Co., Ltd. (“Kanom”), the operator of the Kanom café, bakery and restaurant chain. FNS currently holds a 30% equity stake 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 due to Covid-19, there has since been a steady improvement in same-store sales and a jump in overall sales following the opening of an outlet in the domestic terminal of Suvarnabhumi airport in December 2021 and the opening of a second outlet at Suvarnabhumi airport in August 2022. Kanom is expected to report revenues of c.Bt.195 million for 2022 (+57% YoY). Kanom’s sales are now significantly ahead of pre-Covid levels. Though Kanom will report a Net Loss for 2022, the loss will be down significantly from the loss reported for 2021. The focus in 2023 will be on opening c.5 new outlets, improving same –store sales performance and on improving cost controls. Having achieved the objective of being cash flow positive in 2022, Kanom expects to be profitable at the net level in 2023.

• **HUGS Insurance Broker Ltd. (HUGS)**

HUGS reports small profit for 2022.

In 2020, FNS took a 7.5% stake in HUGS Insurance Broker Ltd. a start-up insurance brokerage that has focused, initially, on Health and Accident Insurance within Personal Insurance Lines. A General Insurance License and Life and Reinsurance Licenses have been awarded. 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 2022.

The 2023 focus in Private Equity is developing existing investments and monetizing the stake in NEO.

FNS Group’s focus areas for 2023 in relation to Private Equity are (i) supporting management at Kanom to achieve their sales and margin targets (ii) working with the management of NEO on their expansion, funding plans and listing application to list the company on the SET (iii) assisting HUGS with lead generation (iv) continuing to screen potential new investment opportunities in anticipation of a significant release of funds from the listing of NEO.

Direct Investment: Real Estate Investment Trust

• PROSPECT Logistics and Industrial Freehold and 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 the company's leasehold rights on warehousing at the Bangkok Free Trade Zone, to the PROSPECT REIT.

The PROSPECT REIT had a total leasable area of 222,203 sqm at end 2022.

The PROSPECT REIT is invested in (i) the sub-leasehold rights on land and building at the Bangkok Free Trade Zone which, as at end 2022, comprised 63 buildings of which 21 were warehouse buildings, 30 were standalone factories, 10 were mini factories and two were "build-to-suit" buildings, and (ii) The Freehold X44 Bangna KM 18 project, which is a built-to-suit factory and office building located on Bangna-Trad Road Km.18 with a leasable area of 3,087.0 sqm. The total leasable area of the REIT at end 2022 was 222,203 sqm.

BFTZ maintained high occupancy throughout 2022.

Due to its prime location and facilities and diversified customer base, the PROSPECT REIT assets at the Bangkok Free Trade Zone have enjoyed and have maintained a high rate of occupancy and rental rates have been resilient. As at end 2022, the occupancy was 93.1% (against 93.8% at end 2021) and the average rental rate was Bt.174.9 /sqm/month which compares with Bt.174.8 in 2021.

Strong cash flows support high dividend pay-outs.

The PROSPECT REIT's strong cash flows are reflected in the (quarterly) dividend payments. For 2022, the REIT declared dividends amounting to Bt.0.9025, representing a dividend yield of 9.26% on the closing price of the units at 31 December 2022.

PROSPECT REIT to acquire additional assets in Q1 2023.

The PROSPECT REIT plans to acquire additional assets valued at Bt.1.75 billion in Q1 2023 through a combination of the issue of 130,000,000 new units and borrowings. The new units are being offered both through a Rights Issue (117,000,000 units) and a Public Offering (13,000,000 units). FNS intends to take up its Rights allocation through the additional investment of c.Bt.270 million. A key consideration is that the assets being acquired are expected to enhance the earnings and dividend paying potential of the REIT.

Real Estate Development and Investment : 2022 Review and 2023 Outlook

• M.K. Real Estate Development Pcl

As at or for the years ended 31 December

M.K. Real Estate Development Pcl.	2022	2021
Statements of Financial Position		
	Baht Million	
Assets		
Cash and cash equivalents	415.7	172.2
Trade and other receivables	1,048.5	870.4
Loans	889.7	680.0
Real estate development for sale	3,224.1	4,132.8
Investment properties	6,441.5	5,194.0
Investment in associates and joint venture	784.0	809.7
Property, plant and equipment	5,746.7	5,785.4
Other assets	1,314.5	1,396.0
Total assets	19,864.7	19,040.5
Liabilities and Equity		
Borrowings and debentures	11,427.8	10,145.9
Trade and other current payables	296.3	1,096.7
Other liabilities	1,677.7	1,329.5
Total liabilities	13,401.8	12,572.1
Equity of the parent	6,431.4	6,468.4
Non-controlling interests	31.5	-
Total liabilities and equity	19,864.7	19,040.5
Statements of Comprehensive income		
Revenue from sale of real estate	1,790.5	2,481.1
Revenue from rental and rendering of services	340.1	341.3
Revenue from management of real estate	118.3	91.0
Revenue from health and wellness	57.3	25.8
Other income	256.2	382.1
Total revenues	2,562.4	3,321.3

M.K. Real Estate Development Pcl.	2022	2021
Total cost of businesses	(1,447.4)	(2,371.1)
Finance costs	(598.9)	(477.5)
Administrative and other expenses	(1,012.7)	(809.5)
Total expenses	(3,059.0)	(3,658.1)
Share of profit of joint ventures and associates	4.8	61.0
Income tax - income (expense)	(20.7)	87.8
Profit for the year from discontinued operation	469.9	2.7
Share of loss of non-controlling interest	6.8	-
Net loss of the parent company	(35.8)	(185.3)
Return on Average Assets	(0.2%)	(1.0%)
Return on Average Equity	(0.6%)	(2.8%)

MK reports a significantly reduced loss in 2022.

M.K. Real Estate Development Pcl. (“MK”) reported a 22.9% fall in consolidated revenues in 2022 to Bt.2,562 million and a Net Loss in 2022 of Bt.35.8 million against a Net Loss of Bt.185.3 million in 2021.

Slow recovery in demand for residential housing and increased competition merits caution.

Around 50% of MK’s 2022 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 relatively sluggish in the post-pandemic period (from 2H 2022) and rising borrowing costs have arguably slowed the recovery in demand. Moreover, 2022 saw major property developers shift focus to the low rise, middle income housing market, resulting in increasing competition for MK during the year. Given still sluggish demand and increasing competition, MK held back on new project launches in 2022 and this contributed to a decline in MK’s residential property sales for the year. Despite increased competition, MK’s Gross Margin in residential development was relatively steady at unchanged at 25.4%. as management has taken a series of measures over the past three years to reduce costs.

Land and asset sales boost liquidity and earnings.

As part of the response to Covid-19 and increasing competition, MK’s management also took the decision to boost liquidity through land sales and asset sales and this helped offset the drop in residential sales. Land sales in 2022 totaled just over Bt.500 million and the key asset sale in 2022 was the disposal of the Floraville Golf Course for Bt.1,400 million. These disposals generated a combined profit of close to Bt.800 million.

Solid progress in 2022 by Prospect Development

Outside of residential development, MK's subsidiary Prospect Development Co., Ltd. ("Prospect") continues to make solid progress, completing around 93,000 sqm. of new warehousing in 2022, up from 42,000 sqm. in 2021. Most of the new warehousing was at BFTZ 1, 2 and 3 (located on Bangna Trad Km23, Thepaak Road and Bangna Trd Km19, respectively). In terms of financial performance, Industrial Real Estate Development generated Total Revenues of Bt.458 million (+6% YoY) and a Gross Profit of Bt.286 million (+24% YoY). Demand for warehousing has been resilient in part due to the strong growth in logistics demand and rental rates and occupancy at Prospect's projects have been encouraging. As at the end 2022, Prospect held around 255,000 sqm. of completed space available for lease with projects in progress scheduled to add a further 124,000 sqm.

Preparing the sale of Bt.1.75 billion of completed warehousing to the PROSPECT REIT in Q1 2023.

A key business objective in 2022 was the planned sale of completed warehousing to the Prospect Logistics and Industrial Freehold and Leasehold REIT. This transaction was originally scheduled to complete in Q4 2022. In the event, the size of the transaction was increased from c.51,000 sqm. worth c.Bt.1.3 billion to 70,000 sqm.worth Bt.1.75 billion. The transaction was completed in Q1 2023 and will boost both the liquidity and reported earnings of Prospect in 2023.

RX Wellness reports ongoing losses as operations are expanded.

A key element in the 2022 performance was a loss of c.Bt.95 million incurred by MK's Health and Wellness subsidiary business (operated "RX Wellness"). This compares to a loss of Bt.107 million in 2021. The first project of RX Wellness was the RAKxa Wellness Retreat, a luxury medical spa located on the Chao Phraya river at Bangkrachao. Its operating partners include Vitallife, a subsidiary of Bumrungrad Hospital. Its target market is affluent, international wellness travelers. The retreat was opened in late 2020 and the first 18 months of operations proved especially challenging given the impact of Covid-19. The post-Covid recovery in tourist arrivals to Thailand is encouraging, however bookings at RAKxa are yet to see a significant impact. In response, there have been changes in the RAKxa sales strategy and some management changes. The loss in Health and Wellness includes pre-opening expenses at a second wellness project, RXV Wellness Village, at Sampran, which is scheduled to open in March 2023. This project is targeting the domestic market. The combined losses in Health and Wellness, while significant, need to be seen in the context of the long term objectives of establishing a broad-based wellness platform that is recognized both internationally and domestically.

The focus in 2023 will be growth at Prospect and RX Wellness.

Going forward, the focus in 2023 will be maintaining growth momentum at Prospect and ensuring that RX Wellness has a solid foundation for reducing losses and a clear path to achieving positive cash flow. Prospect aims to complete a further 146,000 sqm of warehousing in 2023, bringing the total under management to 331,000 (after the sale of 70,000sqm to the Prospect REIT in March 2023). The goal at RX Wellness is to reduce losses in 2023

and be on track to achieve positive EBITDA on a quarterly basis in 2024.

Remaining cautious on residential development.

MK will continue to be cautious on new residential project launches and continue to look for opportunities to sell undeveloped land. 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 in 2023 are expected to be in line with sales in 2022. As in 2022, land disposals may have a material, positive impact on 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 over the medium to long term.

- **BFTZ Wangnoi Co., Ltd.**

Transfer of Phase 1 now scheduled for Q2 2023.

In June 2021, FNS established a 50:50 joint venture, BFTZ Wangnoi Co., Ltd, with Prospect Development Co., Ltd, a wholly owned subsidiary of M.K. Real Estate and Development Pcl. The JV won the bid to provide a new 88,401sqm Distribution Centre for Siam Makro Plc. located on Km 67 of Phaholyotin Road. Siam Makro will sign a 15-year lease. Construction is underway and the handover will be in 3 phases. The first Phase was due to completed in Q4 2022, however this has been pushed back to Q2 2023. The final phase is now scheduled to be transferred in Q2 2024. The site also has a separate Ready Built Warehouse component (24,200 sqm). Bank financing for the bulk of the project is in place.

Part 1

Business Operations and Operating Performance

1. Structure and Business Operations of the Group

Background of the Company

FNS Holdings Public Company Limited (FNS), formerly Finansa Public Company Limited, 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. The name of the Company was changed to FNS Holdings Public Company Limited in May 2022.

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. In May 2022, FNS disposed of its 100% owned subsidiary, Finansa Securities Limited, completing the group’s exit from 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 and Real Estate Development and Investment.

1.1 Policy and overview of business operations

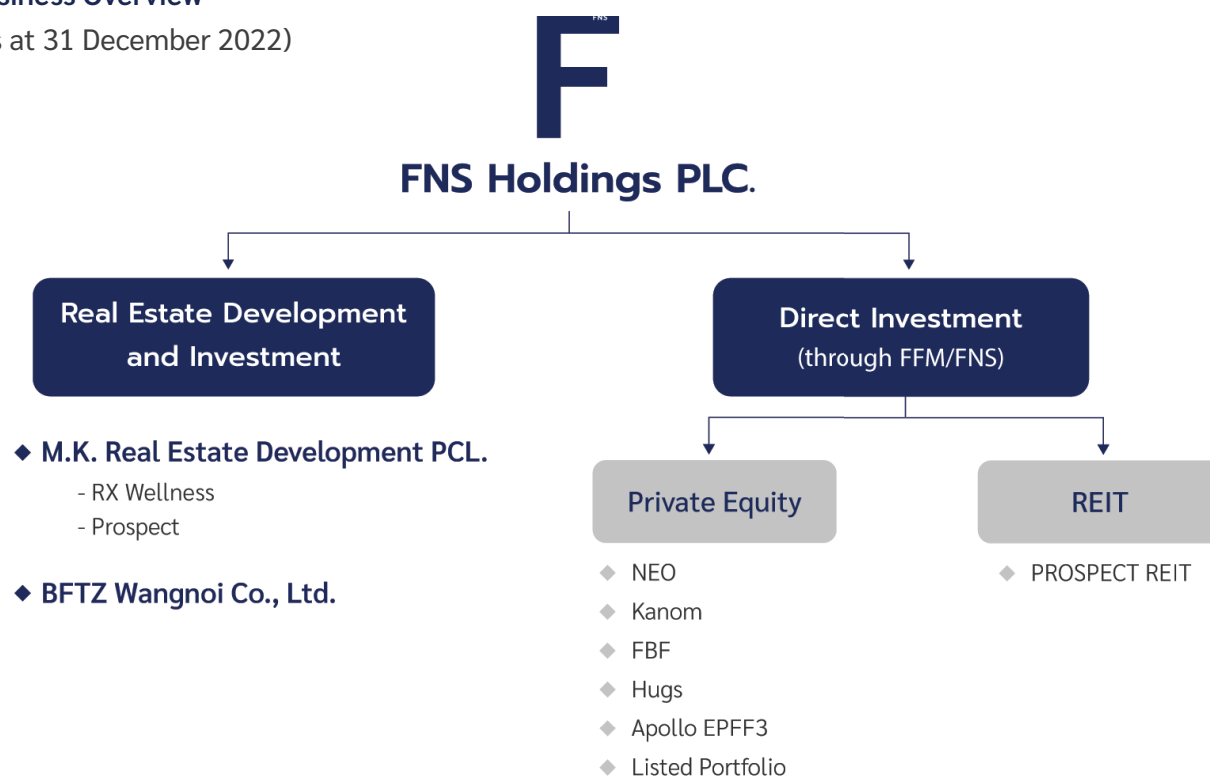
FNS is, as at December 2022, an investment holding company with a portfolio of interests that can be categorized under two main headings : -

- (i) Real Estate Development and Investment
- (ii) Direct Investment

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).

Business Overview

(As at 31 December 2022)



In summary

(1) Real Estate Development and Investment

FNS' associated company, M.K. Real Estate Development Plc. (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 Wangnoi Co., Ltd. (BFTZ WN). BFTZ WN, which subsequently signed a MOU with Siam Makro Plc. to lease land and a new 88,000 sqm distribution centre located on Km67 of Phaholyothin Road. Prospect is a wholly owned subsidiary of MK. The site will also provide 20,994 sq.m of ready built warehousing. Siam Makro Plc. will sign a 28 year lease. Construction is underway and the handover will be in three phases between Q2 2023 and Q2 2024.

(2) 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 Corporation 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 Freehold and 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.

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 :

- i) 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 and 2022 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.
- ii) 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.

- iii) Identify additional Private Equity / Direct Investment opportunities. To this end, the FNS's Direct Investment team has been exploring opportunities to invest in businesses and assets that can be developed to provide 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.

1.1.2 Major changes and developments

Major changes and developments in the past 3 years

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 Freehold and Leasehold 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, Finansia 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 Bt. 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 Bt. 60 million.

Disposal of investment in FSS

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

2022

Sale of Finansa Securities Limited

In May, FNS completed the sale of its 100% stake in Finansa Securities Limited.

Change of name

In May, the company's name was changed from Finansa Plc. to FNS Holdings Plc.

1.1.3 Fund raising and fund using progress

There was no fundraising in 2022.

1.1.4 Obligation to securities offering

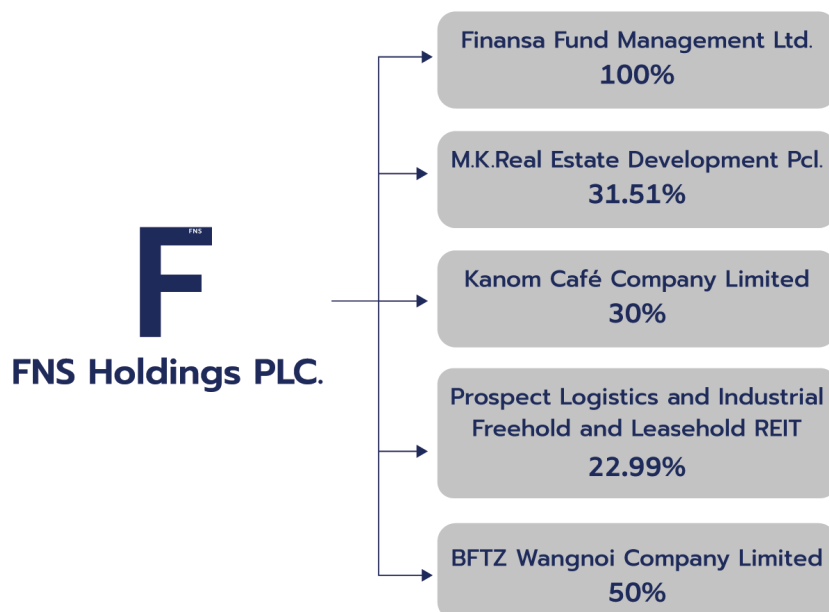
None

1.1.5 General information about the Company

Company Name	FNS Holdings Public Company Limited
Head Office Location	345 Surawong Raod, 345 Surawong Building, 6th Floor, Suriyawong, 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
Registration Number	0107545000080
Telephone	(66) 0-2697-3700
Fax	(66) 0-2697-3799
Home Page	www.fnsplc.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 2022)



1.2.1 Revenue structure

For the year 2022, the principal activities of FNS can be categorized under three main headings : -

- (1) Real Estate Development and Investment
- (2) Direct Investment
- (3) Financial Services *

* Note: Up to May 5, 2022, FNS held 100% of Finansa Securities Ltd. The financial performance of Finansa Securities Ltd. up to this date is reflected in the consolidated financial statements of FNS.

This following table indicates the revenue breakdown by business activity in 2022.

Revenue by Bussiness Activity	Operated by	% of share held by FNS	2022	
			Revenue (Baht : million)	%
Financial Service	FNS, FFM	100	88.57	22%
Total Financial Service			88.57	22%
Real Estate Development & Investment	MK BFTZ WN	31.51 50	(11.29) 1.84	-3% 1%
Total Real Estate Development & Investment			(9.45)	-2%
Direct Investment	Kanom PROSPECT REIT NEO FBF, HUGS	30 22.99 12.78 6, 7.50	(8.89) 24.58 - -	-2% 6% 0% 0%
Total Direct Investment			15.69	4%
Other			300.00	76%
Total			394.81	100%

Going forward, the revenue structure will change to reflect the disposal of Finansa Securities Ltd. 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 activity : -

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. The original focus of the business was the development low-rise residential projects for sale (under the “Chuan Chuen” and “Serene House” brands). Over the past five years, under new ownership and management, it has shifted its business away from developing housing for sale towards developing income producing real estate assets to improve both the sustainability and quality of its earnings. A key success to date has been the development of the Bangkok Free Trade Zone on the outskirts of Bangkok. This project was carried out by Prospect Development Co., Ltd., a 100% owned subsidiary of MK. Prospect currently has a pipeline of six projects and has now completed over 400,000sqm of warehousing for lease. MK also initiated the launch of the PROSPECT REIT in August 2020. The REIT, which is managed by a wholly owned subsidiary of MK, acquired assets developed by Prospect. 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 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 2022, 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 Development Co., Ltd, a wholly owned subsidiary of MK. The Joint Venture signed a MOU to provide a new 88,401sqm Distribution Centre for Siam Makro Plc. on Km67 of Phaholyothin 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 Q2 2023. Financing for the project is in place. FNS's projected contribution of c. THB 350 million 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 Freehold and Leasehold Real Estate Investment Trust (PROSPECT REIT)***

PROSPECT REIT is a trust listed on the Stock Exchange of Thailand that invests in the sub-leasehold rights of parts of land and buildings, principally located in the Bangkok Free Trade Zone ("BFTZ") on Km 23 of the Bangna Trad highway. The BFTZ covers 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. The REIT has invested in c.82,600 sqm of warehousing and c.51,700 sqm of factory space within BFTZ. The REIT's assets have been valued at c.THb 3,500 million (on acquisition date). FNS invested THB 563 million 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 million 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, BeNice 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 pandemic. While earnings dipped through 2021 and 2022 on supply chain constraints, rising material costs and higher logistics costs, the business remains fundamentally solid with strong brand recognition. It is encouraging that sales growth started to recover in 2H 2022 in line with a general improvement in the Thai economy. NEO is expected to list on the Stock Exchange of Thailand in 2024.

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

In 2017 FNS invested THB 21 million 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 generated a small profit after tax in 2021 with a modest improvement in 2022. Further gains are expected in 2023. The focus for 2023 will continue to be on growing the "HORECA" business and building on the momentum established in 2022 in the Wakame, Ready-to-Eat and Ready-to-Cook lines.

• *Kanom Café Co., Ltd. (Kanom)*

In 2018, FNS committed to investing THB120 million 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 outbreak and again by a second lockdown in mid-2021, however there has been a steady sales recovery through 2022 and monthly sales hit a record high in December 2022. While 2022 recorded a Net Loss, Kanom is projected to generate a small profit in 2023.

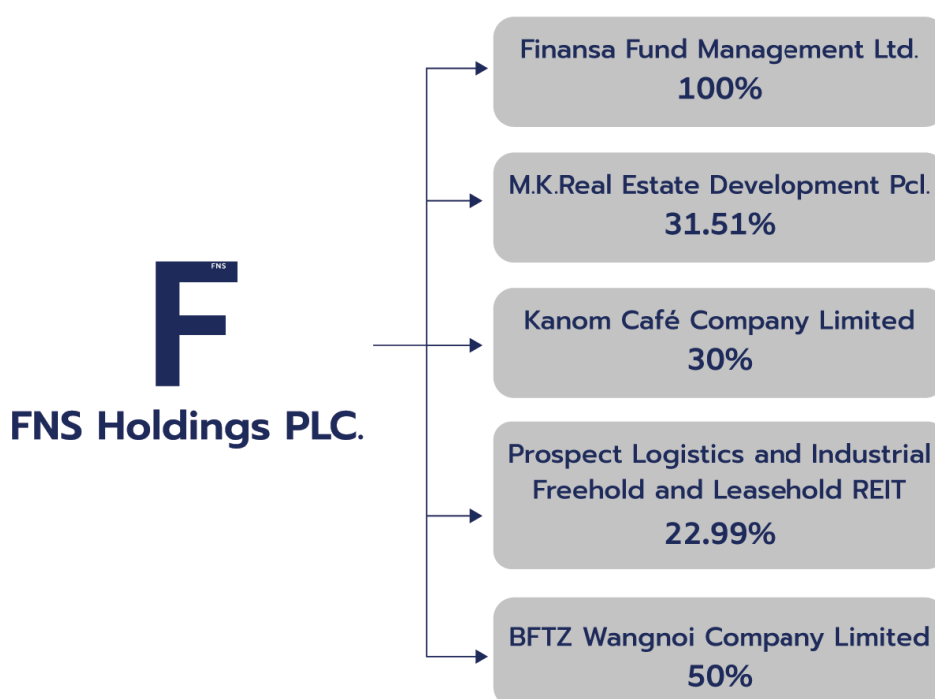
- **HUGS Insurance Broker Ltd. (HUGS)**

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. HUGS holds General Insurance, Life and Reinsurance Licenses. A small team is in place and the aim is to expand through both E-sales and Tele-sales. Business is being 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 FNS Holdings Plc performs its business activities through the parent company and five operating subsidiaries and associated entities of which four are local companies, including the parent company, one is an overseas company and one is a locally registered real estate investment trust. As the holding company and 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 Share-holding
1. Finansa Fund Management Ltd. P.O. Box 309, Ugland House, KY1-1104 Grand Cayman, Cayman Islands	Investment	Ordinary Preferred	20,000 108,369	100 100
2. 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
3. Prospect Logistics and Industrial Freehold and 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
4. 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
5. 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 February 27, 2023, the major shareholders of FNS were the followings:

Name	Number of Shares	% of Paid-up Capital
Mr. Vorasit Pokachaiyapat M.L.Suddhiman Pokachaiyapat	154,793,961	44.757
Mr. Wachira Tayanaraporn	15,000,000	4.337
Mr. Vichien Srimuninnimit	13,461,500	3.892
Miss Yasinee Apitanothai	8,527,200	2.466
Mrs. Prakaikam Baikaew	6,192,000	1.790
Mr. Kiat Srichomkwan	3,410,000	0.986
Thai NVDR Co., Ltd.	3,270,602	0.946
OCBC Securities Private Limited	3,114,300	0.900
Mr. Wuthakarn Jira-Alongkorn	3,105,700	0.898
Mrs. Soontharee Numprasertchai	2,970,000	0.859
Others	132,010,177.00	38.169
Total	345,855,440	100.000

Shareholding in subsidiaries which operates core business.

List of subsidiaries	Shareholder	% of shareholding
Finansa Fund Management Ltd.	FNS	100

1.4 Number of registered and paid-up capital

As of 31 December 2022, 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

FNS 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. As at 31 January 2023 there were 366,800 outstanding units of long-term debenture valued at Baht 366,800,000. The par value and offering price per unit was Baht 1,000. Interest rate offered depends on the market rate at the time of the offering.

In October 2022, Fitch Ratings (Thailand) affirmed FNS Holdings Plc.'s Nation long-term credit rating at B(th) and the short-term credit rating at B(th) with Stable Outlook

The outstanding balance of long-term debentures as at 31 January 2023 is as follow :

Tranche	Face Value (Baht)	Maturity Date
FNS250A	366,800,000	31-Oct-2025
Total	366,800,000	

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

Operation period	2021	Payment date	2020	Payment date	2019	Payment date
Net profit (loss) - consolidated statements (THB mn.)	(42.19)		223.26		(28.92)	
Net profit (loss) - stand alone statements (THB mn.)	73.43		236.45		78.35	
Number of shares (share)	345,855,440		345,855,440		345,855,440	
Dividend per share (Baht) - Total	0.50		0.65		-	
Dividend per share (Baht)	0.50	27 May 22	0.15	14 Oct 20	-	
Dividend per share (Baht)	-		0.35	22 Mar 21	-	
Dividend per share (Baht)	-		0.15	27 May 21	-	
Total dividend payment (THB mn.)	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

FNS Holdings 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

Prior to 2022, 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.

Although FNS still in the direct investment business, it has diversified 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 share held by FNS Group	2022		2021		2020	
			Revenue (Baht million)	%	Revenue (Baht million)	%	Revenue (Baht million)	%
Investment, advisory and management business	FNS, FFM	100	88.57	22.8	43.72	16.4	78.01	10.2
Investment banking and securities business*	FSL	-	-	-	213.35	80.2	349.42	45.8
Warehouse/factory rental business	FNS	-	-	-	-	-	124.62	16.3
Others		-	300.00	77.2	8.88	3.3	211.58	27.7
Total Revenue			388.57	100.0	265.95	100.0	763.63	100.0

Type of Revenue	Operated by	% of share held by FNS Group	2022		2021		2020	
			Revenue (Baht million)	%	Revenue (Baht million)	%	Revenue (Baht million)	%
Share of gain (loss) from investment in associates and joint venture	FSS& FSSIA	-	-	-	87.96	172.9	23.63	76.8
	MK	31.51	(11.29)	(180.9)	(57.26)	(112.6)	(0.64)	(2.1)
	PROSPECT REIT	22.99	24.58	393.9	27.11	53.3	7.79	25.3
	BFTZ WN	50	1.84	29.5	(0.41)	(0.8)	-	-
	Kanom	30	(8.89)	(142.5)	(6.54)	(12.9)	-	-
Total			6.24	100.0	50.86	100.0	30.78	100.0

* FNS disposed all of its investment in FSL in May 2022.

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 2022, the Company and its subsidiaries had financial assets of Baht 734.17 million, accounting for 22.31% of total assets of the Group, an increase of Baht 54.62 or 8% comparing with Baht 679.55 million at the end of 2021. The Company had liquidity from the sale of a subsidiary and the fund were used to invest in debt and equity instruments.

As at 31 December 2022, the other current financial assets were in domestic money market funds, which were highly liquid and posed low investment risk and in marketable equity security. The other non-current financial assets were in investment in debt instrument, other companies, government bonds, foreign marketable equity instruments and foreign funds.

(in Million Baht)	31-Dec-22	31-Dec-21	Change	
			Amount	%
Other current financial assets				
Investment in debt instruments measured at FVTPL	350.48	363.23	(12.75)	(3.5)
Investment in equity instruments measured at FVTPL	10.52	-	10.52	-
	361.00	363.23	(2.23)	(0.6)
Other non-current financial assets				
Investment in debt instruments measured at FVTPL	47.82	-	47.82	-
Investment in debt instruments measured at FVOCI	10.38	10.85	(0.47)	(4.3)
Investment in equity instruments measured at FVTPL	-	1.29	(1.29)	(100.00)
Investment in equity instruments designated at FVOCI	314.97	304.18	10.79	3.5
	373.17	316.32	56.85	18.0
Total Financial Asset	734.17	679.55	54.62	8.0

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 FNS 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 2022 was shown in the table below. Most of the assets were in cash and investments.

	Assets (Thousand)	% of Total Assets	Liabilities (Thousand)	% of Total Liabilities
US Dollars	1,779.07	1.9	-	-

1.5 Interest Rate Risk

Interest rate fluctuation affects interest income and expense of FNS. The Group had low interest rate risk as its interest income was from short-term lending while interest expenses was from both short-term and long-term debentures. The Company had a total outstanding balance of a long-term debenture of Baht 666.80 million at year-end 2022 of which one tranche totaled Baht 300 million due in January 2023 and another tranche will be due in 2025. 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 2022, the Company reported current liabilities which comprised the current portions of long-term debentures and liabilities under finance lease agreements of Baht 302.94 million, decreased by Baht 341.37 million or 53% from the end of 2021. The liquidity ratio, calculated by dividing current asset by current liabilities was 2.96, increasing from 2.08 in 2021, indicating an increase in short-term liquidity status due to a decrease in current liabilities more than a decrease in liquid assets. As for long-term liabilities, the Company had long-term debentures-net of current portion of Baht 366.80 million, decreasing by Baht 300 million or 45% from the end of 2021 and liabilities under finance lease agreements, net of current portion of Baht 2.87 million, decreasing by Baht 1.89 million or 40% from year-end 2021. The Group's capital structure comprised Baht 721.06 million in liabilities and Baht 2,570.35 million in equity, resulting in a debt to equity ratio of 0.28 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 FNS 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

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 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 4 October 2022, Fitch Ratings (Thailand) Limited has downgraded FNS Holdings Public Company Limited's National Long-Term Rating and National Short-Term Rating to 'B(thb)'. The Outlook is Stable. 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 2022 operating performance, the effect of the COVID-19 on the Company's operation are listed below.

- On the operations side, the Group of companies were able to follow the 2022 operational plan as defined; the business continued to run, although working from home was applied.
- On the finance side, the COVID-19 pandemic 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 paid a dividend in 2022.
- On the financial statement and operating performance, COVID-19 pandemic made negative impact on performance of MK and Kanom as mentioned in 2022 Review and 2023 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.

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 2022

- (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	2022			2021		
	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 an office building that is managed by a legal entity appointed by the building's owner. 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 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:
 - Welfare grants, including grants to employees, spouses, children or parents of employees who pass away.
 - Health and life insurance including annual health checks, membership of a Sports Club, Medical treatment and Dental group health insurance, and group accident insurance.
 - Funds including provident funds, compensation funds, and social security funds.
 - 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:

- 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.
- 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.

- 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

- Focus on building a learning organization by promoting the development of employees' capacity at all levels in an appropriate and continuous manner.
- Develop a performance evaluation system that is effective, transparent, fair, and verifiable.
- Establish coaching, knowledge sharing, and training sessions by external institutions.

(5) Promoting participation

- Encourage employees to participate in social activities in both the planning and implementation processes.
- 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. FNS participated in a merit-making ceremony on the auspicious occasion of His Majesty King Maha Vajiralongkorn Phra Vajiraklaochaoyuhua's 70th Birthday.

On 27 July 2022, the Management and employees of FNS Holdings Plc. participated in a merit-making ceremony by granting alms to 29 monks to celebrate the auspicious occasion of His Majesty King Maha Vajiralongkorn Phra Vajiraklaochaoyuhua's 70th Birthday at the office of the Bangkok Free Trade Zone on Bangna-Trad Road.



2. Update on progress of constructing a multi-purpose building at Wat Khao Sanam Chai Temple in Hua Hin for which the Group Companies made a donation in September 2020.

On 26 September 2020 a donation of Baht 5 million was made by FNS Holdings Plc., M.K. Real Estate Development Plc., Mr. Vorasit Pokachaiyapat and the employees of the Group to Wat Khao Sanam Chai in Hua Hin in order to construct a multi-purpose building at the temple. The Company has been informed that the construction was completed in the first quarter of 2022.



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 and 2022, affecting the business sector and employment and causing further economic weakness that impacted the FNS Group's revenues in 2022. The Group faced challenges from the slow economic recovery. The Group incurred a net profit of THB 104.92 million or a profit per share of THB 0.30 compared to a net loss of THB 42.19 million or loss per share of THB 0.12 in 2021, representing an increase in profits totaling THB 147.11 million.

The current liquidity ratio (current assets/current liabilities) of the Group as of 31 December 2022 was 2.96, increasing from 2.08 at the year-end 2021 indicating that the Company's short-term liquidity has improved. The decrease in current assets was proportionally less than the decrease in current liabilities. Current assets decreased 40.2% while current liability decreased 57.9%. The Group Capital Structures was comprised of THB 721.06 million in liabilities and THB 2,507.35 million in shareholders' equity, representing a debt to equity ratio of 0.28, compared to 0.58 at the year-end 2021. 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 31 December 2022, the Group had an interest coverage ratio of 3.39 and a debt service coverage ratio of 0.55 and earnings before interest expense, income tax, depreciation and amortization (EBITDA) of THB 165.93 million, compared to 2021, which were 0.74, 0.07 and THB 43.43 million respectively.

An overview of the business operations and major changes is provided in the 2022 Operational Review and 2023 Outlook section.

Operating Performance

For the year ended December 31, 2022, the consolidated financial results of the Company and its subsidiaries showed a net profit of THB 104.92 million or a net profit of THB 0.30 per share, representing an

increase in its financial performance of THB 147.11 million compared with a net loss of THB 42.19 million or THB 0.12 per share recorded in 2021.

The Company and its subsidiaries had an operating revenue of THB 89.77 million compared to THB 52.10 million in 2021, representing an increase in revenue of THB 37.67 million or an increase of 72.3%. The revenue came from Investment, Advisory and Management business of THB 88.57 million, an increase of THB 44.85 million or 102.6% from an increase in interest income. In addition, the Company also realized a gain on disposal of building and equipment totaled THB 298.81 million.

Total costs and expenses were THB 164.30 million, a decrease of THB 38.93 million or 19.2 % compared to THB 203.23 million in 2021. The major changes in costs and expenses were 1) Finance costs of THB 48.99 million, a decrease of THB 9.50 million or 16.3% from the outstanding balance of long-term debentures that gradually matured, 2) Service and administrative expenses amounted to THB 30.69 million, a decrease of THB 12.96 million or 29.7% from fewer transactions compared to last year, 3) In 2021, there was a loss on sale of investment in an associate of THB 56.06 million, and 4) In 2021, there was a reversal of the expected credit loss of THB 32.90 million because the debtor has made repayment according to the agreement.

The Company and its subsidiaries also recognized a share of profit of associates and joint venture accounted for using equity method of THB 6.24 million, a decreased of THB 44.62 million or 87.7% compared to THB 50.86 million in 2021 following the performance of associates and joint venture.

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 88.57 million or 98.7% of the total revenue of the Group (or 22.8% of the total revenue plus gain on disposal of building and equipment of THB 298.81 million), increased by THB 44.88 million or 103% from 2021 from an increase in interest income. The costs and expense were THB 73.86 million, decreased by THB 10.41 million or 16.4% from 2021. As a result, FNS had gross profit from investment, advisory and management business of THB 8.79 million, compared to gross loss of THB 19.74 million in 2021.
2. **Securities business** On May 5, 2022, FNS disposed all of its investment in ordinary shares of Finansia Securities Limited and recognized a loss of THB 125.59 million.

(THB million)	Investment, advisory and management business
Revenues	88.57
Costs and expenses	(73.86)
Gross profit (loss)	14.71
Other revenues	300.00
Finance costs	(48.99)

(THB million)	Investment, advisory and management business
Service and administrative expenses	(41.45)
Share of gain from associates	6.24
Profit for the year from continuing operations	230.51
Loss for the year from discontinued operation	(125.59)
Net profit	104.92

* Securities business

In 2022, the share of profit from investments in associates and joint venture amounted to THB 6.24 million, compared to a share of profit of THB 50.86 million in 2021, representing a decrease of THB 44.62 million in profit sharing or 87.7%. Such share of profit comprises of the share of loss from MK THB 11.29 million, the share of profit from Prospect Reit THB 24.58 million, a share of profit from BFTZ Wangnoi THB 1.84 million and the share of loss from Kanom THB 8.89 million.

Profitability Ratios

In 2022, FNS recorded a net profit of THB 104.92 million or a basic profit per share of THB 0.30, compared with a net loss of THB 42.19 million or a basic loss per share of THB 0.12 in 2021. Net profit to total income of the group was 116.88%, compared to (15.86%) in 2021. The return on average assets was 2.83% and return on average equity was 4.04% compared to those of 2021 which were (1.03%) and (1.56%), respectively.

Financial Position

(Baht million)	31-Dec-2022	31-Dec-2021	Change	
			Amount	%
Total Assets	3,291.41	4,128.48	(837.07)	(20.3)
Total Liabilities and Shareholders' Equity				
Total Liabilities	721.06	1,511.21	(790.15)	(52.3)
Total Shareholders' Equity	2,570.35	2,617.27	(46.92)	(1.8)

As of 31 December 2022, the Company and its subsidiaries had total assets of THB 3,291.41 million, a decrease of THB 837.07 million or 20.3% from year-end 2021. The main components of these assets were THB 959.87 million of current assets and THB 2,331.54 million of non-current assets representing 29.2% and 70.8% of total assets, respectively. The main items and/or items showing significant changes from those of year-end 2021 were as follows.

- Cash and cash equivalents stood at THB 13.07 million (0.4% of total assets), a decrease of THB 184.18 million or 93.4% from 2021.
- Other financial assets; other current financial assets totaled THB 361 million or 11% of total assets, which were investments in domestic money market fund with high liquidity and low investment risk, a decrease of THB 2.22 million or 0.6% from 2021. Other non-current financial assets, consisting

of investments in debt instrument, investments in government bonds and investments in equity were THB 373.17million or 11.3% of total assets, an increase of THB 56.85 million or 18%.

(Baht million)	31-Dec-2022	31-Dec-2021	Change	
			Amount	%
Other current financial assets				
Investment in debt instruments measured at FVTPL	350.48	363.23	(12.75)	(3.5)
Investment in equity instruments measured at FV TPL	10.52	-	10.52	-
	361.00	363.23	(2.23)	(0.6)
Other non-current financial assets				
Investment in debt instruments measured at FVTPL	47.82	-	47.82	-
Investment in debt instruments measured at FVOCI	10.38	10.85	(0.47)	(4.3)
Investment in equity instruments measured at FV TPL	-	1.29	(1.29)	(100.0)
Investment in equity instruments measured at FV OCI	314.97	304.18	10.79	3.5
	373.17	316.32	56.85	18.0
Total financial assets	734.17	679.55	54.62	8.0

- Loans to others stood at THB 73.80 million or 2.2% of total assets, a decrease of THB 26.20 million or 26.2% from loan repayment.
- Short-term loans and advance to related parties amounted to THB 467.49 million or 14.2% of total assets. The total amount increased THB 72.46 million or 18.3% from the end of 2021 following loans to associates and joint venture.
- Total investment in Digital tokens were sold to other investor.
- Investments in associates stood at THB 1,896.25 million or 57.6% of total assets, a decrease of THB 47.39 million or 2.4%. The change came from recorded a share of profit/loss and received dividends from associates and a joint venture.

Liquidity

Cash and cash equivalents of the Company and its subsidiaries as at year-end 2022 totaled THB 13.07 million, a decrease of THB 184.19 million or 93.4% from year-end 2021 with the following movements.

- Net cash used in operating activities totaled THB 287.54 million, reflecting a loss from operating activities after adjustments of THB 62.90 million and changes in key operating assets and liabilities, i.e. financial assets (+THB 106.28 million), short-term loans and advances to related parties (+THB 72.46 million), other current liabilities (-THB 77.05 million), interest received (+THB 16.66 million) and interest paid (-THB 54.77 million).
- Net cash provided by investing activities totaled THB 904.37 million, comprising mainly cash received and paid from proceeds from disposal of discontinued operation (+THB 455.27 million), cash paid for investment in other non-current financial assets (-THB 107.87 million), proceeds from disposal of Digital Tokens (+THB 482.32 million) and cash received for dividends (+THB 73.84 million).
- Net cash used in financing activities totaled THB 814.94 million, resulting from cash paid for short-term and long-term debentures (-THB 640 million) and cash paid for dividends (-THB 172.93 million).

The current liquidity ratio (current assets/current liabilities) of the Group as of 31 December 2022 was 2.96, increasing from 2.08 at the year-end 2021 indicating that the Company's short-term liquidity has improved. This came from the decrease in current assets (by 40.1%) is proportionally less than the decrease in current liabilities (by 57.9%).

As of 31 December 2022, FNS had an interest coverage ratio of 3.39 and a debt service coverage ratio (cash basis) of 0.55 and earnings before interest expenses, income tax, depreciation and amortization (EBITDA) of THB 16.93 million compared to 0.74 and 0.07, and THB 43.43 million, respectively in 2021. The interest coverage ratio and the debt service coverage ratio went up from the year 2021 because EBITDA in this period was increased by 282.1% from in 2021, while interest expenses were reduced by 16.7% and interest-bearing debt due within one year decreased by 53%.

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. 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.

Sources of Funds

Liabilities

As of 31 December 2022, the total liabilities of the Group were THB 721.06million, a decrease of THB 790.16 million or 52.3% from the year-end 2021, of which 45% were current liabilities. Significant liabilities and/or significant changes from the end of 2021 were as follows:

- Short-term debentures amounted to THB 300 million at the beginning of the year was paid in full.
- Long-term debentures totaled THB 666.80 million or 92.5% of total liabilities. The current portion of long-term debentures was THB 300 million, a decrease of THB 40 million from year-end 2021. The current portion debentures were due at the beginning of 2023 and FNS repaid in full.

- Other current liabilities totaled THB 21.61 million or 3% of total liabilities, fell by THB 104.91 million or 82.9%. Mainly due to a drop in accrued bonus and 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 31 December 2022, the Company's equity in the consolidated financial statements was THB 2,570.33 million, a decrease of THB 46.92 million or 1.8% from 2021. Changes in equity came from the net profit operating result of the year of THB 104.92 million and dividend payment totaling THB 172.93 million. Other components of shareholders' equity increased by THB 33.61 million. The book value was THB 7.43 per share, compared to THB 7.57 per share at the year-end 2021.

Registered capital and paid-up capital of the Company as of 31 December 2022 stood at THB 1,729.28 million while legal reserve was THB 82 million or 4.7% of its registered capital.

Capital Structure

As of 31 December 2022, the Group's capital structure comprised THB 721.06 million in liabilities and THB 2,570.35 million in equity, resulting in a debt-to-equity ratio of 0.28 compared to a ratio of 0.58 at the end of 2021. 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, disposal of investment in digital tokens. The major uses of funds were repayment of matured long-term debentures and dividend payment.

Adoption of new and revised Thai Reporting Standards

The Company and its subsidiaries have a policy to adopt the new and revised Thai Financial Reporting Standards ("TFRSs") in the preparation of the Group's financial statements when it becomes effective. For 2022, there are no material changes to the Group's financial statements.

Credit Rating

On 4 October 2022, Fitch Ratings (Thailand) affirmed FNS' National long-term and National short-term credit ratings at 'B(tha)' and 'B(tha)'. The outlook is Stable.

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 significantly affect financial status or operation in the future were mentioned in section 2.2 "Risks factors for the Group Operations".

4.3 Key financial statement and financial ratio

Statements of Financial Position, Statements of Comprehensive Income

FNS Holdings Public Company Limited

STATEMENTS OF FINANCIAL POSITION	CONSOLIDATED FINANCIAL STATEMENTS			SEPARATE FINANCIAL STATEMENTS		
	31-Dec-22	31-Dec-21	31-Dec-20	31-Dec-22	31-Dec-21	31-Dec-20
ASSETS						
CURRENT ASSETS						
Cash and cash equivalents	13,072	197,259	72,635	9,545	8,476	18,243
Service income receivables						
Related parties	220	1,503	7,535	220	264	354
Other parties	-	6,515	40,016	-	664	30,430
Total service income receivables	220	8,018	47,551	220	928	30,784
Other receivables	28,261	32,184	37,500	28,196	32,180	47,670
Short-term loans and advances to related parties	467,485	395,028	-	467,485	395,895	527,560
Loans to others	73,800	100,000	199,054	73,800	100,000	199,054
Other current financial assets	361,006	363,226	647,732	361,006	237,803	447,558
Digital Token	-	475,000	-	-	475,000	-
Other current assets	16,023	33,676	38,963	16,014	25,302	30,083
TOTAL CURRENT ASSETS	959,867	1,604,391	1,043,435	956,266	1,275,584	1,300,952
NON-CURRENT ASSETS						
Other non-current financial assets	373,167	316,328	286,061	72,416	23,204	23,048
Investments in subsidiaries	-	-	-	605,457	1,459,697	1,459,697
Investments in associates and joint-venture	1,896,250	1,943,642	2,478,859	1,972,345	1,983,468	1,770,852
Premises and equipment, net	9,200	86,715	87,502	9,200	78,097	76,943
Right-of-use assets	5,658	8,804	4,388	5,658	945	1,376
Goodwill, net	45,356	156,920	156,920	-	-	-
Intangible asset, net	1,148	2,134	2,523	1,148	1,887	1,858
Deferred tax assets	-	7,886	7,297	-	-	-
Other non-current assets	759	1,658	1,313	759	1,025	1,025
TOTAL NON-CURRENT ASSETS	2,331,538	2,524,087	3,024,863	2,666,983	3,548,323	3,334,799
TOTAL ASSETS	3,291,405	4,128,478	4,068,298	3,623,249	4,823,907	4,635,751

STATEMENTS OF FINANCIAL POSITION	CONSOLIDATED FINANCIAL STATEMENTS			SEPARATE FINANCIAL STATEMENTS		
	31-Dec-22	31-Dec-21	31-Dec-20	31-Dec-22	31-Dec-21	31-Dec-20
LIABILITIES AND EQUITY						
CURRENT LIABILITIES						
Short-term debentures	-	300,000	-	-	300,000	-
Long-term debentures, current portion	300,000	340,000	400,000	300,000	340,000	400,000
Liabilities under finance lease agreements, current portion	2,941	4,310	1,557	2,941	459	421
Short-term loans and advances from related parties	-	-	-	21,105	690,200	713,500
Current income tax payable	-	7	-	-	-	-
Liabilities directly associated with assets classified as held for sale		-	-		-	-
Other current liabilities	21,607	126,580	153,887	19,512	78,981	36,645
TOTAL CURRENT LIABILITIES	324,548	770,897	555,444	343,558	1,409,640	1,150,566
NON-CURRENT LIABILITIES						
Long-term debentures, net of current portion	366,800	666,800	640,000	366,800	666,800	640,000
Liabilities under lease agreements	2,872	4,759	2,985	2,872	589	1,048
Provision for post-employment benefits	26,835	68,755	63,479	26,835	29,383	27,601
TOTAL NON-CURRENT LIABILITIES	396,507	740,314	706,464	396,507	696,772	668,649
TOTAL LIABILITIES	721,055	1,511,211	1,261,908	740,065	2,106,412	1,819,215
EQUITY						
Share capital						
Authorized share capital						
(345,855,440 ordinary shares par value at Baht 5 per share)	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 par value at Baht 5 per share)	1,729,277	1,729,277	1,729,277	1,729,277	1,729,277	1,729,277
Share Premium on ordinary shares	208,455	208,455	208,455	208,455	208,455	208,455
Retained earnings						
Appropriated						
Legal reserve	82,000	65,000	61,000	82,000	65,000	61,000
Unappropriated	838,486	936,011	1,164,954	870,593	722,712	826,207
Other components of equity	(287,868)	(321,476)	(357,296)	(7,141)	(7,949)	(8,403)
TOTAL EQUITY	2,570,350	2,617,267	2,806,390	2,883,184	2,717,495	2,816,536
TOTAL LIABILITIES AND EQUITY	3,291,405	4,128,478	4,068,298	3,623,249	4,823,907	4,635,751

STATEMENTS OF COMPREHENSIVE INCOME	CONSOLIDATED FINANCIAL STATEMENTS			SEPARATE FINANCIAL STATEMENTS		
	2022	2021	2020	2022	2021	2020
REVENUES						
Revenues from investment, advisory and management business	82,646	43,271	78,009	106,589	187,989	128,928
Net gain on investments measured at fair value through profit or loss	5,917	445	-	5,917	445	-
Revenues from securities business	-	-	349,417	-	-	-
Revenue from warehouse and factory leasing business	-	-	124,624	-	-	124,624
Gain from disposal/dissolution of subsidiaries	-	-	3,181	55,479	-	-
Compensation fee from termination of sublease agreement	-	-	198,136	-	-	198,136
Other income	1,205	8,388	10,267	1,694	13,439	8,300
TOTAL REVENUES	89,768	52,104	763,634	169,679	201,873	459,988
EXPENSES						
Investment, advisory and management business expenses	73,859	63,454	72,829	48,571	44,463	49,262
Securities business expenses	-	-	211,237	-	-	-
Warehouse/factory leasing business expenses	-	-	69,684	-	-	69,684
Servicing and administrative expense	30,692	43,653	59,857	29,238	45,088	47,035
Loss from sale of investment in an associate	-	56,056	-	-	-	-
Loss on exchange rate	10,762	14,432	-	-	-	-
TOTAL EXPENSES	115,313	177,595	413,607	77,809	89,551	165,981
PROFIT (LOSS) FROM OPERATIONS	(25,545)	(125,491)	350,027	91,870	112,322	294,007
Finance costs	(48,991)	(58,535)	(72,732)	(52,869)	(71,798)	(85,189)
Reversal of impairment loss on investment	-	-	-	-	-	89,385
Reversal of expected credit loss	-	32,896	(61,755)	-	32,896	(61,755)
Share of profit (loss) from associates	6,237	50,864	30,780	-	-	-
Gain on disposal of building and equipment	298,806	11	-	298,806	11	-
PROFIT (LOSS) BEFORE INCOME TAX	230,507	(100,255)	246,320	337,807	73,431	236,448
INCOME TAX INCOME (EXPENSE)	-	-	(23,057)	-	-	-
Profit (loss) for the period from continuing operations	230,507	(100,255)	223,263	337,807	73,431	236,448
Loss for the period from discontinued operation	(125,590)	58,066	-	-	-	-
PROFIT (LOSS) FOR THE PERIOD	104,917	(42,189)	223,263	337,807	73,431	236,448
OTHER COMPREHENSIVE INCOME (LOSS)						
Items that will be reclassified subsequently to profit or loss						
Gain (loss) on measuring financial assets	(12,089)	(11,006)	(12,608)	(177)	454	306
Gain on dilution of investment in an associate	-	2,831	-	-	-	-
Exchange differences on translating financial statements	13,919	31,545	(8,584)	-	-	-
Total items that will be reclassified to profit or loss, net of tax	1,830	23,370	(21,192)	(177)	454	306

STATEMENTS OF COMPREHENSIVE INCOME	CONSOLIDATED FINANCIAL STATEMENTS			SEPARATE FINANCIAL STATEMENTS		
	2022	2021	2020	2022	2021	2020
Items that will not be reclassified subsequently to profit or loss						
Share of other comprehensive Income (loss) of associates and joint venture	(547)	(1,690)	(6,205)	-	-	-
Actuarial loss on defined employee benefit plans	985	3,963	(19,420)	985	-	(5,189)
Total items that will not be reclassified to profit or loss, net of tax	438	2,273	(25,625)	985	-	(5,189)
OTHER COMPREHENSIVE LOSS, NET OF TAX	2,268	25,643	(46,817)	808	454	(4,883)
OTHER COMPREHENSIVE INCOME FROM DISCONTINUED OPERATION, NET OF TAX	18,824	349				
TOTAL COMPREHENSIVE INCOME (LOSS)	126,009	(16,197)	176,446	338,615	73,885	231,565
PROFIT (LOSS) ATTRIBUTABLE TO						
Owners of the Company	104,917	(42,189)	223,263	337,807	73,431	236,448
Non-controlling interests	-	-	-	-	-	-
	104,917	(42,189)	223,263	337,807	73,431	236,448
TOTAL COMPREHENSIVE INCOME (LOSS) ATTRIBUTABLE TO						
Owners of the Company	126,009	(16,197)	176,446	338,615	73,885	231,565
Non-controlling interests	-	-	-	-	-	-
	126,009	(16,197)	176,446	338,615	73,885	231,565
BASIC EARNING (LOSS) PER SHARE (Baht)	0.30	(0.12)	0.65	0.98	0.21	0.68
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		
	2022	2021	2020
Liquidity Ratio			
Current Ratio (times)	2.96	2.08	1.88
Quick Ratio (times)	2.59	1.87	1.38
Profitability Ratio			
Gross Profit Margin (%)	17.72%	26.35%	53.68%
Net Profit Margin (%)	116.88%	-15.86%	29.24%
Return on Equity : ROE (%)	4.04%	-1.56%	8.15%
Efficiency Ratio			
Return on Assets : ROA (%)	2.83%	-1.03%	5.47%
Total Assets Turnover (times)	0.02	0.06	0.19
Financial Policy Ratio			
Debt to Equity Ratio (times)	0.28	0.58	0.45
Inerest Coverage Ratio (times)	3.39	0.74	5.06
Interest bearing debt to EBITDA ratio	4.05	30.30	2.84
Commitment Coverage Ratio (times)	0.55	0.07	0.92
Dividend Payout (%)	235.49%	73.13%	66.22%

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	Ms. Sureerat Thongarunsang, CPA Registration No.4409, or Ms. Orawan Chunhakitpaisan, CPA Registration No.6105, or Ms. Orawan Chotiwiwiyakul, CPA Registration No.10566, or Ms. Thitima Pongchaiyong, CPA Registration No.10728 KPMG Phoomchai Audit Ltd. 50th Floor, Empire Tower 1 South Sathorn Road, Yannawa, Sathorn Bangkok 10120, Thailand Tel +66 2677 2000 Fax +66 2677 2222 Website home.kpmg/th
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 2022, 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 2022 the shareholder's equity of the Company and its subsidiaries were Baht 2,570.35 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:

<u>Principle 1</u>	Establish Clear Leadership Role and Responsibilities of the Board
<u>Principle 2</u>	Define Objectives that Promote Sustainable Value Creation
<u>Principle 3</u>	Strengthen Board Effectiveness
<u>Principle 4</u>	Ensure Effective CEO and People Management
<u>Principle 5</u>	Nurture Innovation and Responsible Business
<u>Principle 6</u>	Strengthen Effective Risk Management and Internal Control
<u>Principle 7</u>	Ensure Disclosure and Financial Integrity
<u>Principle 8</u>	Ensure Engagement and Communication with Shareholders

6.1.1 Policy and guideline 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 5 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 2022 at the meeting no. 6/2022 on 11 November 2022.

As at 31 December 2022, 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 2 members:

1. Mr. Vorasit Pokachaiyapat Managing Director and Executive Director
2. Mr. James Marshall 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. Chanmanu Sumawong Independent Director and Audit Committee Chairman
2. Mr. Akarat Na Ranong 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.

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

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 2022, 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 2022, from the total number of 5 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 2022 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 2022 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 : 02-697-3700
Website : www.fnsplc.com
E-mail : ir@fnsplc.com

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

Registered mail : The Office of Directors
 FNS Holdings Plc.
 No.345, Surawong Road, 6th Floor 345 Surawong Building
 Suriyawong, 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
 FNS Holdings Plc.
 No.345, Surawong Road, 6th Floor 345 Surawong Building
 Suriyawong, Bangrak ,Bangkok 10500
Website : www.fnsplc.com
E-mail : id@fnsplc.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 2022 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.fnsplc.com.) making it accessible to staff of the FNS Group at all levels. The major objective is to communicate with staff of the FNS Group, shareholders, and all stakeholders in regards to the commitment of the Board of Directors to good corporate governance practices and principles.

In 2022, 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. 1/2023 on February 22, 2023 for consideration and acknowledgement and to be applied in the Company’s business context.
2. Assessed corruption risks and reviewed 2022 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 2022 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 “Excellent or  ” performance for the Corporate Governance Assessment Program for the year 2022 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.6/2022 on November 11, 2022 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 2022, the Board of Directors held 7 meetings, and all members attended at least 75% of all board meetings, except one director attended 56% of the 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 11, 2022.
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 2022, at 7 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 2022, 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 2022, 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, 2022, 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 2022 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 2022, the Company held 1 annual general shareholders' meeting: a 2022 Annual General Meeting of Shareholders on April 28, 2022 at 2.30 pm. at Crowne Plaza Bangkok Lumpini Hotel, Crowne Room 1-3, 21st Floor, No.952 Rama 4 Road, Bangkok, Thailand. 6 out of 7 directors (or 85.71%) 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 2022 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, The Crowne Plaza Bangkok Lumpini Hotel, 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 2022 Annual General Meeting of Shareholders which indicated the schedule of the Meeting, the agendas, and dividend payment were published on February 24, 2022.

The Company's Website

The Invitation to Shareholders' meeting and documentation for the meeting were published on the website on March 29, 2022, 30 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 7 days prior to the meeting date.

As for the 2022 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.fnsplc.com) :

1. Issues for consideration as additional items of meeting agenda, two months prior to the meeting day, from November 15, 2021 to January 31, 2022.
2. Nominating the candidate for Director was provided two months prior to the meeting day, from November 15, 2021 to January 31, 2022.

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 2022 Annual General Meeting of Shareholders were submitted to the SET and made available on the Company's website (www.fnsplc.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 2022 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 pre-

sented 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 2022 Annual General Meeting of Shareholders, there were no such additional agenda items requested.

3. Suggestions, Comments or Complaints

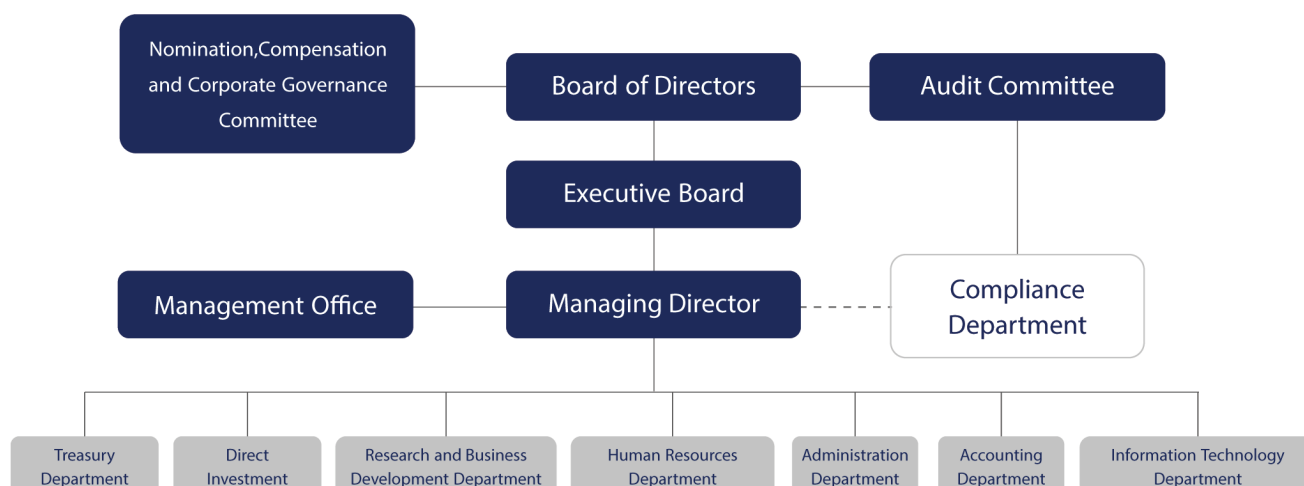
The Company has 3 independent directors of the Board of Directors, to ensure fair treatment of minority shareholders. Minority shareholders can express their opinions and give suggestions or complaints to independent directors who will inspect these opinions or complaints and arrange further measures, 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: This organization chart was approved at the Board of Directors' meeting 5/2022 held on 11 August 2022.

7.2 Information on the Board of Directors

7.2.1 The composition of the Board of Directors

At present the Board of Directors consists of 5 directors of which 3 are independent directors.

7.2.2 The information on each director and controlling person

The Company's Board of Directors consists 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. Chanmanu Sumawong | Independent Director and Chairman of the Audit Committee |
| 4. Mr. Nuttawut Phowborom | Independent Director and Member of the Audit Committee |
| 5. Mr. James Marshall | Director and Executive Director |

Two directors signing jointly and affixed with the Company Seal may bind the Company, namely: Mr. Vorasit Pokachaiyapat 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.

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 2022, 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 to conduct the Company business according to the assignment by the Board of Directors.

7.3.2 Information on subcommittees (As at 31 December 2022)

(1) *The Executive Committee* consisted of the following 2 members:

- | | |
|------------------------------|--|
| 1. Mr. Vorasit Pokachaiyapat | Managing Director and Executive Director |
| 2. Mr. James Marshall | Director and Executive Director |

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

- | | |
|---------------------------|---|
| 1. Mr. Chanmanu Sumawong | Independent Director and Audit Committee Chairman |
| 2. Mr. Akarat Na Ranong | 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. Chanmanu Sumawong | Independent Director and Chairman of the Nomination, Compensation and Corporate Governance Committee |
| 2. Mr. Akarat Na Ranong | 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. Nuttawut Phowborom	✓		✓			
4. Mr. Chanmanu Sumawong	✓		✓	✓		
5. Mr. James Marshall	✓	✓			✓	✓
6. Mrs. Snitha Asawachinda						✓

7.4 Information on management

7.4.1 Structure of management

Management Team : The management team of FNS Holdings Plc. as at 1 January 2023 consisted of the following 9 executives:

- | | |
|-----------------------------------|--|
| 1. Mr. Vorasit Pokachaiyapat | Managing Director |
| 2. Mr. James Marshall | Director / Head of Research and Business Development |
| 3. Ms. Rachanee Mahatdetkul | Senior Vice President of Direct Investment |
| 4. Mrs. Snitha Asawachinda | Treasurer |
| 5. Mr. Chakhrit Suphepre | Group Head of IT & SVP |
| 6. Ms. Wipa Nilsophon | Assistant Managing Director, Compliance Department |
| 7. Mr. Chankit Assawarotjanamitre | Head of Administration |
| 8. Mrs. Nuchalee Junkhun | Head of Human Resources |
| 9. Ms. Papatsamon Chuntavee | Chief Financial Officer |

Note: All are Management according to the SEC's notification.

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.
- 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 2022, the Company paid compensation including salary, bonus, social security contribution, to 10 executives totaling Baht 31.86 million.

2. Other remuneration

The Company has provided a provident fund for the management, where the Company contributes 5 -7 percent of their salaries. In the year 2022, the Company has made contributions to the provident fund for 10 executives totaling Baht 1.67 million.

7.5 Information on employees

Personnel as at 1 January 2023, the Company and its subsidiaries had totally 23 employees as follows:

	Group	FNS
1.	Management	2
2.	Direct Investment, Investment / Research & BD	4
3.	Treasury	3
4.	Operations, Administration, Accounting, Information Technology, Human Resources, Product Origination	12
5.	Compliance	2
Total (person)		23

In 2022, the Company and its subsidiaries paid compensation, including salary, bonus, provident fund and social security contribution, to their employees totaling Baht 51.58 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) Ms. Papatsamon Chuntavee, Assistant Vice President of Accounting Department (Appointed on 1 January 2023.) is assigned as Chief Financial Officer (CFO). Qualifications of a person holding a position as CFO is in attachment 1.
- (2) Ms. Pornpen Putthikullawut, Assistant Vice President of Accounting Department, assigned person to take responsibility of accounting supervision.

2. Company Secretary

The Board of Directors' Meeting No. 5/2022 held on August 11, 2022 has appointed Mr. Vorasit Pokachaiyapat 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. Vorasit Pokachaiyapat 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. 1/2022 on 24 February 2022 appointed Accounting Revolution Company Limited 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 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 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 FNS 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 FNS Group.

7.6.2 Head of investor relations and contact information

Ms. Papatsamon Chuntavee

Tel : 02-697-3700 ext. 3737
 Website : www.fnsplc.com
 E-mail : ir@fnsplc.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 28, 2022, the shareholders considered and approved an appointment of KPMG Phoomchai Audit Ltd. as the Company's external auditor. The Company's auditors were the followings:

- 1) Ms. Aorapin Sinthawornkul, CPA Registration No.9441
- 2) Ms. Sureerat Thongarunsang, CPA Registration No.4409
- 3) Ms. Orawan Chunhakitpaisan, CPA Registration No.6105
- 4) Ms. Orawan Chotiwiriyakul, CPA Registration No.10566

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

In 2022, the Company and its subsidiaries paid the audit fee to KPMG Phoomchai Audit 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 1,300,000.(On 5 May 2022 the Company sold one subsidiary and the audit fee for that case was Baht 900,000).

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 2022			As of 31 December 2021			Change Increase (Decrease)
	No. of shares held by		Total	No. of shares held by		Total	
	Directors/ Management	Related persons		Directors/ Management	Related persons		
1. Mr. Vorasit Pokachaiyapat	133,793,961	21,000,000	154,793,961	138,570,161	10,500,000	149,070,161	5,723,800
2. Mr. Akarat Na Ranong	-	-	-	-	-	-	-
3. Mr. Nuttawut Phowborom	-	-	-	-	-	-	-
4. Mr. Chanmanu Sumawong	-	-	-	-	-	-	-
5. Mr. James Marshall	1,150,200	-	1,150,200	1,150,200	-	1,150,200	-
6. Ms. Rachanee Mahatdetkul	-	-	-	-	-	-	-
7. Mr. Chakhrit Suphepre	-	-	-	-	-	-	-
8. Ms. Wipa Nilsophon	-	-	-	-	-	-	-
9. Mr. Chankit Assawarotjanamitre	-	-	-	-	-	-	-
10. Mrs. Nuchalee Junkhun	300	-	300	300	-	300	-
11. Mrs. Snitha Asawachinda*	-	-	-	NA	NA	NA	NA

* Assumed the Treasurer's position on 11 August 2022.

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 2022.

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 2022, 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, 4 out of 5 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 2022 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 2022, the average score of the assessment summary was 3.94 out of 4 scores or 98.45 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 2022 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 2022, the average score of the assessment summary was 3.93 out of 4 scores or 98.18 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 2022, 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 2022, the average score of the assessment summary was 3.96 out of 4 scores or 98.96 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 2022, the average score of the assessment summary was 3.98 out of 4 scores or 99.38 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 2022, 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 2022, from the total number of 5 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 FNS 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 2022, there were 7 meetings of the Board of Directors, 5 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 2022 Annual General Meeting of Shareholders	Meeting of Board of Directors	Meetings of Audit Committee	Meeting of Nomination, Compensation and Corporate Governance Committee
1. Mr. Vorasit Pokachaiyapat	attend	7/7	-	3/3
2. Mr. Varah Sucharitakul *	absent	3/3	-	-
3. Mr. Kittipong Lertvanangkul *	attend	3/3	-	-
4. Mr. Akarat Na Ranong	attend	7/7	5/5	3/3
5. Mr. Nuttawut Phowborom	attend	4/7	3/5	-
6. Mr. Chanmanu Sumawong	attend	7/7	5/5	3/3
7. Mr. James Marshall **	attend	5/5	-	-

* Resigned from the Director's position on 6 May 2022.

** Being appointed as Director on 24 February 2022.

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 2022, director's annual fee and meeting fee were the same as in 2021 and no other Remunerations apply, details are as follows:

Name	Annual Fee (Baht)		Meeting Fee (Baht)	
	Year 2022	Year 2021	Year 2022	Year 2021
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 2022, 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. Mr. Akarat Na Ranong	900,000	108,333.33	350,000	125,000	65,000
2. Mr. Chanmanu Sumawong	350,000	141,666.67	175,000	125,000	70,000
3. Mr. Nuttawut Phowborom	350,000	100,000	100,000	75,000	-
4. Mr. Vorasit Pokachaiyapat	-	-	-	-	-
5. Mr. James Marshall	-	-	-	-	-
6. Mr. Varah Sucharitakul *	-	-	-	-	-
7. Mr. Kittipong Lertvanangkul*	-	-	-	-	-

* Resigned from Director's position on 6 May 2022.

The remunerations of the directors of the subsidiary

Finansa Securities Ltd.(FSL) *

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 2022, director's annual fee and meeting fee were the same as in 2021 and no other Remunerations apply, details are as follows:

Name	Annual Fee (Baht)		Meeting Fee (Baht)	
	Year 2022	Year 2021	Year 2022	Year 2021
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

* FNS sold its investments in FSL, 100% owned subsidiary, on 5 May 2022.

In 2022, the Company's subsidiary provided remuneration, as shown below: (calculated until 5 May 2022.)

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. Ms. Veena Lertnimitr	-	-	-	-
5. Mr. Akarat Na Ranong	-	-	50,000	50,000
6. Mr. Chanmanu Sumawong	-	-	50,000	50,000

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 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.

In 2020 the Company 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.

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.fnsplc.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, FNS Holdings Public Company Ltd.,
6th Floor, 345 Surawong Building, No.345 Surawong Road
Suriyawong Sub-district, Bangrak District, Bangkok 10500

Email : id@fnsplc.com

Website : www.fnsplc.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. 1/5	No. 2/5	No. 3/5	No. 4/5	No.5/5	Total
1. Mr. Chanmanu Sumawong	Chairman of the Audit Committee	✓	✓	✓	✓	✓	5/5
2. Mr. Akarat Na Ranong	Member of the Audit Committee	✓	✓	✓	✓	✓	5/5
3. Mr. Nuttawut Phowborom	Member of the Audit Committee	✓	-	✓	-	✓	3/5

8.2.2 The results of duty performance of the Audit Committee.

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

1. Mr. Chanmanu Sumawong Chairman of the Audit Committee (Independent Director)
2. Mr. Akarat Na Ranong Member of the Audit Committee (Independent Director)
3. Mr. Nuttawut Phowborom Member of the Audit Committee (Independent Director)

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 2022 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. Chanmanu Sumawong	Chairman of the Nomination, Compensation and Corporate Governance Committee (Independent director)	✓	✓	✓	3/3
2. Mr. Akarat Na Ranong	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 Governance Committee

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

1. Mr. Chanmanu Sumawong Chairman (Independent director)
2. Mr. Akarat Na Ranong 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 2022 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.

Five audit committee meetings were held in 2022; all members of the audit committee attended all meetings except one member who attended 3 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 credibility 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, KPMG Phoomchai Audit Co.,Ltd. (KPMG), the Company's Auditor, also reviews the internal control system in accordance with the audit of the financial statements. KPMG 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. 2/2022 held on 24 February 2022, with 2 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 2022 to assess the efficiency of internal controls, as well as reviewing the performance according to the procedure in the Audit Plan of 2022. The overall audit results showed no significant issues. The following were audited in 2022:

(1) Procurement System

- General information of the current procurement system
- Scope of examination
- Objective of examination
- Inspection procedure
- Risk impact assessment
- Audit result and solution

(2) Practice the guideline of Anti - Corruption Policy

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. 1/2022 on 24 February 2022 appointed Accounting Revolution Company Limited 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 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 FNS 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 FNS 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 2022 as shown in the financial statements for the year ended 31 December 2022 were as follows:

(The outstanding as at 31 December 2021 and 2020 and the transaction value for 2021 and 2020 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	Outstanding Value as at 31 December/ Transaction value for the year (THB million)			Rationale
		2022	2021	2020	
1. M.K. Real Estate Development PCL. (MK) (Associate)	<u>Investments in an associate.</u>				
	1. % of share holdings	31.51%	31.51%	26.54%	FNS acquired additional shares in MK.
	2. Investment value under cost method	1,376.52	1,376.52	1,207.66	
	3. Investment value under equity method	1,348.41	1,360.21	1,244.94	Investment in MK was accounted for under equity method.
	<u>Outstanding transactions</u>				
	1. Service income receivable	0.21	1.50	1.68	FNS had accrued information technology service income.

Transaction / Related Parties (Relationship with the Company)	Types of Transaction	Outstanding Value as at 31 December/ Transaction value for the year (THB million)			Rationale
		2022	2021	2020	
	2. Short-term loans and advance to related parties	116.99	200	-	FNS invested in MK's short term debt instruments with fixed interest as agreed.
	3. Other receivable	5.81	0.17	-	FNS had accrued interest income from investment in MK's short term debt instruments.
	4. Deposit	0.74	0.14	-	Deposit for FNS office rental at MK building
	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	15.37	0.23	-	FNS invested in MK's short term debenture with fixed interest as agreed.
	3. Selling agent fees	5.48	8.59	4.13	FSL provided selling agent services and received fees.
	Expenses				
	1. Rental and other services	1.25	0.83	-	FNS rented a part of the office space in MK's building at market rate.
2. Prospect Logistics and Industrial Freehold and Leasehold Real Estate Investment Trust (PROSPECT REIT) (Associate)	Investments in an associate.				
	1. % of share holdings	22.99%	22.99%	22.99%	FNS invested in PROSPECT REIT, representing a 22.29% shareholding in August 2020.
	2. Investment value under cost method	533.33	544.45	563.20	
	3. Investment value under equity method	498.70	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%	30%	-	In June, FNS converted loan into a 30 percent share investment in Kanom.
	2. Investment value under cost method	60.00	60.00	-	

Transaction / Related Parties (Relationship with the Company)	Types of Transaction	Outstanding Value as at 31 December/ Transaction value for the year (THB million)			Rationale
		2022	2021	2020	
	3. Investment value under equity method	44.56	53.46	-	Investment in Kanom was accounted for under equity method.
	Outstanding transactions				
	1. Short-term loans and advance to related parties	100	67.03	-	FNS lent money to Kanom under the loan agreement with fixed interest rate as mutually agreed.
	2. Other receivable	5.60	1.51	-	Accrued interest income from loans to Kanom.
	Income				
	1. Interest income	4.13	1.51	-	FNS received interest income from lending to Kanom.
4. BFTZ Wangnoi Co., Ltd. (BFTZ WN) (Associate)	Investments in an associate.				
	1. % of share holdings	50%	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	2.50	-	
	3. Investment value under equity method	3.93	2.09	-	Investment in BFTZ WN was accounted for under equity method.
	Outstanding transactions				
	1. Short-term loans and advance to related parties	250.50	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	14.84	1.46	-	Accrued interest income from loans to BFTZ WN.
	Income				
	1. Interest income	13.50	3.23	-	FNS received interest income from loan as agreed under the shareholders' agreement.
5. Prospect Development Co., Ltd. (PD) (Common director)	Outstanding transactions				
	1. Receivable Service income	0.005	0.003	0.08	FNS had accrued phone system service fees.
	2. Other current liabilities	-	0.01	0.62	FNS had accrued property management service fee (calculated from the rent collected on a cash basis).

Transaction / Related Parties (Relationship with the Company)	Types of Transaction	Outstanding Value as at 31 December/ Transaction value for the year (THB million)			Rationale
		2022	2021	2020	
	<u>Income</u>				
	1. Fee and other Service income	3.00	3.00	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	FSL received selling agent fees.
	3. Other income	0.05	0.04	2.84	FNS receives phone system service fees and utilities service fees.
	<u>Expenses</u>				
	1. Property Management service fee and other expenses	-	-	16.32	FNS paid property management service fee 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.
6. Prospect REIT Management Co., Ltd. (PRM) (Common director)	<u>Outstanding transaction</u>				
	1. Receivable service income	0.001	0.002	-	FNS had accrued phone system service income.
	<u>Income</u>				
	1. Other income	0.01	0.01	0.28	FNS received phone system service income.
7. MKH Assets Co., Ltd. (MKH) (Common director)	<u>Income</u>				
	1. Advisory service income	1.75	-	-	FNS received advisory service income.
8. Directors and management	Directors' and management's remuneration	35.51	30.81	75.18	FNS paid meeting fees and annual remuneration to directors and paid remuneration to management.
	Advisory cost	3.79	3.46	3.38	FFM pays advisory fee to management.

9.2.2 Necessity and reasonability of the related transactions

The Company has set the 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 principles on doing related party transactions and acquisition or disposition of assets are stated in the Company's Articles of Association.

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:

1. 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.
2. 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.

The Audit Committee's opinion is that the related party transactions as shown above are transactions that occurred in the ordinary course of business.

9.2.3 Related Transaction Policy and 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 future related party transactions are transactions that occurred in the ordinary course of business.

Part 3

Financial Statements

FNS Holdings Public Company Limited and its subsidiaries (formerly Finansa Public Company Limited)

Financial statements for the year ended
31 December 2022
and
Independent Auditor's Report

Independent Auditor's Report

To the Shareholders of FNS Holdings Public Company Limited (formerly Finansa Public Company Limited)

Opinion

I have audited the consolidated and separate financial statements of FNS Holdings Public Company Limited and its subsidiaries (formerly Finansa Public Company Limited) (the “Group”) and of FNS Holdings Public Company Limited (formerly Finansa Public Company Limited) (the “Company”), respectively, which comprise the consolidated and separate statements of financial position as at 31 December 2022, the consolidated and separate statements of comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising a summary of significant accounting policies and other explanatory information.

In my opinion, the accompanying consolidated and separate financial statements present fairly, in all material respects, the financial position of the Group and the Company, respectively, as at 31 December 2022 and their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards (TFRSs).

Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing (TSAs). My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements* section of my report. I am independent of the Group and the Company in accordance with the *Code of Ethics for Professional Accountants including Independence Standards* issued by the Federation of Accounting Professions (Code of Ethics for Professional Accountants) that is relevant to my audit of the consolidated and separate financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code of Ethics for Professional Accountants. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key Audit Matters

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

Valuation of investments in associates and impairment assessment of goodwill	
Refer to Notes 3(c), 3(h), 3(j), 9 and 11 to the financial statements.	
The key audit matter	How the matter was addressed in the audit
As at 31 December 2022, the Group has significant investments in associates in the consolidated and separate financial statements amounted to Baht 1,892 million and Baht 1,970 million, respectively. An associate company which operates in Café, bakery and restaurant business has deficit from operation as cost of sales and selling and administrative expenses were higher according to branch expansion plan. The Company was also impacted by the economic recession from COVID-19 pandemic, causing lower revenue than its operating plan. Another associate company which operates in land and building development was directly impacted by COVID-19 pandemic, resulting in two-year consecutive net loss. There is an indication of impairment since the operating performance might significantly differ from the initial forecast and budget and result in the assets' carrying amounts being higher than the recoverable amounts.	<p>My audit procedures included:</p> <ul style="list-style-type: none"> • Inquiring of management and understanding the process of the identification an indicator of impairment, determine cash-generating unit and impairment testing process including basis of preparing the discounted cash flow projections, discount rate and other key assumptions. • Evaluating the appropriateness of cash flow projections by comparing the past cash flow projections to actual operating results, appropriateness of key assumptions applied in preparing cash flow projections by comparing with the external and internal sources of information and reasonableness of discount rate by comparing with sector averages for the relevant industry in which the Company operates. • Evaluating the preparation of a sensitivity analysis of the key assumptions for future cash flow projections to consider the impact on the expected recoverable amount.

The key audit matter	How the matter was addressed in the audit
<p>In addition, as at 31 December 2022, the Group has goodwill arising from acquisition of a subsidiary which operates in investment advisory business in the consolidated financial statements amounted to Baht 45 million. The management tests goodwill impairment annually at the cash-generating unit level (CGU) and calculates its recoverable amount by applying the discounted cash flow model.</p> <p>The Group assesses the recoverable amount of investment in associates and CGU related to goodwill using discounted cash flow model. Management has to exercise judgment in determining the significant assumptions used in estimating the recoverable amount including estimating the appropriate projections of future operating performance and discount rate used to discount cash flow projections. Loss on impairment will be recognised when the recoverable amount less than book value of assets.</p> <p>Valuation of recoverable amount of investment in associates and impairment assessment of goodwill are considered a key audit matter due to the materiality of the transactions and significant level of management judgment in estimating the recoverable amount. The determination and changes of assumptions may affect to the changes of recoverable amount.</p>	<ul style="list-style-type: none"> • Testing the calculation of recoverable amount prepared by the management. • Considering the adequacy of disclosures in accordance with Thai Financial Reporting Standard.

Valuation of investment in non-listed equity instruments	
Refer to Notes 3(e), 3(m), 7 and 22 to the financial statements.	
The key audit matter	How the matter was addressed in the audit
<p>As at 31 December 2022, investment in non-listed equity instruments measured at fair value in the consolidated financial statements amounted to Baht 257 million. The fair value measurement of investment in equity instruments are using several unobservable inputs since these inputs are not based on objective external prices, in which they are categorised as level 3.</p> <p>In determining the fair value of these investment in equity instruments requires management to make judgments to select the valuation models including various assumptions and unobservable inputs. The use of different valuation models and assumptions could produce significantly different estimates of fair value.</p> <p>The valuation of investment in equity instruments in statement of financial position is considered a key audit matter due to the degree of complexity involved in valuing level 3 instruments and the significance of management judgments and estimates relating to the selection of valuation techniques, assumptions and unobservable inputs used in fair valuation of this investment.</p>	<p>My audit procedures included:</p> <ul style="list-style-type: none"> • Inquiring of management and understanding method and process of valuation of investment in non-listed equity instruments by considering the factors which could affect the fair value. • Evaluating the valuation techniques by considering the nature of the investee's business, comparing with the techniques applied in the industry and challenging the key assumptions used in their valuation by comparing these to externally published industry data and considering whether these assumptions are consistent with the current market environment. • Testing reasonableness of key unobservable inputs used in the fair valuation model by comparing key assumptions and unobservable inputs used in the same industry. Furthermore, I tested the fair value calculation of investment in equity instruments prepared by the management. • Considering the adequacy of disclosures in accordance with Thai Financial Reporting Standard.

Emphasis of Matter

I draw an attention to Note 16 to the financial statements, which describes discontinued operation from disposal of investment in a subsidiary operated in securities business. My opinion is not modified in respect of this matter.

Other Matter

The consolidated and separate financial statements of the Group and the Company for the year ended 31 December 2021 were audited by another auditor who expressed an unmodified opinion on those statements on 24 February 2022.

Other Information

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

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

In connection with my audit of the consolidated and separate financial statements, my 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 consolidated and separate financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

When I read the annual report, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance and request that the correction be made.

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 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 and the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements

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

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

- Identify and assess the risks of material misstatement of the 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 my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's 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 I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group and the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and 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. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

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

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

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

(Sureerat Thongarunsang)
Certified Public Accountant
Registration No. 4409

KPMG Phoomchai Audit Ltd.
Bangkok
22 February 2023

FNS Holdings Public Company Limited and its Subsidiaries
(formerly Finansa Public Company Limited)

Statement of financial position

		Consolidated		Separate	
		financial statements		financial statements	
		31 December		31 December	
Assets	Note	2022	2021	2022	2021
(in thousand Baht)					
Current assets					
Cash and cash equivalents	5	13,072	197,259	9,545	8,476
Service income receivables					
Related parties	4	220	1,503	220	264
Other parties		-	6,515	-	664
Total service income receivables		220	8,018	220	928
Other receivables	4	28,261	32,184	28,196	32,180
Short-term loans and advance to related parties	4	467,485	395,028	467,485	395,895
Loans to others	6	73,800	100,000	73,800	100,000
Other current financial assets	7, 22	361,006	363,226	361,006	237,803
Digital tokens	22	-	475,000	-	475,000
Other current assets		16,023	33,676	16,014	25,302
Total current assets		959,867	1,604,391	956,266	1,275,584
Non-current assets					
Other non-current financial assets	7, 22	373,167	316,328	72,416	23,204
Investment in subsidiaries	8	-	-	605,457	1,459,697
Investment in associates and joint venture	9	1,896,250	1,943,642	1,972,345	1,983,468
Building and equipment	10	9,200	86,715	9,200	78,097
Right-of-use assets		5,658	8,804	5,658	945
Goodwill	11	45,356	156,920	-	-
Other intangible assets other than goodwill		1,148	2,134	1,148	1,887
Deferred tax assets	19	-	7,886	-	-
Other non-current assets	4	759	1,658	759	1,025
Total non-current assets		2,331,538	2,524,087	2,666,983	3,548,323
Total assets		3,291,405	4,128,478	3,623,249	4,823,907

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

FNS Holdings Public Company Limited and its Subsidiaries
(formerly Finansia Public Company Limited)

Statement of financial position

	<i>Note</i>	Consolidated		Separate	
		financial statements		financial statements	
		31 December		31 December	
Liabilities and equity		2022	2021	2022	2021
		<i>(in thousand Baht)</i>			
Current liabilities					
Short-term debentures	12.1	-	300,000	-	300,000
Current portion of long-term debentures	12.2	300,000	340,000	300,000	340,000
Current portion of lease liabilities		2,941	4,310	2,941	459
Short-term loans and advance from related parties	4	-	-	21,105	690,200
Income tax payable		-	7	-	-
Other current liabilities	4	21,607	126,580	19,512	78,981
Total current liabilities		324,548	770,897	343,558	1,409,640
Non-current liabilities					
Long-term debentures	12.2, 22	366,800	666,800	366,800	666,800
Lease liabilities		2,872	4,759	2,872	589
Non-current provisions for employee benefits	13	26,835	68,755	26,835	29,383
Total non-current liabilities		396,507	740,314	396,507	696,772
Total liabilities		721,055	1,511,211	740,065	2,106,412
Equity					
Share capital					
Authorised share capital (345,855,440 ordinary shares, par value at Baht 5 per share)		1,729,277	1,729,277	1,729,277	1,729,277
Issued and paid-up share capital (345,855,440 ordinary shares, par value at Baht 5 per share)		1,729,277	1,729,277	1,729,277	1,729,277
Share premium on ordinary shares		208,455	208,455	208,455	208,455
Retained earnings					
Appropriated					
Legal reserve	14	82,000	65,000	82,000	65,000
Unappropriated		838,486	936,011	870,593	722,712
Other components of equity		(287,868)	(321,476)	(7,141)	(7,949)
Total equity		2,570,350	2,617,267	2,883,184	2,717,495
Total liabilities and equity		3,291,405	4,128,478	3,623,249	4,823,907

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

FNS Holdings Public Company Limited and its Subsidiaries
(formerly Finansa Public Company Limited)

Statement of comprehensive income

		Consolidated		Separate	
		financial statements		financial statements	
		Year ended 31 December		Year ended 31 December	
	Note	2022	2021	2022	2021
		(Restated)		(Restated)	
		(in thousand Baht)			
Income					
Revenue from investment, advisory and management business	4	82,646	43,271	106,589	187,989
Net gain on investments measured at fair value through profit or loss	17	5,917	445	5,917	445
Gain on disposal of investment in a subsidiary	16	-	-	55,479	-
Other income	4	1,205	8,388	1,694	13,439
Total income		89,768	52,104	169,679	201,873
Expenses					
Investment, advisory and management business expenses	4	73,859	63,454	48,571	44,463
Servicing and administrative expenses	4, 10	30,692	43,653	29,238	45,088
Loss on disposal of investment in an associate		-	56,056	-	-
Loss on exchange rate		10,762	14,432	-	-
Total expenses		115,313	177,595	77,809	89,551
(Loss) profit from operating activities		(25,545)	(125,491)	91,870	112,322
Finance costs	4	(48,991)	(58,535)	(52,869)	(71,798)
Reversal of expected credit loss		-	32,896	-	32,896
Share of profit of associates and joint venture accounted for using equity method		6,237	50,864	-	-
Gain on disposal of building and equipment	4, 10	298,806	11	298,806	11
Profit (loss) before income tax expense		230,507	(100,255)	337,807	73,431
Income tax expense	19	-	-	-	-
Profit (loss) for the year from continuing operations		230,507	(100,255)	337,807	73,431
(Loss) profit for the year from discontinued operation, net of tax	16	(125,590)	58,066	-	-
Profit (loss) for the year		104,917	(42,189)	337,807	73,431

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

FNS Holdings Public Company Limited and its Subsidiaries
(formerly Finansia Public Company Limited)

Statement of comprehensive income

Statement of comprehensive income

	Consolidated		Separate	
	financial statements		financial statements	
	Year ended 31 December		Year ended 31 December	
Note	2022	2021	2022	2021
	(Restated)		(Restated)	
	(in thousand Baht)			
Other comprehensive income (loss)				
<i>Items that will be reclassified subsequently to profit or loss</i>				
(Loss) gain on measurement of financial assets	(12,089)	(11,006)	(177)	454
Gain on dilution of investment in an associate	-	2,831	-	-
Exchange differences on translating financial statements	13,919	31,545	-	-
Total items that will be reclassified subsequently to profit or loss	1,830	23,370	(177)	454
<i>Items that will not be reclassified to profit or loss</i>				
Share of other comprehensive loss of associates and joint venture accounted for using equity method	(547)	(1,690)	-	-
Actuarial gain on defined benefit plan	985	3,963	985	-
Total items that will not be reclassified to profit or loss	438	2,273	985	-
Other comprehensive income for the year, net of tax	2,268	25,643	808	454
Other comprehensive income from discontinued operation for the year, net of tax	18,824	349	-	-
Total comprehensive income (loss) for the year	126,009	(16,197)	338,615	73,885
Basic earnings (loss) per share (in Baht)	20			
Basic earnings (loss) per share from continuing operation	0.66	(0.29)	0.98	0.21
Basic (loss) earnings per share from discontinued operation	(0.36)	0.17	-	-

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

Statement of changes in equity

Consolidated financial statements										
	Retained earnings	Other components of equity								
	Issued and paid-up share capital	Share premium on ordinary shares	Legal reserve	Unappropriated	(Loss) gain on remeasurement of financial assets	Gain on dilution of investment in an associate	Exchange differences on translating financial statements	Share of other comprehensive income of associates and joint venture using equity method	Actuarial gain on defined benefit plan	Total equity
Note					(in thousand Baht)					
Year ended 31 December 2021										
	1,729,277	208,455	61,000	1,164,954	(6,148)	3,509	(306,624)	(14,077)	(33,956)	2,806,390
Transactions with owners, recorded directly in equity										
Dividends	-	-	-	(172,926)	-	-	-	-	-	(172,926)
Total transactions with owners, recorded directly in equity	-	-	-	(172,926)	-	-	-	-	-	(172,926)
Comprehensive income (loss) for the year										
Loss for the year	-	-	-	(42,189)	-	-	-	-	-	(42,189)
Other comprehensive income (loss)	-	-	-	(9,828)	(10,657)	2,831	31,545	8,138	3,963	25,992
Total comprehensive income (loss) for the year	-	-	-	(52,017)	(10,657)	2,831	31,545	8,138	3,963	(16,197)
Transfer to legal reserve	-	-	4,000	(4,000)	-	-	-	-	-	-
Balance at 31 December 2021	1,729,277	208,455	65,000	936,011	(16,805)	6,340	(275,079)	(5,939)	(29,993)	2,617,267
Year ended 31 December 2022										
	1,729,277	208,455	65,000	936,011	(16,805)	6,340	(275,079)	(5,939)	(29,993)	2,617,267
Transactions with owners, recorded directly in equity										
Dividends	-	-	-	(172,926)	-	-	-	-	-	(172,926)
Total transactions with owners, recorded directly in equity	-	-	-	(172,926)	-	-	-	-	-	(172,926)
Comprehensive income (loss) for the year										
Profit for the year	-	-	-	104,917	-	-	-	-	-	104,917
Other comprehensive income (loss)	-	-	-	(12,516)	427	-	13,919	(547)	985	2,268
Effect of discontinued operation	-	-	-	-	(2,395)	-	-	-	21,219	18,824
Total comprehensive income (loss) for the year	-	-	-	92,401	(1,968)	-	13,919	(547)	22,204	126,009
Transfer to legal reserve	-	-	17,000	(17,000)	-	-	-	-	-	-
Balance at 31 December 2022	1,729,277	208,455	82,000	838,486	(18,773)	6,340	(261,160)	(6,486)	(7,789)	2,570,350

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

FNS Holdings Public Company Limited and its Subsidiaries
(formerly Finansia Public Company Limited)

Statement of Changes in equity

	Note	Separate financial statements					
		Issued and paid-up share capital	Share premium on ordinary shares	Legal reserve	Retained earnings	Other components of equity	Total
					Unappropriated (in thousand Baht)	Gain (loss) on remeasurement of financial assets	Actuarial loss (gain) on defined benefit plan
Year ended 31 December 2021							
Balance at 1 January 2021		1,729,277	208,455	61,000	826,207	371	(8,774)
Transactions with owners, recorded directly in equity							
Dividends	21	-	-	-	(172,926)	-	-
Total transactions with owners, recorded directly in equity					(172,926)		
Comprehensive income for the year							
Profit for the year		-	-	-	73,431	-	-
Other comprehensive income		-	-	-	-	454	-
Total comprehensive income for the year					73,431	454	
Transfer to legal reserve	14	-	-	4,000	(4,000)	-	-
Balance at 31 December 2021		1,729,277	208,455	65,000	722,712	825	(8,774)
Year ended 31 December 2022							
Balance at 1 January 2022		1,729,277	208,455	65,000	722,712	825	(8,774)
Transactions with owners, recorded directly in equity							
Dividends	21	-	-	-	(172,926)	-	-
Total transactions with owners, recorded directly in equity					(172,926)		
Comprehensive income (loss) for the year							
Profit for the year		-	-	-	337,807	-	-
Other comprehensive income (loss)		-	-	-	-	(177)	985
Total comprehensive income (loss) for the year					337,807	(177)	
Transfer to legal reserve	14	-	-	17,000	(17,000)	-	-
Balance at 31 December 2022		1,729,277	208,455	82,000	870,593	648	(7,789)

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

FNS Holdings Public Company Limited and its Subsidiaries

(formerly Finansa Public Company Limited)

Statement of cash flows

Name	Note	Consolidated		Separate	
		financial statements		financial statements	
		Year ended 31 December		Year ended 31 December	
		Year 2022	Year 2021	Year 2022	Year 2021
(in thousand Baht)					
Cash flows from operating activities					
Profit (loss) for the year		104,917	(42,189)	337,807	73,431
Adjustments to reconcile profit (loss) to cash receipts (payments)					
Income tax from discontinued operation	16	5,610	13,072	-	-
Finance costs		48,991	58,835	52,869	71,798
Depreciation and amortisation		6,107	13,003	6,107	6,535
Amortisation of discounts on investment in debt instruments		302	299	302	299
Amortisation of discounts paid on bills of exchange		-	416	-	416
Reversal of expected credit loss		-	(32,896)	-	(32,896)
Non-current provisions for employee benefits	13	2,841	5,276	1,640	1,782
Loss on exchange rate		10,762	14,432	-	-
Net gain on invesments measured at fair value through profit or loss	17	(5,917)	(445)	(5,917)	(445)
Loss on disposal of investment in an associate		-	56,056	-	-
Share of profit of associates and joint venture accounted for using equity method		(6,237)	(50,864)	-	-
Gain on disposal of building and equipment	10	(298,806)	(11)	(298,806)	(11)
Loss on write-off of building and equipment		232	-	232	-
Loss on write-off of intangible assets		247	-	-	-
Loss (gain) on disposal of discontinued operation, net of tax	16	140,478	-	(55,479)	-
Dividend income		(31,873)	(24,572)	(41,958)	(132,053)
Interest income		(40,552)	(13,496)	(40,552)	(24,937)
		(62,898)	(3,084)	(43,755)	(36,081)
Changes in operating assets and liabilities					
Service income receivables		5,659	39,533	708	29,856
Short-term loans and advances to related parties		(72,457)	(337,226)	(71,590)	131,665
Loans to others		26,200	105,609	26,200	115,783
Financial assets		(106,279)	274,293	(172,958)	210,201
Other current assets		31,634	(2,300)	29,024	(165)
Other non-current assets		289	(345)	266	-
Other current liabilities		(77,051)	(28,862)	(46,668)	41,652
Non-current provisions for employee benefits	13	(3,203)	-	(3,203)	-
Net cash (used in) generated from operations		(258,106)	47,618	(281,976)	492,911
Interest received		16,655	45,153	16,655	56,594
Interest paid		(54,766)	(56,663)	(58,831)	(70,915)
Income tax received		13,762	9,777	13,762	7,841
Income tax paid		(5,084)	(16,550)	(5,084)	(2,896)
Net cash (used in) from operating activities		(287,539)	29,335	(315,474)	483,535

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

FNS Holdings Public Company Limited and its Subsidiaries
(formerly Finansa Public Company Limited)

Statement of cash flows

		Consolidated		Separate	
		financial statements		financial statements	
		Year ended 31 December		Year ended 31 December	
Note		2022	2021	2022	2021
(in thousand Baht)					
Cash flows from investing activities					
	Acquisition of digital tokens	-	(475,000)	-	(475,000)
	Proceeds from disposal of digital tokens	482,323	-	482,323	-
	Acquisition of investment in other non-current financial assets	(107,870)	(53,987)	(1,875)	-
	Proceeds from disposal of investment in other non-current financial assets	23,911	-	-	-
	Proceeds from share capital reduction of a subsidiary	-	-	300,000	-
	Proceeds from distribution of investment	11,123	18,743	11,123	18,743
	Acquisition of investment in associates	-	(231,360)	-	(231,360)
	Proceeds from disposal of investment in associates	-	645,621	-	-
16	Proceeds from disposal of discontinued operation, net of cash disposed of	455,273	-	490,188	-
	Proceeds from disposal of building and equipment	3,299	177	369,914	177
	Acquisition of equipment and intangible assets	(37,525)	(8,485)	(12,582)	(8,068)
	Dividend received	73,840	79,020	41,958	132,053
	Net cash from (used in) investing activities	904,374	(25,271)	1,681,049	(563,455)
Cash flows from financing activities					
	Repayment of bill of exchange	-	(50,000)	-	-
	Proceeds from bill of exchange	-	49,584	-	-
	Repayment of short-term loans from related parties	-	-	(687,655)	(86,800)
	Proceeds from short-term loans from related parties	-	-	138,090	63,500
	Repayment of short-term debentures	(300,000)	-	(300,000)	-
	Proceeds from short-term debentures	-	300,000	-	300,000
	Repayment of long-term debentures	(340,000)	(400,000)	(340,000)	(400,000)
	Proceeds from long-term debentures	-	366,800	-	366,800
	Payment of lease liabilities	(2,015)	(4,443)	(2,015)	(421)
21	Dividend paid	(172,926)	(172,926)	(172,926)	(172,926)
	Net cash (used in) from financing activities	(814,941)	89,015	(1,364,506)	70,153
Net (decrease) increase in cash and cash equivalents, before effect of					
	exchange rate changes	(198,106)	93,079	1,069	(9,767)
	Exchange differences on translating financial statements	13,919	31,545	-	-
	Net (decrease) increase in cash and cash equivalents	(184,187)	124,624	1,069	(9,767)
	Cash and cash equivalents at 1 January	197,259	72,635	8,476	18,243
	Cash and cash equivalents at 31 December	13,072	197,259	9,545	8,476
Non-cash transactions					
	Payable for acquisition of equipment and intangible assets	-	(113)	(60)	(616)

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

FNS Holdings Public Company Limited and its subsidiaries
(formerly Finansa Public Company Limited)

Notes to the financial statements

For the year ended 31 December 2022

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FNS Holdings Public Company Limited and its subsidiaries (formerly Finansa Public Company Limited)

Notes to the financial statements

For the year ended 31 December 2022

These notes form an integral part of the financial statements.

The financial statements issued for Thai statutory and regulatory reporting purposes are prepared in the Thai language. These English language financial statements have been prepared from the Thai language statutory financial statements, and were approved and authorised for issue by the Board of Directors on 22 February 2023.

1 General information

FNS Holdings Public Company Limited (formerly Finansa Public Company Limited), the “Company”, is incorporated in Thailand. The Company’s registered office at 345 Surawong Road, 6th Floor, 345 Surawong Building, Suriyawong, Bangrak, Bangkok.

The Company’s major shareholders during the financial year was Pokachaiyapat family (43.1% shareholding).

The principal activities of the Company are to invest in and provide finance and management advisory services to its affiliated and related parties. Furthermore, the Company’s subsidiaries also provide investment business. Details of the Company’s subsidiaries as at 31 December 2022 and 2021 are given in Note 8.

On 28 April 2022, the annual general meeting of shareholders passed a resolution to change the Company’s name and seal from “Finansa Public Company Limited” to “FNS Holdings Public Company Limited”. The Company registered the change of the Company’s name with the Ministry of Commerce on 6 May 2022.

2 Basis of preparation of the financial statements

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

The financial statements are presented in Thai Baht, which is the Company’s functional currency. The accounting policies, described in Note 3, have been applied consistently to all periods presented in these financial statements.

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

3 Significant accounting policies

(a) Basis of consolidation

The consolidated financial statements relate to the Company and its subsidiaries (together referred to as the “Group”) and the Group’s interests in associates and joint venture.

FNS Holdings Public Company Limited and its subsidiaries
(formerly Finansa Public Company Limited)

Notes to the financial statements

For the year ended 31 December 2022

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

When the Group loses control over a subsidiary, it derecognises the assets and liabilities and other components of equity of the subsidiary. Any resulting gain or loss is recognised in profit or loss.

Associates are those entities in which the Group has significant influence, but not control or joint control, over the financial and operating policies. A joint venture is an arrangement in which the Group has joint control, whereby the Group has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

The Group recognised investments in associates and joint venture using the equity method in the consolidated financial statements. They are initially recognised at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's dividend income and share of the profit or loss and other comprehensive income of equity-accounted investees, until the date on which significant influence or joint control ceases.

Intra-group balances and transactions, and any unrealised income or expenses arising from intra-group transactions, are eliminated on consolidation. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

(b) *Cash and cash equivalents*

Cash and cash equivalents comprise cash balances and call deposits.

(c) *Investments in subsidiaries, associates and joint venture*

Investments in subsidiaries, associates and joint venture in the separate financial statements are measured at cost less allowance for impairment losses. Dividend income is recognised in profit or loss on the date on which the Group's right to receive payment is established. If the Company disposes of part of its investment, the deemed cost of the part sold is determined using the FIFO method. Gains or losses on disposal of the investments are recognised in profit or loss.

(d) *Foreign currencies*

Transactions in foreign currencies including non-monetary assets and liabilities denominated in foreign currencies are translated to the respective functional currencies of each entity in the Group at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate at the reporting date. Non-monetary assets and liabilities measured at fair value in foreign currencies are translated at the exchange rates at the dates that fair value was determined.

Foreign currency differences are generally recognised in profit or loss. However, foreign currency differences arising from the translation of an investment in equity instruments designated as at FVOCI are recognised in other comprehensive income except on impairment, in which case foreign currency differences that have been recognised in other comprehensive income are reclassified to profit or loss.

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Foreign operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated to Thai Baht at the exchange rates at the reporting date. The revenues and expenses of foreign operations are translated to Thai Baht at rates approximating the exchange rates at the dates of the transactions.

Foreign exchange differences are recognised in other comprehensive income and accumulated in the translation reserve until disposal of the investment.

When a foreign operation is disposed of in its entirety or partially such that control is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal.

When the settlement of a monetary item receivable from or payable to a foreign operation is neither planned nor likely in the foreseeable future, exchange gains and losses arising from such a monetary item are considered to form part of a net investment in a foreign operation and are recognised in other comprehensive income, and presented in the translation reserve in equity until disposal of the investment.

(e) Financial instruments

(1) Classification and measurement

Debt instruments issued by the Group are initially recognised when they are originated. Other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument, and measured at fair value plus or minus, for an item not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

On initial recognition, a financial asset is classified as measured at: amortised cost; fair value through other comprehensive income (FVOCI); or FVTPL. Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified prospectively from the reclassification date.

On initial recognition, financial liabilities are classified as measured at amortised cost using the effective interest method. Interest expense, foreign exchange gains and losses and any gain or loss on derecognition are recognised in profit or loss.

Financial assets measured at amortised costs are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by expected credit losses. Interest income, foreign exchange gains and losses, expected credit loss and any gain or loss on derecognition are recognised in profit or loss.

Investment in debt instruments measured at FVOCI are subsequently measured at fair value. Interest income, calculated using the effective interest method, foreign exchange gains and losses and expected credit loss are recognised in profit or loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.

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Investment in equity instruments measured at FVOCI are subsequently measured at fair value. Dividend income is recognised as income in profit or loss on the date on which the Group's right to receive payment is established, unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are never reclassified to profit or loss.

(2) Derecognition and offset

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

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

The difference between the carrying amount extinguished and the consideration received or paid is recognised in profit or loss.

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

(3) Impairment of financial assets

The Group recognises allowances for expected credit losses (ECLs) on financial assets measured at amortised cost, investment in debt instruments measured at FVOCI and loan commitments issued which are not measured at FVTPL.

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

ECLs are a probability-weighted estimate of credit losses based on forward-looking and historical experience. Credit losses are measured as the present value of all cash shortfalls discounted by the effective interest rate of the financial asset.

The Group considers a financial asset to have low credit risk when its credit rating is equivalent to the globally understood definition of 'investment grade'. The Group recognises ECLs for low credit risk financial asset as 12-month ECLs.

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due, significant deterioration in credit rating, significant deterioration in the operating results of the debtor and existing or forecast changes in the technological, market, economic or legal environment that have a significant adverse effect on the debtor's ability to meet its obligation to the Group.

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

- the debtor is unlikely to pay its credit obligations to the Group in full, without recourse by the Group takes action such as realising security (if any is held); or
- the financial asset is more than 90 days past due.

(4) Write offs

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

(5) Interest

Interest income and expense is recognised in profit or loss using the effective interest method. In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

(f) Building and equipment

Building and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset and the costs of dismantling, removing the items and restoring the site on which they are located. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

Differences between the proceeds from disposal and the carrying amount of building and equipment are recognised in profit or loss.

Depreciation

Depreciation is calculated on a straight-line basis over the estimated useful lives of each component of an asset and recognised in profit or loss. No depreciation is provided on assets under installation.

The estimated useful lives are as follows:

Buildings	25 and 30	years
Buildings improvement	5	years
Office equipment	3 and 5	years
Furniture & fixtures	5	years
Vehicles	5 and 8	years

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(g) Leases

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

At commencement or on modification of a contract, the Group allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices of each component.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date, except for lease of low-value assets and short-term leases which are recognised as expenses on a straight-line basis over the respective lease terms.

Right-of-use asset is measured at cost, less any accumulated depreciation and impairment loss, and adjusted for any remeasurements of lease liability. The cost of right-of-use asset includes the initial amount of the lease liability adjusted for any prepaid lease payments, plus any initial direct costs incurred. Depreciation is charged to profit or loss on a straight-line method from the commencement date to the end of the lease term.

The lease liability is initially measured at the present value of all lease payments that shall be paid under the lease. The Group uses the Group's incremental borrowing rate to discount the lease payments to the present value by considering from average finance costs of the Company and reflect the terms of the lease.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a lease modification. When the lease liability is remeasured, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

(h) Goodwill

Goodwill is measured at cost less accumulated impairment losses. In respect of equity-accounted investee, the carrying amount of goodwill is included in the carrying amount of the investment.

(i) Other intangible assets

Other intangible assets are measured at cost less accumulated amortisation and impairment losses. Subsequent expenditure is capitalised only when it will generate future economic benefits. Amortisation is calculated on a straight-line basis over the estimated useful lives of intangible assets and recognised in profit or loss.

The estimated useful lives are as follows:

Software	1 - 10 years
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(j) Impairment of non-financial assets

The carrying amounts of the Group's assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amounts are estimated. For goodwill, the recoverable amount is estimated each year at the same time.

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

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

An impairment loss of asset recognised in prior years is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss in respect of goodwill is not reversed. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(k) Employee benefits

Defined contribution plans

Obligations for contributions to the Group's provident funds are expensed as the related service is provided.

Defined benefit plans

The Group's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior years. The defined benefit obligations is discounted to the present value, which performed by a qualified actuary using the projected unit credit method.

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

The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

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

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(l) Provisions

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

(m) Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Group has access at that date. The fair value of a liability reflects its non-performance risk.

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

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

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

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

The best evidence of the fair value of a financial instrument on initial recognition is normally the transaction price - i.e. the fair value of the consideration given or received. If the Group determines that the fair value on initial recognition differs from the transaction price, the financial instrument is initially measured at fair value adjusted for the difference between the fair value on initial recognition and the transaction price and the difference is recognised in profit or loss immediately. However, for the fair value categorised as level 3, such difference is deferred and will be recognised in profit or loss on an appropriate basis over the life of the instrument or until the fair value level is transferred or the transaction is closed out.

(n) Revenue from investment, advisory and management business

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

Fees and service income

Fees and service income comprise financial advisory income and underwriting income which are recognised at a point of time when transactions are completed. Retainer fee income is recognised over time as the services are provided based on contractual rate.

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(o) Income tax

Income tax expense for the year comprises current and deferred tax, which is recognised in profit or loss except to the extent that it relates to items recognised directly in equity or in other comprehensive income.

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

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the temporary differences: the initial recognition of goodwill; the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss; and differences relating to investments in subsidiaries and joint venture to the extent that it is probable that they will not reverse in the foreseeable future.

The measurement of deferred tax reflects the tax consequences that would follow the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities, using tax rates enacted or substantively enacted at the reporting date. Current deferred tax assets and liabilities are offset in the separate financial statements.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realised.

(p) Discontinued operations

A discontinued operation is a component of the Group's business that represents a separate major line of business that has been disposed of or is held for sale. Classification as a discontinued operation occurs upon disposal or when the operation meets the criteria to be classified as held for sale, if earlier. When an operation is classified as a discontinued operation, the comparative statement of comprehensive income is restated as if the operation had been discontinued from the start of the comparative period.

(q) Earnings (loss) per share

Basic earnings (loss) per share is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the number of ordinary shares outstanding.

4 Related parties

A related party is a person or entity that has direct or indirect control or joint control, or has significant influence over the financial and managerial decision-making of the Group; a person or entity that is under common control or under the same significant influence as the Group; or a person or entity over which the Group has direct or indirect control or joint control or has significant influence over the financial and managerial decision-making. The pricing policies for transactions with related parties are determined on an arm's length basis or based on contractual agreed price.

Relationships with subsidiaries, associates and joint venture are described in notes 8 and 9. Other related parties which the Group had significant transactions with during the year were as follows:

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Name of entities/personnel	Country of incorporation/ nationality	Nature of relationship			
Key management personnel	Thai	Persons having authority and responsibility for planning, directly and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of the Company			
	Consolidated financial statements		Separate financial statements		
<i>Significant transactions with related parties</i>	2022	2021	2022	2021	
<i>Year ended 31 December</i>	<i>(in thousand Baht)</i>				
Continuing operation					
Subsidiaries					
Revenue from investment, advisory and management business	-	-	8,000	8,000	
Interest income	-	-	-	11,441	
Finance costs	-	-	2,976	-	
Associates					
Revenue from investment, advisory and management business	2,550	2,400	2,550	2,400	
Interest income	19,499	1,744	19,499	1,744	
Dividend income	-	-	41,958	42,253	
Rental and service income	-	5,188	-	5,188	
Selling agent fee and other fees	-	6,470	-	500	
Rental and service expenses	1,252	830	1,252	830	
Finance costs	195	-	195	-	
Joint venture					
Interest income	13,497	3,225	13,497	3,225	
Other related parties					
Revenue from investment, advisory and management business	4,750	3,000	4,750	3,000	
Rental and service income	62	48	62	48	
Key management personnel					
Short-term benefits	38,132	33,050	38,132	33,050	
Post-employment benefits	1,169	1,154	1,169	1,154	

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<i>Significant transactions with related parties</i> <i>Year ended 31 December</i>	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
Discontinued operation				
Subsidiary				
Revenue from investment, advisory and management business	-	-	5,867	17,600
Dividend income	-	-	-	86,800
Gain on disposal of building and equipment	298,806	-	298,806	-
Rental and service income	-	-	428	4,764
Selling agent fee and other fees	-	-	-	2,386
Rental and service expenses	-	-	613	-
Finance costs	-	-	902	13,089
	-	-	-	-
Associates				
Revenue from securities business	5,484	9,475	5,484	-
Other related parties				
Revenue from securities business	-	4,082	-	-
Key management personnel				
Short-term benefits	4,946	11,969	-	-
Post-employment benefits	187	191	-	-
<i>Balances with related parties</i> <i>At 31 December</i>	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
Subsidiaries				
Service income receivables	-	-	-	45
Short-term loans and advance to related parties	-	-	-	867
Short-term loans and advance from related parties	-	-	21,105	690,200
Accrued interest expenses	-	-	-	165
Guarantee deposits	-	-	-	1,044
Associates				
Service income receivables	214	1,498	214	214
Other receivables	11,446	1,682	11,446	1,682
Short-term loans and advance to related parties	216,985	267,028	216,985	267,028
Rental deposits	735	137	735	137
Joint venture				
Short-term loans and advance to related parties	250,500	128,000	250,500	128,000
Other receivables	14,843	1,456	14,843	1,456

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<i>Balances with related parties</i> <i>At 31 December</i>	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
Other related parties				
Service income receivables	6	5	6	5
Accrued service expenses	-	11	-	11

Significant agreements with related parties

The Company has entered into service agreements with its subsidiaries and a related party of which the Company will provide services including management, marketing and other business operation support to the subsidiaries and a related party. The Company charged service fees as agreed by both parties based on estimated time spent and cost incurred plus margin. Service fees for each company for the years 2022 and 2021 were as follows:

Company name	Period of agreement	2022	Period of agreement	2021
		Annual fee <i>(in thousand Baht)</i>		Annual fee <i>(in thousand Baht)</i>
Finansa Securities Limited ⁽¹⁾	1 January - 31 August 2022	8,121	1 January - 31 December 2021	16,000
Finansa Fund Management Ltd.	1 January - 31 December 2022	8,000	1 January - 31 December 2021	8,000
Prospect Development Co., Ltd.	1 January - 31 December 2022	3,000	1 January - 31 December 2021	3,000

⁽¹⁾ Finansa Securities Limited is the Company's subsidiary until 4 May 2022.

The Company has entered into a service agreement with a subsidiary of which the Company will provide compliance. The agreement period is 1 January - 31 May 2022. The Company charged service fee as agreed by both parties at Baht 666,666.7 per annum.

The Company has entered into a service agreement with an associate of which the Company will provide information technology services. The Company charged service fee as agreed by both parties at Baht 200,000 per month.

5 Cash and cash equivalents

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
Cash on hand	10	15	5	5
Cash at banks	13,062	197,244	9,540	8,471
Total	13,072	197,259	9,545	8,476

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6 Loans to others

	Consolidated and separate financial statements	
	2022	2021
	<i>(in thousand Baht)</i>	
Loans to others	86,800	113,000
Less allowance for expected credit loss	(13,000)	(13,000)
Net	73,800	100,000

6.1 Classified by type of loans

	Consolidated and separate financial statements	
	2022	2021
	<i>(in thousand Baht)</i>	
Bill of exchange	13,000	13,000
Loans	73,800	100,000
Total loans to others	86,800	113,000
Less allowance for expected credit loss	(13,000)	(13,000)
Net	73,800	100,000

6.2 Classified by remaining period of the contract

	Consolidated and separate financial statements	
	2022	2021
	<i>(in thousand Baht)</i>	
At call (including defaulted contracts)	13,000	13,000
Within 1 year	73,800	100,000
Total	86,800	113,000

Allowance for expected credit loss

	Consolidated and separate financial statements	
	2022	2021
	<i>(in thousand Baht)</i>	
At 1 January 2022	13,000	45,896
Reversal	-	(32,896)
At 31 December 2022	13,000	13,000

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7 Financial assets

7.1 Other current financial assets

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
<i>Investment in debt instruments measured at FVTPL</i>				
Domestic marketable debt instruments - unit trusts	350,481	363,226	350,481	237,803
<i>Investment in equity instruments measured at FVTPL</i>				
Domestic marketable equity instruments	10,525	-	10,525	-
Total	361,006	363,226	361,006	237,803

7.2 Other non-current financial assets

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
<i>Investment in debt instruments measured at FVTPL</i>				
Domestic non-marketable debt instruments	47,816	-	47,816	-
<i>Investment in debt instruments measured at FVOCI</i>				
Government bond	10,378	10,856	10,378	10,856
<i>Investment in equity instruments measured at FVTPL</i>				
Domestic marketable equity instruments - unit trusts	-	1,291	-	-
<i>Investment in equity instruments designated at FVOCI</i>				
Domestic non-marketable equity instruments	257,011	264,874	14,222	12,348
Unit trusts in foreign funds	12,551	10,176	-	-
Foreign marketable equity instruments	45,411	29,131	-	-
Total	373,167	316,328	72,416	23,204

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8 Investment in subsidiaries

Company name	Type of business	Country	Separate financial statements					
			Paid-up share capital		Shareholding		Carrying amount under cost method	
			2022	2021	2022	2021	2022	2021
			(in thousand Baht)					
				(%)			(in thousand Baht)	
Subsidiaries								
Finansa Securities Limited ⁽¹⁾	Securities	Thailand	-	-	-	-	734,709	-
Finansa Fund Management Limited ⁽²⁾	Investment	Cayman Islands	690 (ordinary shares)	100.0	151,790	151,790	151,790	-
			4,311 (preferred shares)	100.0	453,667	573,198	-	-
Finansa (Cambodia) Ltd.	Investment advisory	Cambodia	192	100.0	204	204	-	-
Total					605,661	1,459,901	-	86,800
Less allowance for impairment					(204)	(204)		
Investment in subsidiaries, net					605,457	1,459,697		

⁽¹⁾ On 17 December 2021, the Extraordinary General Meeting of the subsidiary's shareholders passed a resolution to approve the decrease of the subsidiary's authorised share capital amounting to Baht 300 million which was completed on 24 January 2022. The Company already received paid back share subscription on the same date.

⁽²⁾ On 5 May 2022, the Group disposed all investment in ordinary shares of Finansa Securities Limited to FSS International Investment Advisory Securities Company Limited

⁽³⁾ On 30 December 2022, the Company repaid loans from Finansa Fund Management Ltd. with 35,704 preferred shares equivalent to Baht 119.5 million.

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9 Investment in associates and joint venture

Company name	Type of business	Country	Consolidated financial statements					
			Shareholding		Cost		Equity method	
			2022	2021	2022	2021	2022	2021
			(%)		(in thousand Baht)			
<i>Associates</i>								
M.K. Real Estate Development Plc.	Land and building development	Thailand	31.5	31.5	1,376,516	1,376,516	1,348,405	1,360,243
Prospect Logistics and Industrial Leasehold Real Estate Investment Trust ⁽¹⁾	Property Fund and REITs	Thailand	23.0	23.0	533,329	544,452	498,690	527,191
Kanom Café Co., Ltd.	Cafe, bakery and restaurant business	Thailand	30.0	30.0	60,000	60,000	44,562	53,458
<i>Joint venture</i>								
BFTZ Wangnoi Co., Ltd.	Developing factory building and warehouse for rent	Thailand	50.0	50.0	2,500	2,500	3,933	2,090
<i>Subsidiaries' associate</i>								
Siam Investment Partners, L.P. ⁽²⁾	General partner of a fund	Cayman Islands	50.0	50.0	3,786	3,786	660	660
Total					1,976,131	1,987,254	1,896,250	1,943,642
<i>Less allowance for impairment</i>					<i>(3,126)</i>	<i>(3,126)</i>		
Investment in associates and joint venture, net					1,973,005	1,984,128		

⁽¹⁾ On 12 May 2022, the Board of Directors of the associate passed a resolution to decrease the associate's authorised share capital amounting to Baht 48.4 million which was completed on 10 June 2022. The Company already received paid back share subscription on the same date.

⁽²⁾ Siam Investment Partners, L.P. is under liquidation process.

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Company name	Type of business	Country	Separate financial statements							
			Paid-up share capital		Shareholding		Carrying amount under cost method		Dividend income	
			2022	2021	2022	2021	2022	2021	2022	2021
<i>(in thousand Baht)</i>										
<i>(%)</i>										
Associates	M.K. Real Estate Development Plc.	Land and building development	1,091,205	1,091,205	31.5	31.5	1,376,516	1,376,516	-	-
			2,320,077	2,368,464	23.0	23.0	533,329	544,452	41,958	45,253
			127,860	127,860	30.0	30.0	60,000	60,000	-	-
	Prospect Logistics and Industrial Leasehold Real Estate Investment Trust ⁽¹⁾		Thailand	1,969,845		1,980,968		41,958		45,253
Joint venture	BFTZ Wangnoi Co., Ltd.	Developing factory building and warehouse for rent	5,000	5,000	50.0	50.0	2,500	2,500	-	-
			1,972,345		1,983,468		41,958		45,253	
			Total		Total		Total		Total	

⁽¹⁾ On 12 May 2022, the Board of Directors of the associate passed a resolution to decrease the associate's authorised share capital amounting to Baht 48.4 million which was completed on 10 June 2022. The Company already received paid back share subscription on the same date.

The Group has investment in M.K. Real Estate Development Plc. and Prospect Logistics and Industrial Leasehold Real Estate Investment Trust which are listed on the Stock Exchange of Thailand. As at 31 December 2022, the closing price were at Baht 2.78 per share and Baht 9.75 per share, respectively (2021: Baht 3.04 per share and Baht 10.70 per share, respectively). The market value of investments of the Group which were calculated from the mentioned closing price were amounted to Baht 955.9 million and Baht 549.1 million, respectively (2021: Baht 1,045.3 million and Baht 602.6 million, respectively).

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10 Building and equipment

Consolidated financial statements

	Buildings and buildings improvement	Office equipment	Furniture & fixtures (in thousand Baht)	Vehicles	Assets under installation	Total
Cost						
At 1 January 2021	154,809	59,203	35,836	12,233	640	262,721
Additions	-	4,664	1,551	-	780	6,995
Disposals/ write off	(9,720)	(1,664)	(3,823)	(167)	(1,273)	(16,647)
At 31 December 2021 and 1 January 2022	145,089	62,203	33,564	12,066	147	253,069
Additions	-	1,065	827	7,217	526	9,635
Transfers in (out)	-	-	673	-	(673)	-
Disposals/ write off	(145,089)	(53,832)	(32,306)	(15,986)	-	(247,213)
At 31 December 2022	-	9,436	2,758	3,297	-	15,491
Accumulated depreciation						
At 1 January 2021	89,531	53,073	27,501	5,114	-	175,219
Depreciation charge for the year	-	2,381	3,044	1,260	-	6,685
Disposals/ write off	(9,720)	(1,821)	(4,009)	-	-	(15,550)
At 31 December 2021 and 1 January 2022	79,811	53,633	26,536	6,374	-	166,354
Depreciation charge for the year	167	1,870	823	529	-	3,389
Disposals/ write off	(79,978)	(50,823)	(26,237)	(6,414)	-	(163,452)
At 31 December 2022	-	4,680	1,122	489	-	6,291
Net book value						
At 31 December 2021	65,278	8,570	7,028	5,692	147	86,715
At 31 December 2022	-	4,756	1,636	2,808	-	9,200

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	Separate financial statements					
	Buildings and buildings improvement	Office equipment	Furniture & fixtures (in thousand Baht)	Vehicles	Assets under installation	Total
Cost						
At 1 January 2021	154,809	45,499	22,844	400	640	224,192
Additions	-	4,298	1,521	-	780	6,599
Disposals/ write off	(9,720)	(558)	(3,728)	-	(1,273)	(15,279)
At 31 December 2021 and 1 January 2022	145,089	49,239	20,637	400	147	215,512
Additions	-	771	441	2,897	526	4,635
Transfers in (out)	-	-	673	-	(673)	-
Disposals/ write off	(145,089)	(40,574)	(18,993)	-	-	(204,656)
At 31 December 2022	-	9,436	2,758	3,297	-	15,491
Accumulated depreciation						
At 1 January 2021	89,531	40,837	16,492	389	-	147,249
Depreciation charge for the year	-	1,744	2,263	-	-	4,007
Disposals/ write off	(9,720)	(448)	(3,673)	-	-	(13,841)
At 31 December 2021 and 1 January 2022	79,811	42,133	15,082	389	-	137,415
Depreciation charge for the year	-	1,536	558	100	-	2,194
Disposals/ write off	(79,811)	(38,989)	(14,518)	-	-	(133,318)
At 31 December 2022	-	4,680	1,122	489	-	6,291
Net book value						
At 31 December 2021	65,278	7,106	5,555	11	147	78,097
At 31 December 2022	-	4,756	1,636	2,808	-	9,200

On 19 January 2022, the Board of Directors' Meeting of the Company passed a resolution to approve the selling of its building and equipment to Finansia Securities Limited at the appraised price by an independent property appraiser at Baht 370.3 million. The purchasing-selling transaction was completed on 1 February 2022. The Company recognised gain on disposal of building and equipment in the consolidated and separate financial statements at Baht 298.8 million.

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11 Goodwill

		Consolidated financial statements	
	<i>Note</i>	2022	2021
		<i>(in thousand Baht)</i>	
Cost			
At 1 January		156,920	156,920
Disposals	16	(111,564)	-
At 31 December		45,356	156,920
Impairment losses			
At 31 December		-	-
Net book value			
At 31 December		45,356	156,920

Impairment testing for CGUs containing goodwill

For the purposes of impairment testing, goodwill has been allocated to the Group's CGUs (operating divisions) as follows.

		Consolidated financial statements	
	<i>Note</i>	2022	2021
		<i>(in thousand Baht)</i>	
Investment, advisory and management business		45,356	45,356
Discontinued operation	16	-	111,564
Total		45,356	156,920

The recoverable amount of investment, advisory and management business was based on estimated using discounted cash flows. The fair value measurement was categorised as a Level 3 fair value.

As at 31 December 2022 and 2021, the key assumptions used in the estimation of the recoverable amount are discount rates between 5% to 10%. The values assigned to the key assumptions represent management's assessment of future trends in the relevant industries and have been based on historical data from both external and internal sources in which the recoverable amount of cash generating units is higher than the book value.

12 Debentures

12.1 Short-term debentures

Outstanding of short-term debentures issued by the Company which are charged interest at the rates with reference to the Money Market rate were as follows:

	Consolidated and separate financial statements	
	2022	2021
	<i>(in thousand Baht)</i>	
Short-term debentures	-	300,000
	-	300,000

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12.2 Long-term debentures

Outstanding of long-term debentures issued by the Company which are charged interest at the rates with reference to the Money Market rate were as follows:

	Consolidated and separate financial statements	
	2022	2021
	<i>(in thousand Baht)</i>	
Long-term debentures		
Mature in 2022	-	340,000
Mature in 2023	300,000	300,000
Mature in 2025	366,800	366,800
	<u>666,800</u>	<u>1,006,800</u>
Less current portion	<u>(300,000)</u>	<u>(340,000)</u>
	<u>366,800</u>	<u>666,800</u>

13 Non-current provisions for employee benefits

Defined benefit plans

The Group and the Company operate a defined benefit plan based on the requirement of Thai Labour Protection Act B.E. 2541 (1998) to provide retirement benefits to employees based on pensionable remuneration and length of service. The defined benefit plans expose the Group to actuarial risks, such as longevity risk, currency risk, interest rate risk and market (investment) risk.

Present value of the defined benefit obligations	<i>Note</i>	Consolidated financial statements		Separate financial statements	
		2022	2021	2022	2021
		<i>(in thousand Baht)</i>			
At 1 January		68,755	63,479	29,383	27,601
Recognised in profit or loss:					
Current service cost		2,507	4,669	1,460	1,595
Interest on obligation		334	607	180	187
Recognised in other comprehensive income:					
Actuarial (gain) loss					
- Demographic assumptions		(12)	-	(12)	-
- Financial assumptions		(3,304)	-	(3,304)	-
- Experience adjustment		2,331	-	2,331	-
Derecognition of discontinued operation	16	(40,573)	-	-	-
Benefit paid		<u>(3,203)</u>	<u>-</u>	<u>(3,203)</u>	<u>-</u>
At 31 December		<u>26,835</u>	<u>68,755</u>	<u>26,835</u>	<u>29,383</u>

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<i>Principal actuarial assumptions</i>	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
				(%)
Discount rate	1.37 - 4.07	0.36 - 2.31	1.37 - 4.07	0.36 - 2.31
Future salary growth	4.00	6.00	4.00	6.00
Employee turnover	0 - 11.00	0 - 25.00	0 - 11.00	0 - 25.00

Assumptions regarding future mortality have been based on published statistics and mortality tables.

At 31 December 2022, the weighted-average duration of the defined benefit obligation was 3.5 years (2021: 9.4 years).

Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant.

<i>Effect to the defined benefit obligation At 31 December</i>	Consolidated financial statements			
	Increase in assumption		Decrease in assumption	
	2022	2021	2022	2021
				(in thousand Baht)
Discount rate (1% movement)	(889)	(4,335)	944	4,432
Future salary growth (1% movement)	917	4,632	(880)	(4,213)
Employee turnover (20% movement)	(62)	(1,314)	73	1,554

<i>Effect to the defined benefit obligation At 31 December</i>	Separate financial statements			
	Increase in assumption		Decrease in assumption	
	2022	2021	2022	2021
				(in thousand Baht)
Discount rate (1% movement)	(889)	(1,121)	944	950
Future salary growth (1% movement)	917	1,092	(880)	(1,028)
Employee turnover (20% movement)	(62)	(138)	73	163

14 Legal reserve

Section 116 of the Public Limited Companies Act B.E. 2535 (1992) requires that a public company shall allocate not less than 5% of its annual net profit, less any accumulated losses brought forward, to a reserve account ("legal reserve"), until this account reaches an amount not less than 10% of the registered authorised capital. The legal reserve is not available for dividend distribution.

15 Segment information

Segment results that are reported to the Group's the chief operating decision maker include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

Management determined that the Group has one reportable segment which is investment, advisory and management business and is 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.

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<i>Year ended 31 December</i>	Consolidated financial statements	
	2022	2021
	<i>(in thousand Baht)</i>	
Revenue from external customers		
Service income	10,221	5,400
Interest income and dividend	72,425	37,871
Gain on investments	5,917	445
Total income	88,563	43,716
Segment income (loss)	14,704	(19,738)
Unallocated income and expenses:		
Other income	1,205	8,388
Servicing and administrative expenses	(30,692)	(43,653)
Loss on disposal of investment in associate	-	(56,056)
Loss on exchange rate	(10,762)	(14,432)
Finance costs	(48,991)	(58,535)
Reversal of expected credit loss	-	32,896
Share of profit of associates and joint venture accounted for using equity method	6,237	50,864
Gain on disposal of building and equipment	298,806	11
Profit (loss) from continuing operation	230,507	(100,255)
(Loss) profit from discontinued operation	(125,590)	58,066
Profit (loss) for the year	104,917	(42,189)

Assets and liabilities information of the Group as at 31 December 2022 and 2021 presented by business segment are as follows:

	Consolidated financial statements 2022
	Investment, advisory and management business
	<i>(in thousand Baht)</i>
Total assets	3,291,405
Total liabilities	721,055

	Consolidated financial statements 2021			
	Investment, advisory and management business	Securities business	Elimination	Consolidated financial statements
	<i>(in thousand Baht)</i>			
Total assets	4,144,818	884,169	(1,500,509)	4,128,478
Total liabilities	2,108,624	94,042	(691,455)	1,511,211

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16 Discontinued operation

On 5 May 2022, the Group disposed all investment in ordinary shares held directly and indirectly by the Company of Finansa Securities Limited in the amount of 39,999,995 shares with a par value at Baht 10 per share, representing approximately 100 percent of all issued shares of Finansa Securities Limited, at the sale price of Baht 12.25 per share, totaling Baht 490.19 million, to FSS International Investment Advisory Securities Company Limited. The Group recognised loss from loss of control in the subsidiary in the consolidated statement of comprehensive income of Baht 140.5 million and gain in the separate statement of comprehensive income of Baht 55.5 million. This segment was not a discontinued operation or classified as held for sale as at 31 December 2021 and the comparative statement of comprehensive income has been re-presented to show the discontinued operation separately from continuing operation.

An analysis of the results of the discontinued operation for the years ended 31 December 2022 and 2021 was as follows:

<i>Operating results of discontinued operation</i> <i>Year ended 31 December</i>	Consolidated financial statements Securities business	
	2022	2021
	<i>(in thousand Baht)</i>	
<i>Income</i>		
Securities business income	73,565	213,828
<i>Expenses</i>		
Securities business expenses	49,976	132,416
Servicing and administrative expenses	3,091	10,274
Profit before income tax expense of discontinued operation	20,498	71,138
Income tax expense	(5,610)	(13,072)
Profit for the year from operating activities of discontinued operation, net of tax	14,888	58,066
Loss on disposal of discontinued operation	(140,478)	-
(Loss) profit for the year of discontinued operation, net of tax	(125,590)	58,066

Net cash from discontinued operation for the years ended 31 December 2022 and 2021 were as follows:

<i>Year ended 31 December</i>	Consolidated financial statements Securities business	
	2022	2021
	<i>(in thousand Baht)</i>	
Net cash from operating activities	64,439	64,446
Net cash from investing activities	455,273	14,291
Net cash from discontinued operation	519,712	78,737

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Effect of disposal on the financial position

**Consolidated
financial
statements**
(in thousand Baht)

Current assets

Cash and cash equivalents	34,915
Service income receivables	2,138
Other receivables	1,743
Other current financial assets	108,498
Other current assets	954
Total current assets	148,248

Non-current assets

Other non-current financial assets	11,130
Building and equipment	394,382
Right-of-use assets	1,506
Goodwill	111,564
Deferred tax assets	7,989
Other non-current assets	610
Total non-current assets	527,181

Total assets

675,429

Current liabilities

Current portion of lease liabilities	727
Income tax payable	4,896
Other current liabilities	16,574
Total current liabilities	22,197

Non-current liabilities

Lease liabilities	817
Non-current provisions for employee benefits	40,573
Total non-current liabilities	41,390

Total liabilities

63,587

Net assets and liabilities

611,842

Amount included in accumulated other comprehensive income (loss)

Actuarial loss on defined benefit plan, net of tax	21,219
Gain on investments measured at FVOCI	(2,395)
Net assets and liabilities at disposal date	630,666

Consideration received, satisfied in cash

490,188

Cash and cash equivalents disposed of

(34,915)

Net cash inflows

455,273

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17 Net gain on investments measured at fair value through profit or loss

	Consolidated and separate financial statements	
	2022	2021
	<i>(in thousand Baht)</i>	
Debt instruments measured at FVTPL	6,694	445
Equity instruments measured at FVTPL	(777)	-
Total	5,917	445

18 Expenses by nature

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	<i>(Restated)</i>			
	<i>(in thousand Baht)</i>			
Finance costs	48,991	58,535	52,869	71,798
Directors and management remuneration	35,513	30,748	35,513	30,748
Loss on exchange rate	10,762	14,432	-	-
Fees and service expenses	19,421	29,667	4,671	16,309
Employee benefit expenses	16,487	17,571	16,093	17,227
Loss on investments	10,144	-	-	-
Other premises and equipment expenses	6,158	10,474	6,771	10,474
Depreciation and amortisation	6,107	6,535	6,107	6,535
Taxes and duties	1,386	1,459	1,386	1,459
Reversal of expected credit loss	-	(32,896)	-	(32,896)

During 2022, the Group and the Company have contributed provident funds for its employees amounting to Baht 4.2 million and Baht 2.5 million, respectively (2021: Baht 6.6 million and Baht 2.2 million, respectively), which included in employee benefit expenses.

19 Income tax

<i>Income tax recognised in profit or loss</i>	<i>Note</i>	Consolidated financial statements	
		2022	2021
		<i>(in thousand Baht)</i>	
Current tax expense			
Current year		5,713	13,661
		5,713	13,661
Deferred tax expense			
Movements in temporary differences		(103)	(589)
		(103)	(589)
Income tax expense excluding tax on gain on sale of discontinued operation		5,610	13,072
<i>Attributable to:</i>			
Income tax from discontinued operation (excluding gain on sale)	16	(5,610)	(13,072)
Total income tax		-	-

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**Reconciliation of effective tax rate
from continuing operations**

	Consolidated financial statements			
	Rate	2022	Rate	2021
	(%)	(in thousand Baht)	(%)	(in thousand Baht)
Profit (loss) before income tax expense		230,507		(100,255)
Income tax using the Thai corporation tax rate	20.0	46,101	20.0	(20,051)
Effect of different tax rates in foreign jurisdictions		1,249		13,248
Share of profit of associates and joint venture accounted for using equity method		(1,247)		(10,173)
Income not subject to tax		(1,475)		(11,344)
Expenses not deductible for tax purposes		25,680		8,950
Recognition of previously unrecognised tax losses		(72,1634)		-
Current year losses for which no deferred tax asset was recognised		-		19,411
Others		1,855		-
Total	-	-	-	-

**Reconciliation of effective tax rate
from discontinued operation**

	Consolidated financial statements			
	Rate	2022	Rate	2021
	(%)	(in thousand Baht)	(%)	(in thousand Baht)
Profit before income tax expense		20,498		71,138
Income tax using the Thai corporation tax rate	20.0	4,100	20.0	14,228
Tax effect of income and expenses that are not taxable income or not deductible in determining taxable income, net		1,510		(1,156)
Total	27.4	5,610	44.9	13,072

**Deferred tax
At 31 December**

	Consolidated financial statements			
	Assets		Liabilities	
	2022	2021	2022	2021
		(in thousand Baht)		
Total	-	7985	-	(99)
Set off of tax	-	(99)	-	99
Net deferred tax assets (liabilities)	-	7,886	-	-

	Consolidated financial statements			
	At	Credited to	Derecognition	At
	1 January	Profit or loss	of discontinued	31 December
	2022	(in thousand Baht)	operation	2022
			(Note 16)	
Deferred tax assets				
Lease liabilities	110	103	(213)	-
Non-current provisions for employee benefits	7,875	-	(7,875)	-
Total	7,985	103	(8,088)	-
Deferred tax liabilities				
Gain on measurement of financial assets	(99)	-	99	-
Total	(99)	-	99	-
Net	7,886	103	(7,989)	-

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Consolidated financial statements				
	At 1 January 2021	Credited (charged) to profit or loss (in thousand Baht)	At 31 December 2021	
Deferred tax assets				
Lease liabilities	57	53	110	
Non-current provisions for employee benefits	7,176	699	7,875	
Loss on measurement of financial assets	64	(64)	-	
Total	7,297	688	7,985	
Deferred tax liabilities				
Gain on measurement of financial assets	-	(99)	(99)	
Total	-	(99)	(99)	
Net	7,297	589	7,886	
Unrecognised deferred tax assets				
At 31 December	2022	2021	2022	2021
		(in thousand Baht)		
Deductible temporary differences	5,593	6,103	5,593	6,103
Unused tax losses	761	72,933	761	72,933
Total	6,354	79,036	6,354	79,036

The tax losses expire in 2026. The deductible temporary differences do not expire under current tax legislation. The Company has not recognised these items as deferred tax assets because it is not probable that the Company will have sufficient future taxable profit to utilise the benefits therefrom.

20 Earnings (loss) per share

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	(in thousand Baht / thousand shares)			
Profit (loss) attributable to ordinary shareholders (basic)	104,917	(42,189)	337,807	73,431
Number of ordinary shares outstanding	345,855	345,855	345,855	345,855
Earnings (loss) per share (basic) (in Baht)	0.30	(0.12)	0.98	0.21
<i>Attributable to:</i>				
- Basic earnings (loss) per share from continuing operation	0.66	(0.29)	0.98	0.21
- Basic (loss) earnings per share from discontinued operation	(0.36)	0.17	-	-

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21 Dividends

	Approval date	Payment schedule	Dividend rate per share (in Baht)	Amount (in million Baht)
2022				
Annual dividend	28 April 2022	27 May 2022	0.50	172.9
2021				
Annual dividend	29 April 2021	27 May 2021	0.40	51.9
Interim dividend	22 February 2021	22 March 2021	0.10	121.0
			<u>0.50</u>	<u>172.9</u>

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22 Risk management and financial instruments

(a) Carrying amounts and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy, but does not include fair value information for financial assets and financial liabilities measured at amortised cost if the carrying amount is a reasonable approximation of fair value.

Consolidated financial statements
2022

	Financial instruments measured at amortised cost	Carrying amount	Fair value			
	Financial instruments measured at FVTPL	Financial instruments measured at FVOCI	Total (in thousand Baht)	Level 1	Level 2	Level 3
						Total
Financial assets						
Domestic marketable equity instruments	-	-	10,525	10,525	-	10,525
Domestic marketable debt instruments	-	-	350,481	-	350,481	350,481
- unit trusts	-	-	47,816	-	-	47,816
Domestic non-marketable debt instruments	-	-	10,378	-	10,378	10,378
Government bond	-	10,378	257,011	-	-	257,011
Domestic non-marketable equity instruments	-	257,011	12,551	-	12,551	12,551
Unit trust in foreign funds	-	12,551	45,411	45,411	-	45,411
Foreign marketable equity instruments	-	45,411	-	-	-	-
Financial liabilities						
Long-term debentures	666,800	-	666,800	-	644,010	644,010

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Consolidated financial statements
2021

	Financial instruments measured at amortised cost	Carrying amount	Fair value					
		Financial instruments measured at FVTPL	Financial instruments measured at FVOCI	Total (in thousand Baht)	Level 1	Level 2	Level 3	Total
Financial assets								
Domestic marketable equity instruments	-	1,291	-	1,291	-	1,291	-	1,291
Domestic marketable debt instruments								
- unit trusts	-	363,226	-	363,226	-	363,226	-	363,226
Government bond	-	-	10,856	10,856	-	10,856	-	10,856
Domestic non-marketable equity instruments	-	-	264,874	264,874	-	-	264,874	264,874
Unit trust in foreign funds	-	-	10,176	10,176	-	10,176	-	10,176
Foreign marketable equity instruments	-	-	29,131	29,131	29,131	-	-	29,131
Digital tokens	-	475,000	-	475,000	-	475,000	-	475,000
Financial liabilities								
Long-term debentures	1,006,800	-	-	1,006,800	-	1,006,283	-	1,006,283

FNS Holdings Public Company Limited and its subsidiaries
(formerly Finansia Public Company Limited)

Notes to the financial statements
For the year ended 31 December 2022

Separate financial statements
2022

	Financial instruments measured at amortised cost	Carrying amount Financial instruments measured at FVTPL	Financial instruments measured at FVOCI	Total (in thousand Baht)	Level 1	Level 2	Level 3	Total
Financial assets								
Domestic marketable equity instruments	-	10,525	-	10,525	10,525	-	-	10,525
Domestic marketable debt instruments - unit trusts	-	350,481	-	350,481	-	350,481	-	350,481
Domestic non-marketable debt instruments	-	47,816	-	47,816	-	-	47,816	47,816
Government bond	-	-	10,378	10,378	-	10,378	-	10,378
Domestic non-marketable equity instruments	-	-	14,222	14,222	-	-	14,222	14,222
Financial liabilities								
Long-term debentures	666,800	-	-	666,800	-	644,010	-	644,010

FNS Holdings Public Company Limited and its subsidiaries
(formerly Finansa Public Company Limited)

Notes to the financial statements
For the year ended 31 December 2022

Separate financial statements 2021							
	Financial instruments measured at amortised cost	Carrying amount		Fair value			Total
		Financial instruments measured at FVTPL	Financial instruments measured at FVOCI	Level 1	Level 2	Level 3	
<i>Financial assets</i>							
Domestic marketable debt instruments - unit trusts	-	237,803	-	237,803	-	-	237,803
Government bond	-	-	10,856	10,856	-	-	10,856
Domestic non-marketable equity instruments	-	-	12,348	12,348	-	12,348	12,348
Digital tokens	-	475,000	-	475,000	-	-	475,000
<i>Financial liabilities</i>							
Long-term debentures	1,006,800	-	-	1,006,800	-	-	1,006,283

FNS Holdings Public Company Limited and its subsidiaries
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Notes to the financial statements

For the year ended 31 December 2022

The following methods and assumptions are used in estimating fair values of financial instruments are disclosed herein:

The fair values of current financial assets and current financial liabilities measured at amortised cost are approximated based on the carrying amounts since these financial instruments are short-term in nature.

The fair values of unit trust in domestic and foreign funds are estimated using net asset value at the reporting date.

The fair values of debt instruments with no active market price are estimated using market yield curve of debt instruments plus a risk premium.

The fair values of investment in government bonds are estimated using market yield of debt instruments published by the Thai Bond Market Association.

The fair values of domestic non-marketable equity instruments are estimated using different measurement approach that is most appropriate to the investee's business such as adjusted book value and discounted cash flows method.

The fair values of domestic and foreign marketable equity instruments are estimated using market price at the reporting date.

The fair values of digital tokens are estimated using latest closing price for identical instrument from Thailand's licensed and regulated digital token-focused exchange.

The fair values of debentures are estimated using the discounted cash flows technique.

Reconciliation of Level 3 fair values

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
<i>Equity instruments</i>				
At 1 January	264,874	263,535	12,348	11,744
Acquisitions	1,874	-	1,874	-
Net change in fair value (including unrealised transactions)	-	1,339	-	604
Derecognition of discontinued operation	(9,737)	-	-	-
At 31 December	257,011	264,874	14,222	12,348
<i>Debt instruments</i>				
At 1 January	-	-	-	-
Acquisitions	50,000	-	50,000	-
Net change in fair value (including unrealised transactions)	(2,184)	-	(2,184)	-
At 31 December	47,816	-	47,816	-

FNS Holdings Public Company Limited and its subsidiaries
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Notes to the financial statements

For the year ended 31 December 2022

Sensitivity analysis

For the fair values of financial assets measured at fair value Level 3, reasonably possible changes at the reporting date to one of the significant unobservable inputs, holding other inputs constant, would have the following effects.

	Consolidated financial statements		Separate financial statements	
	1% increase in assumption	1% decrease in assumption	1% increase in assumption	1% decrease in assumption
<i>Effect to profit or loss</i>				
	<i>(in thousand Baht)</i>			
2022				
<i>Domestic non-marketable equity instruments</i>				
Risk-adjusted discount rate	(65,884)	61,418	(1,696)	2,319
2021				
<i>Domestic non-marketable equity instruments</i>				
Risk-adjusted discount rate	(50,887)	68,263	(531)	561
	Consolidated financial statements		Separate financial statements	
	1% increase in assumption	1% decrease in assumption	1% increase in assumption	1% decrease in assumption
<i>Effect to other comprehensive income, net of tax</i>				
	<i>(in thousand Baht)</i>			
2022				
<i>Domestic non-marketable debt instruments</i>				
Risk-adjusted discount rate	(4,769)	4,817	(4,769)	4,817
2021				
<i>Domestic non-marketable debt instruments</i>				
Risk-adjusted discount rate	(4,778)	4,826	(4,778)	4,826

(b) *Financial risk management policies*

The Group's board of directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The Board of Directors is responsible for developing and monitoring the Group's risk management policies. The committee reports regularly to the board of directors on its activities.

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

The Group audit committee oversees how management monitors compliance with the Group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The Group's audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

FNS Holdings Public Company Limited and its subsidiaries
(formerly Finansa Public Company Limited)

Notes to the financial statements
For the year ended 31 December 2022

22.1 Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from loans, investments in debt instruments and credit terms given to customers. Therefore, the Group manages and controls the risk by having in place lending and investment policies, credit control procedures and credit term policies. The Group therefore expects 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.

22.2 Liquidity risk

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

The following table shows the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted and include contractual interest payments and exclude the impact of netting agreements.

Consolidated financial statements				
2022				
Contractual cash flows				
	Carrying amount	1 year or less	More than 1 year but less than 5 years	Total
		<i>(in thousand Baht)</i>		
Long-term debentures	666,800	318,815	400,415	719,230
Lease liabilities	5,813	3,179	2,955	6,134
Consolidated financial statements				
2021				
Contractual cash flows				
	Carrying amount	1 year or less	More than 1 year but less than 5 years	Total
		<i>(in thousand Baht)</i>		
Short-term debentures	300,000	305,802	-	305,802
Long-term debentures	1,006,800	382,170	719,230	1,101,400
Lease liabilities	9,069	4,626	4,853	9,479

FNS Holdings Public Company Limited and its subsidiaries
(formerly Finansa Public Company Limited)

Notes to the financial statements

For the year ended 31 December 2022

Separate financial statements

2022

Contractual cash flows

	Carrying amount	1 year or less	More than 1 year but less than 5 years	Total
		(in thousand Baht)		
Advance from related parties	21,105	21,105	-	21,105
Long-term debentures	666,800	318,815	400,415	719,230
Lease liabilities	5,813	3,179	2,955	6,134

Separate financial statements

2021

Contractual cash flows

	Carrying amount	1 year or less	More than 1 year but less than 5 years	Total
		(in thousand Baht)		
Short-term debentures	300,000	305,802	-	305,802
Short-term loans from related parties	690,200	690,200	-	690,200
Long-term debentures	1,006,800	382,171	719,230	1,101,400
Lease liabilities	1,048	533	622	1,155

22.3 Market risk

22.3.1 Interest rate risk

Interest rate risk is the risk that future movements in market interest rates will affect the results of the Group's operations and its cash flows.

Consolidated financial statements

2022

	Variable interest rate	Fixed interest rate	Non- interest bearing	Total
Exposure to interest rate risk				
Financial assets				
Cash and cash equivalents	-	4,953	8,119	13,072
Short-term loans and advance to related parties	-	467,485	-	467,485
Loans to others	-	73,800	-	73,800
Other financial assets				
- Investment in debt instruments	-	58,194	350,481	408,675
Financial liabilities				
Long-term debentures	-	666,800	-	666,800
Lease liabilities	-	5,813	-	5,813

FNS Holdings Public Company Limited and its subsidiaries
(formerly Finansa Public Company Limited)

Notes to the financial statements
For the year ended 31 December 2022

Consolidated financial statements				
2021				
	Variable interest rate	Fixed interest rate (in thousand Baht)	Non- interest bearing	Total
Exposure to interest rate risk				
Financial assets				
Cash and cash equivalents	-	4,372	192,887	197,259
Short-term loans and advance to related parties	-	395,028	-	395,028
Loans to others	-	100,000	-	100,000
Other financial assets				
- Investment in debt instruments	-	10,856	363,226	374,082
Digital tokens	-	-	475,000	475,000
Financial liabilities				
Short-term debentures	-	300,000	-	300,000
Long-term debentures	-	1,006,800	-	1,006,800
Lease liabilities	-	9,069	-	9,069
Separate financial statements				
2022				
	Variable interest rate	Fixed interest rate (in thousand Baht)	Non- interest bearing	Total
Exposure to interest rate risk				
Financial assets				
Cash and cash equivalents	-	4,953	4,952	9,545
Short-term loans and advance to related parties	-	467,485	-	467,485
Loans to others	-	73,800	-	73,800
Other financial assets				
- Investment in debt instruments	-	58,194	350,481	408,675
Digital tokens				
Financial liabilities				
Long-term debentures	-	666,800	-	666,800
Advances from related parties	-	-	21,105	21,105
Lease liabilities	-	5,813	-	5,813

FNS Holdings Public Company Limited and its subsidiaries
(formerly Finansa Public Company Limited)

Notes to the financial statements

For the year ended 31 December 2022

	Separate financial statements 2021			
	Variable interest rate	Fixed interest rate (in thousand Baht)	Non- interest bearing	Total
Exposure to interest rate risk				
Financial assets				
Cash and cash equivalents	-	4,372	4,104	8,476
Short-term loans and advance to related parties	-	395,028	867	395,895
Loans to others	-	100,000	-	100,000
Other financial assets				
- Investment in debt instruments	-	10,856	237,803	248,659
Digital tokens	-	-	475,000	475,000
Financial liabilities				
Short-term debentures	-	300,000	-	300,000
Long-term debentures	-	1,006,800	-	1,006,800
Short-term loans from related parties	-	690,200	-	690,200
Lease liabilities	-	1,048	-	1,048

22.3.2 Foreign exchange risk

The Group is exposed to foreign currency risk relating to loans which are denominated in foreign currencies which may result in changes in the value of financial instruments, fluctuations in revenues or value of financial assets.

As at 31 December 31 2022 and 2021, the Group had foreign currency-denominated financial assets, which had not been hedged against foreign exchange risk, as follows:

	Consolidated financial statements	
	2022	2021
Exposure to foreign currency		
	US dollar (in thousand Baht)	
Financial assets	61,489	212,472
Net statement of financial position exposure	61,489	212,472

Sensitivity analysis

A reasonably possible strengthening (weakening) of Thai Baht against all other foreign currencies at the reporting date would have affected the measurement of financial instruments denominated in a foreign currency. This analysis assumes that all other variables, in particular interest rates, remain constant.

Impact to profit or loss	Movement %	Consolidated financial statements	
		Strengthening (in thousand Baht)	Weakening
2022			
US Dollar	5	(3,074)	3,074
2021			
US Dollar	5	(10,624)	10,624

FNS Holdings Public Company Limited and its subsidiaries
(formerly Finansa Public Company Limited)

Notes to the financial statements
For the year ended 31 December 2022

22.3.3 Equity price risk

Equity position risk is the risk arising from changes in the market prices of equity instruments which may result in changes in the value of investments, fluctuations in revenues and/or the value of investment in equity instruments. The Group has equity position risk, occurring from their investment in domestic and foreign marketable equity instruments. (Further details of investment in equity instruments are provided under Note 7 and further details on fair value of investment in equity instruments are provided under Note 22 (a)).

23 Capital management

The Board of Directors' policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board regularly monitors the return on capital, by evaluating result from operating activities divided by total equity and also monitors the level of dividends to ordinary shareholders.

24 Assets under restriction

As at 31 December 2022, the Company had pledged investment in government bond amounting to Baht 10.4 million to secure bank overdrafts limit with a bank (2021: Baht 10.9 million).

As at 31 December 2022, the Company had pledged its investment in an associate with book value of Baht 2.5 million to secure an associate's borrowing from a local financial institution (2021: Baht 2.5 million).

As at 31 December 2022, the Company had pledged a portion of its investment in an associate with total market value of Baht 152.9 million (2021: Baht 167.2 million) to secure working capital credit facility of Baht 100.0 million (2021: Baht 100.0 million) from a local financial institution. The Company had to maintain required ratios between outstanding debt and collateral amount as specified in the agreement.

Attachment

Attachment 1	Information of Directors, Executives, Controlling Person, the Person taking the highest responsibility in finance and accounting, the Person supervising accounting, 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 / Code of Conduct prepared by the Company and Anti-Corruption Policy
Attachment 6	Audit Committee Report / Report on the Board of Directors Responsibility towards the Financial Statements / Report of the Nomination, Compensation and Corporate Governance Committee

Attachment 1

Information of Directors, Executives, Controlling Person,
the Person taking the highest responsibility in finance and accounting,
the Person supervising accounting, and Company secretary

Name-Last Name**Mr. Akarat Na Ranong****Age****69 Years****Position / Date of Appointment of Director**

Chairman (9 December 2021) / Member of the Audit Committee / Member of the 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)
 - Advanced Audit Committee Program (AACP Online) (2022)
- Certificate, Capital Market Academy Leadership Program (2008)
- Role of Audit Committee of listed company (2021)

% Holding in FNS**As at 31 December 2022**

0%

Family Relationship

-

Experience Over Past 5 Years**Listed Company****2017 – Present**

- Independent Director / Chairman of Audit Committee / Member of Nomination Compensation and Corporate Governance Committee
 - Symphony Communication Pcl.

2010 - Present

- Independent Director / Chairman of Audit Committee
 - Matching Maximize Solution Pcl.

Other Companies**1 Mar 2022 – Present**

- Independent Director and Member of Audit Committee
 - Finansa Securities Ltd.

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****59 Years**

Position / Date of Appointment of Director Managing Director / Authorized Director / Member of the Nomination, Compensation and Corporate Governance Committee (19 June 2002) / Company Secretary (11 August 2022)

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 2022**

44.757%

Family Relationship

-

Experience Over Past 5 Years**Listed Company****2015 – Present**

- Director and Chief Executive Officer
 - M.K.Real Estate Development Plc.

Other Companies**Apr 2021 – Present**

- Director
 - BFTZ Bangpakong Co., Ltd.

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 Co., Ltd.

1994 – Present

- Director
 - Finansa Fund Management Ltd.

Name-Last Name**Mr. Chanmanu Sumawong****Age****66 Years****Position / Date of Appointment of Director**

Chairman of Audit Committee / Chairman of 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)
- Online seminar by SEC. Final Call : PDPA Onboarding (2022)

% Holding in FNS**As at 31 December 2022**

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**1 Mar 2022 – Present**

- Independent Director and Chairman of the Audit Committee
 - Finansa Securities Ltd.

2018 – 28 Feb 2022

- Independent Director, Member of the Audit Committee
 - Finansa Securities Ltd.

Name-Last Name**Mr. Nuttawut Phowborom****Age****58 Years****Position / Date of Appointment of Director** Member of Audit Committee / Independent Director / 25 April 2013**Education and Training Program**

- MB A, 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 2022**

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.)
- Director
 - 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 Air Asia Co., Ltd.

Name-Last Name**Mr. James Marshall****Age****68 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 of Securities & Investment, United Kingdom (1993)
- Certificate, CISI (2020-2021), United Kingdom
 - Achievement of 35 hours of CDP Scheme

% Holding in FNS**As at 31 December 2022**

0.33%

Family Relationship

-

Experience Over Past 5 Years**Listed Company****Jan 2019 - Present**

- Head of Research and Business Development Department
 - FNS Holdings 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**Ms. Rachanee Mahatdetkul****Age****56 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 2022**

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
 - FNS Holdings Plc.

1994 – 2006

- Vice President - Direct Investment
 - Finansa Plc.

Other Companies**May 2021 – Present**

- Director
 - BFTZ Wangnoi Co.,Ltd.

Apr 2021 – Present

- Director
 - BFTZ Bangpakong Co., Ltd.

Nov 2019 – Present

- Director
 - PROSPECT REIT MANAGEMENT CO.,LTD.

Nov 2018 – Present

- Managing Director
 - Prospect Development Co., Ltd.

2017 – Present

- Director
 - FB Foodservice (2017) Ltd.

2016 – Present

- Director
 - Frasers Property BFTZ Co., Ltd.

2009 – 2018

- Executive Director
 - Prospect Development Co., Ltd.

Name-Last Name**Mrs. Snitha Asawachinda****Age****51 Years****Position / Date of Appointment of Director** Head of Treasury Department**Education and Training Program**

- MBA, SASIN Graduate Institute of Business Administration , Chulalongkorn University, Thailand
- Bachelor's Degree, Economics, Chulalongkorn University, Thailand

Training Program

- Thai Institute of Directors Association (IOD) (2016)
 - Corporate Governance for Capital Market Intermediaries (CGI)

% Holding in FNS**As at 31 December 2022**

0%

Family Relationship

-

Experience Over Past 5 Years**Listed Company****1 June 2022 - Present**

- Treasurer, Treasury Department
 - FNS Holdings Plc.

Other Companies**6 January 2023 – Present**

- Director
 - BFTZ Wangnoi Co.,Ltd.

31 July 2020 – Present

- Executive Director
 - Kanom Café Co., Ltd.

Name-Last Name**Mr. Chakhrit Suphepre****Age****58 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 Technology Ladkrabang, Thailand

% Holding in FNS**As at 31 December 2022**

0%

Family Relationship

-

Experience Over Past 5 Years**Listed Company****2012 – Present**

- Group Head Of Information Technology and Senior Vice President
 - FNS Holdings Plc.

Name-Last Name**Ms. Wipa Nilsophon****Age****58 Years****Position / Date of Appointment of Director** Assistant Managing Director-Compliance Department**Education and Training Program**

- MBA, City University, Seattle, USA
- Bachelor's Degree, Accounting, Bangkok University, Thailand

Training Program (2022)

- บริษัทจดทะเบียนตัวเข้มให้เต็ม100
- Road To Certify with THAI CAC
- Investor Right Guideline : Shareholders' rights

% Holding in FNS**As at 31 December 2022**

0%

Family Relationship

-

Experience Over Past 5 Years**Listed Company****2011 – Present**

- Assistant Managing Director, Compliance Department
- FNS Holdings Plc.

Name-Last Name**Mr. Chankit Assawarotjanamitre****Age****60 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 2022**

0%

Family Relationship

-

Experience Over Past 5 Years**Listed Company****2004 – Present**

- Head of Administration
- FNS Holdings Plc.

Name-Last Name**Mrs. Nuchalee Junkhun****Age****53 Years****Position / Date of Appointment of Director** Head of Human Resources**Education and Training Program**

- Bachelor of Economics, Chiangmai University, Thailand

% Holding in FNS**As at 31 December 2022**

0.000087%

Family Relationship

-

Experience Over Past 5 Years**Listed Company****1995 –Present**

- Head of Human Resources
 - FNS Holdings Plc.

Name-Last Name**Miss Papatsamon Chuntavee****Age****52 Years****Position / Date of Appointment of Director** Chief Financial Officer (1 January 2023)**Education and Training Program**

- MBA, Master of Management (Finance), College of Management Mahidol University

Training Program (2022)

- Certificate, Federal of Accounting Professions
 - Thai Financial Reporting Standard for Non-Publicly Accountable Entities
- Tax Auditor Association of Thailand
 - Update Tax and Thai Financial Reporting Stand

% Holding in FNS**As at 31 December 2022**

0%

Family Relationship

-

Experience Over Past 5 Years**Listed Company****1 Feb 2023 – Present**

- Assistant Vice President, Accounting Department
 - FNS Holdings Plc.

2008 – 31 January 2023

- Senior Accounting Manager
 - FNS Holdings Plc.

Attachment 2

Information of Directors in Subsidiaries
and Associated Companies

Information of Directors in Subsidiaries and Associated Companies

No	Name	FNS	Subsidiary	Affiliates		
			FFM	MK	Kanom Cafe	BFTZ Wangnoi
1	Mr. Akarat Na Ranong	1, 4, 5	-	-	-	-
2	Mr. Vorasit Pokachaiyapat	3	3	3	-	-
3	Mr. Chanmanu Sumawong	2, 4	-	-	-	-
4	Mr. Nuttawut Phowborom	4, 5	-	-	-	-
5	Mr. James Marshall	3	3	-	-	3
6	Miss Rachanee Mahatdetkul	-	-	3	-	-
7	Mrs. Snitha Asawachinda	-	-	-	3	3

Note :

- 1 = Chairman of the Board
- 2 = Chairman of the Audit Committee
- 3 = Executive Director
- 4 = Independent Director
- 5 = Member of Audit Committee

Attachment 3

Information of Head of Internal Audit
and Head of Compliance

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

1. Self-Study CPD No 2/2565 on Non-Publicly Accountable Entities (NPAEs)
2. Code of Ethics for Professional Accountants
3. IT Audit
4. Public hearing regarding draft amendment to anti-money laundering law
5. Training course : Technique for witness preparation in civil case
6. Soft Skill Series People Transformation
7. Block chain Exploring
8. System design for positive reinforcement EP4

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 FNS 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 I). The role and responsibility of the Compliance Department was written in the Code of Conduct of the FNS Group.

Attachment 4

Information on Operating Assets

Information on Operating Assets

- Building and Equipment**

On 19 January 2022, the Board of Directors' Meeting of the Company passed a resolution to approve the selling of its building and equipment to Finansia Securities Limited at the appraised price by an independent property appraiser. The purchasing-selling transaction was completed on 1 February 2022.

FNS office is located on the 6th Floor of 345 Surawong Building, Surawong Road, Suriyawong, Bangrak, Bangkok. The Company has rented space from an associated company. As of 31 December 2022, the building and equipment were as follows:

(Million Baht)	31 Dec 2022	31 Dec 2021
Building and improvements	-	65.28
Office equipment	4.76	8.57
Furniture and fixtures	1.64	7.03
Vehicles and others	2.8	5.84
Building and equipment - Net	9.2	86.72

- Right-of use assets**

As of 31 December 2022, the right-of use asset came mainly from the office rental agreement.

(Million Baht)	31 Dec 2022	31 Dec 2021
Right-of use assets	5.66	8.80

- Intangible Assets**

(Million Baht)	31 Dec 2022	31 Dec 2021
Computer Software	1.15	2.13
Intangible assets - Net	1.15	2.13

Details on intangible assets and policy on amortization and depreciation were shown in the Note to Financial Statement no. 3.and 10.

- Loans to others**

The Company and its subsidiaries had loans to others as shown below:

(Million Baht)	31 Dec 2022	31 Dec 2021
Loans to others	73.80	100.00
Bill of exchange	13.00	13.00
Total	86.80	113.00
Less Allowance for expected credit loss	(13.00)	(13.00)
Loans to others	73.80	100.00

- **Short-term loans and advance to related parties**

The Company and its subsidiaries had Short-term loans and advance to related parties as follows:

(Million Baht)	31 Dec 2022	31 Dec 2021
Short-term loans and advance to related parties	467.49	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, 4 and 6.

- **Goodwill**

The Company's goodwill is stated at cost less impairment of which is tested on an annual basis.

As at 31 December 2022, the goodwill which resulted from an investment in FFM over its net book value was Baht 45.4 million. More information is shown in the Note to Financial Statement no. 11.

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 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. 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, BFTZ WN and Kanom. 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 2022, there was one major change in the Company's investment which is the disposal of all of its investment in ordinary shares of Finansa Securities Limited. As at 31 December 2022 in the separate financial statement, there were Baht 605.46 million of investment in subsidiaries and Baht 1,972.35 million of investment in associated companies. As for the consolidated financial statement, there was Baht 1,896.25 million of investment in subsidiaries. More information on these matter is provided in the Note to Financial Statement no. 8 and 9.

Attachment 5

Policy and guideline of Good Corporate Governance /
Code of Conduct prepared by the Company /
Anti-Corruption Policy



Corporate Governance Policy

FNS Holdings Public Company Limited

(Revised 2022)

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Corporate Governance Policy

FNS Holdings 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 supporting 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 responsible 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 implemented.

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

FNS Holdings Plc. is an investment holding company with strategic investments in Real Estate Development and Prospect Logistics and Industrial Freehold and Leasehold Real Estate Investment Trust. The Company also makes Private Equity and other investments.

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

1. Support the management of each of FNS'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 FNS 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, associ-

ated 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 2 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 2 independent directors and 1 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 FNS 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 deci-

sion-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 FNS 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.fnsplc.com
E-mail	:	ir@fnsplc.com

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

Registered mail	:	The Office of Directors FNS Holdings Plc., 345 Surawong Raod 6th Floor, 345 Surawong Building, Suriyawongse Bangrak Bangkok 10500
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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
 FNS Holdings Plc., 345 Surawong Road
 6th Floor, 345 Surawong Building, Suriyawongse
 Bangrak Bangkok 10500

Website : www.fnsplc.com

E-mail : ir@fnsplc.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.fnsplc.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.fnsplc.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.fnsplc.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 share-

holders. 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.

Code of Conduct

FNS Holdings 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 FNS Holdings PCL (FNS) 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 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 FNS Holdings PCL and its subsidiaries (the Group)” means Directors, Management Team and Employees

FNS 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, FNS’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 FNS'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 FNS'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

FNS 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

FNS'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 'FNS 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 regulators

Employees should neither receive gifts/entertainment from nor present gifts/entertainment to cus-

tomers, 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 'FNS Group - IT Handbook' for further details.

8. Anti-corruption Policy

FNS Holdings Plc.(FNS) realizes the importance of preventing corruption, conducting business with fairness, transparency and with responsibility towards the stakeholders, society and environment. In order to attain good corporate governance, the Company has set up an Anti-Corruption Policy with an intention to prevent all types of corruption, focusing on the education of all of the Company's staff including business partners to understand the purpose of the policy and intention of the Company.

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 directly or indirectly 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.

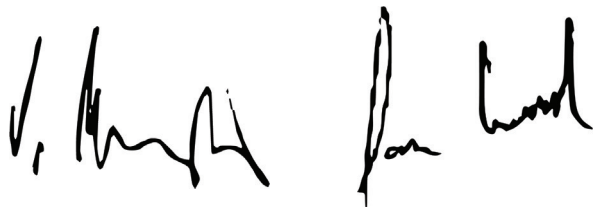
The guideline for practicing and rules about anti-corruption are provided in the Anti-Corruption Policy.

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.



(Mr. Vorasit Pokachaiyapat and Mr. James Marshall)
FNS Holdings Public Company Limited

Approved at the Board of Directors' meeting no.6/2022
on 11 November 2022

Anti-corruption Policy

FNS Holdings Plc.

FNS Holdings Plc.(FNS) is aware of the great importance of its anti-corruption policy moreover, the company place great emphasis on adhering to the principles of fair business operations, operational transparency on responsibility towards the stakeholders, society and the environment. In accordance with good corporate governance policy, the company has published an Anti-Corruption Guidance with an intention to prevent all forms of corruption as well as to provide knowledge and awareness under the same prescribed policy to all employees within the organization including business partners.

Definition

Corruption means any activities of bribery and/or using information received from or provided by the company's operations by offering, promising to give, promising, demanding or accepting money, assets, or other inappropriate benefits from the government officers, private sectors, or responsible person either directly or indirectly, such action allowing that person, his/her friends, and/or others that could lead either directly or indirectly to an improper benefit in business or any improper benefit. It also relates to any act that is against the company's business ethic except the cases that law, regulation, rule, announcement, tradition or culture allow.

Bribery means assets or other benefits that are induced or offered, promised or gives in order to obtain business advantages for consent of contracts, rules and regulations, legal or personal

Giving or Receiving gifts Entertainment and Hospitality services refers to gifts, expenditure for hospitality, giving, accepting gifts, privileges facilitating and other expenditure or other benefits that may be linked to bribery that may cause a risk of corruption.

Sponsorship means offering financial support, products or services where the objectives are for society's public interest, or promotion of business and the good image of the company

Donation refers to giving money or products in all forms to juristic persons, various organizations, whether governmental organizations, private sectors, state enterprises or various foundations without expecting a return.

Political Aid means financial assistance or any other form to support political activities such as giving goods or services advertising to support political parties, permitting employees to take leave or be representatives to participate in political campaigns, etc.

Conflict of interest means a situation in which a person performs two activities with different objectives or benefits and conflicts may arise because of personal interests that do not match the interests of the company, this puts the person in a predicament and may lead to corruption and misconduct.

Facilitation Payments means an unofficially minor payment made to government officials in return for services by the government officials to assure or expedite the performance of a routine or necessary action.

The process does not require the discretion from government officials as it is a legitimate operation which the juristic person is legally entitled to receive, such as the issue of a permit or certificate and the providing of public service etc.

Hire Government Officials means to hire government officials, sub-committees members, employees of government agencies, state enterprises or government agencies and individuals or group of person who exercise authority or assign to exercise government's administrative authority to take a legal action whose duties involved corporate governance and business operations.

Scope and Objective

1. This anti-corruption policy applies to Directors, Executives, and employees of the company and its subsidiaries.
2. The company expects its representatives and/or intermediaries who are related to or are acting on behalf of the company to follow this policy.
3. The company has established an organizational culture for directors, executives and employees to perform their duties with honesty, integrity, transparency and fairness.
4. Directors, executives and employees must not solicit, act or accept any form of corruption directly or indirectly for the benefit of the organization, business, self, family, friends and acquaintances which must strictly adhere to this anti-corruption policy. In order to cause corruption, the company will give punishment according the company's regulations.
5. Directors and executives at all levels of the company must show honesty and set good example in compliance with the anti-corruption policy.
6. The Anti-Corruption Policy covers the Human Resources process from the recruitment or selection, promotion, training, evaluation, reward.
7. The company constantly reviews the policy of this anti-corruption as well as reviewing guidelines and rules and regulations in according with changes in business, rules, regulations and laws.

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 regulations and laws, 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. Executives at all levels in various departments have duties and responsibilities in setting up management systems to promote and support the implementation of this policy including communicating with employees at all departments of the company to understand and to comply with the policy.
5. All employees of the company must pay attention and are bound to comply with this strict policy.
6. Compliance Department is responsible for giving advice on the implementation of this policy and coordinating with internal audit to ensure compliance with policies, regulations and guidelines including related laws.
7. Directors, executives and all employees are obliged to comply with this policy by not involving in corruption whether directly or indirectly. They should participate in providing useful information for monitoring and investigating such matters to reduce the risk or chance of fraud or corruption both inside and outside the organization.
8. The roles and responsibilities of the Internal Auditor includes :
 - 8.1 Performing duties according to the prescribed internal audit plan and presenting the report and assessment of corruption risk to the Audit Committee;
 - 8.2 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

Employees of FNS Holdings Plc. and its subsidiaries at all levels, as well as contractors and related sub-contractors, must follow the Anti-corruption Policy strictly by not getting involved with any course of corruption whether in a direct or indirect manner by:

1. Offering or Accepting Bribes

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, checks, 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

The procurement process must follow the Company's regulations, and uphold transparency and accountability principles including an evaluation to select vendors, service providers according to the procurement procedure and reserves the right to terminate the procurement if there is bribery or historical of bribery or corruption.

3. Entertainment

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 as corruption or a bribery act.

5. Financial Sponsorships

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. Political Aid

Not getting involved in any domestic politics and not using any of the Company's resources to make contribution to the said activities. FNS Holdings Plc believes in political neutrality, and legality. It is not our policy to make contributions to any political party either directly or indirectly manner.

7. Conflict of Interest

The company has a policy/code of conduct to prevent and manage conflicts of interest for all directors, executives and employees to comply with.

8. Facilitation Payment

The company has a policy of prohibiting payments for services to expedite the performance of a routine or necessary action except for facilitating payments according to service providers' regulations, including the prohibition of accepting bribes from government officials, private sector officers by offering money, gift cards, checks, shares, gifts or valuable items both directly and indirectly to obtain or maintain a business or competitive advantage.

9. Fairness and Protection

The Company shall provide fairness and safeguards to staff who deny or inform of corruption cases relating to the Company by applying protection measures for appellants or persons who co-operate with Anti-corruption information as stated in the Protection and Confidentiality Policy. The company will not demote, punish or cause negative effects on executives or employees who deny corruption even though the activities may cause the company to lose a business opportunity.

10. Anti-Corruption Policy Communication

The company has established a communication policy against corruption including reporting channels or filing complaints by the public, subsidiaries, affiliates, business agents, partners through the company's website and annual report. Internally, the company circulate the policy to directors, executives and employees through several channels such as intranet, training and orientation, to understand and perform accordingly.

11. Approval Authority and Disbursement

The company has established a disbursement regulation by specifying the approval authority and credit limits and requirements to provide explicit supporting documents.

12. Internal Control System and Auditing

The company has established a system for internal control and continuous audit over the procurement, finance, accounting, information technology, data storage and other processes related to this policy, with timely reports of the audit results to the Audit Committee.

13. Staff must not be negligent in recognizing corruption or indicating 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.
14. A person who commits corruption is guilty of misconduct in terms of the Company's Code of Conduct and disciplinary proceedings will take place. Follow-up actions may be applied in cases that laws may have been violated.
15. 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.
16. The Company strives to create and sustain the organization's culture representing that fraud, corruption and/or bribery is unacceptable at all level of personnel including any activities involving the Public sectors or Private sectors.
17. 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 all levels 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.

Risk Assessment

Risk assessment process has been implemented to prevent operational risk of corruption. The Risk protection measure will be assessed at least once a year and the Risk assessment measures will be reviewed to ensure compliance with the current Anti-corruption policy as appropriate and acceptable level.

Human Resource

1. Recruitment and Selection Process of personnel for the job. Working history must show no omission of duty or misuse of power or position or seek unlawful benefits by accepting or offering bribes or corruption in any forms.
2. The company has a policy to prohibit the hiring of government officials for jobs related to business operation in the position of director or advisor, with the exception of the appointment as company's director of a public servant as defined by the Public Limited Companies Act., and Securities and Exchange Law, including announcements from the Office of the SEC on Futures, and related announcements, rules and/or related regulations.

3. In the Evaluation of staff performance such as salary increase, bonus and promotion etc. FNS takes into account information about Anti-corruption and giving or accepting bribes. For example, in the event that the executive or employees is involved in such violation, they will be punished, for example, not receiving a salary increase, no bonus, no job promotion or termination of the employment etc., while employees who file a report or provide information on such violation will be protected and praised etc.
4. Orientation is given to new employees to educate them about the Anti-corruption policy as well as training and regularly provision information to directors, executives and employees to be aware of the importance of this issue in order to create an organizational culture.

Internal Control and Reporting

1. The company has set up an internal control system to ensure that the business operations run appropriately and effectively in accordance with relevant regulations to reduce the risk of anti-corruption. In order to assure the existing internal control system is efficient and accomplish, an internal audit has been settled.
2. The company has appointed the Compliance Department to responsible for consulting on various regulations and the Internal Auditor (an independent external auditor firm) is responsible for inspecting various operational systems. The risk assessment report will be prepared and proposed for approval by the audit committee at least once a year. The Board of Directors then acknowledge and will taking into consideration the risks that may cause corruption.
3. Procedure for reporting audit result
 - 3.1 Internal Audit (Independent Audit firm) will report to the Audit Committee and the Board of Directors on a quarterly basis or as according to the audit plan and at the same time the report will also be presented to the Managing Director.
 - 3.2 In case of urgent issues, the Head of the Compliance and internal auditors will immediately inform the Audit Committee as well as to the Managing Director to consider and instruct for the guidelines on controlling improving on the specific issues.

Data Management

1. The Company has data management procedures and maintains records of disbursements, complying with International Financial Reporting Standards including applicable laws and regulations.
2. All types of expenses must have supporting documents for disbursement and be approved by the authorized person. The Data management procedure of the company's documents to comply with relevant laws and regulations.
3. The company does not allow disclosure or record of falsified, unethical inaccurate or fraudulent accounts including not applicable payment transactions.

Penalties

1. In the case of a director violating or failing to comply with this policy, the company will immediately appoint the Audit Committee which consists of all independent directors of the Company to investigate the facts. If the investigation finding the director has violated or failed to comply with this policy, then the audit committee to prepare and propose to the Board of Directors for consideration a punishment based on the disciplinary penalties provisions (The directors attending the meeting will exclude those who violate or fail to comply with anti-corruption measures.)
2. If executives or employees of the company violate or fail to comply with this policy, the Company will appoint the Investigation Committee to proceed to find out the facts and punishment base on disciplinary penalties which may include termination of employment. This will also be reported to the Audit Committee and the Board of Directors for acknowledgment. However, the Company has no policy to demote, punish or cause negative effects on executives and employees who deny corruption where the activities may cause the company to lost a business opportunity.
3. The details are in accordance with the investigation procedures and penalties.

Procedures for whistleblowing or filing complaints

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 reports and providing guidance about the Anti-corruption Policy to staffs as follows:

Registered letter	Independent Director, FNS Holdings Plc. 6th Floor, 345 Surawong Building, 345 Surawong Road Suriyawong, Bangrak, Bangkok 10500
Email	id@fnsplc.com
Website	www.fnsplc.com

The Complainant must specify details of the matter or issue of the complaints along with evidence or sufficient information for investigation.

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 complainant 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 in charge 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.

Monitoring and Review of Anti-Corruption Policy

The company monitors and reviews the suitability, adequacy and efficiency of the policy. and related regulations from time to time and will improve them to make them more appropriate and effective. The Audit Committee and the Board of Directors will independently consider the risk sufficiency of the measures and reveal the audit results in the annual report for shareholders to know. And regularly review this policy on an annual basis. or when there are significant changes

Recommendations on Anti-Corruption Policy

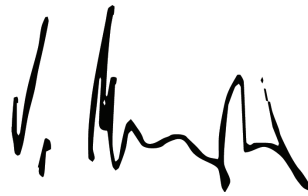
In the event that directors, executives and employees have suspicions that their actions may be in the scope of corruption or violates this policy, please consider the following before taking action or making a decision on that matter as follows:

1. Is it a legal act or in keeping with the regulations of the government and the company?
2. Does society accept that action? Can it be disclosed to society or not?
3. Is it an act that is against ethics. and may bring disgrace to the offender or others or to the reputation of the company now or in the future?

If unsure, provide the information or facts to your supervisor for consideration or you can ask the Compliance Department to participate in the consideration in order to proceed properly.

Enforcement

This policy is effective from 11 November 2022 onwards.



(Mr. Vorasit Pokachaiyapat)
Managing Director

Approved by the resolution of the Board of Directors Meeting No. 6/2022 held on November 11, 2022
(The Second review 2022).

Attachment 6

Audit Committee Report / Report on the Board of Directors Responsibility
towards the Financial Statements / Report of the Nomination,
Compensation and Corporate Governance Committee

Audit Committee's Report for the year 2022

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

1. Mr. Chanmanu Sumawong Chairman of the Audit Committee
2. Mr. Akarat Na Ranong Member of the Audit Committee
3. Mr. Nuttawut Phowborom 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 2022, the Audit Committee held 5 meetings and all members attended the meetings, except Mr. Nuttawut Phowborom attended 3 out of 5 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 2022, 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 2022 performed by the independent Internal Auditor in accordance with the approved annual audit plan.
3. Reviewed the corruption risk assessment for the year 2022 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 2022. The Audit Committee proposed to appoint :

- (1) Miss Aorapin Sinthawornkul CPA No. 9441 or
- (2) Miss Sureerat Thongarunsang CPA No. 4409 or
- (3) Miss Orawan Chunhakitpaisan CPA No. 6105 or
- (4) Miss Orawan Chotiwiriyakul CPA No. 10566

KPMG Phoomchai Audit Company Limited as the auditors of the Company and its subsidiaries for the year 2022.

7. Appointed Accounting Revolution Co., Ltd. as an independent internal auditor and approved the 2022 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 2022.
10. Reviewed the amendment of the Company's Article of Association : e-meeting.
11. Reviewed the Form 56-1 One Report.
12. Reviewed the Corporate Risk Management Policy.
13. Acknowledged the related transactions report for the year 2022.
14. Considered the financial support as loan to M.K. Real Estate Development Plc.
15. Approved the Personal Data Protection Policy.
16. Acknowledged the report of fraud cases where tricksters used the Company name and address to deceive people.
17. Approved the amendment of the Company's authorization letter

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. Chanmanu Sumawong)
Chairman of the Audit Committee

Report on the Board of Directors' Responsibility towards the Financial Statements 2022

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 2022 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 2022

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

- | | | |
|-----------------|---------------|---|
| 1. Mr. Chanmanu | Sumawong | Chairman (Independent director) |
| 2. Mr. Akarat | Na Ranong | 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 2022, 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 2022.
2. Acknowledged the Corporate Governance assessment for the year 2022.

3. Acknowledged the report of Corporate Governance compliance and Social Responsibility for the year 2022.
4. Considered the proposed nomination for director in place of directors who retired by rotation at the 2022 Annual General Meeting of Shareholders.
5. Considered an extension of employment contract of the Executives who were due to retire.
6. Considered employees' remuneration for the year 2022.
7. Reviewed the sustainability policy and risk management policy.
8. Considered the change of organization chart and an appointment of Head of Treasury Department.
9. Acknowledged the resignation of 2 directors : Mr. Varah Sucharitakul and Mr. Kittipong Lertvanankul.
10. Considered an appointment of a director, Mr. James Marshall, to replace the director who resigned.
11. Considered the guidelines for proposing agendas and nominating persons to be directors in advance of the 2023 annual general meeting of shareholders.
12. Considered an appointment of Mr. Chanmanu Sumawong to be the Chairman of the Audit Committee as replacement for Mr. Akarat Na Ranong who stepped down to be an Audit Committee Member.
13. Considered an appointment of Mr. Chanmanu Sumawong to be the Chairman of the Nomination, Compensation and Corporate Governance Committee as replacement for Mr. Akarat Na Ranong who stepped down to be a Member of the Nomination, Compensation and Corporate Governance Committee.

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.Chanmanu Sumawong)
Chairman of the Nomination, Compensation
and Corporate Governance Committee

FNS HOLDINGS PLC.

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