



Maybank

Securities

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ANNUAL REPORT

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Maybank Securities (Thailand) Public Company Limited

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Message from Chairman of the Board of Directors

2021 was an eventful year for Thailand and its people. It was another year of global pandemic and challenging economic environment; but it was also a year in which we saw transition to mobility - work from anywhere and anytime - and acceleration of digital adoption across customer segments.

For Maybank Securities (Thailand) or MST, 2021 was the 10th anniversary of the acquisition of Kim Eng, then the largest equity franchise in the region, followed by the formation of Maybank Kim Eng as a brand name. Since inception, we had consistently ranked at the top of the league tables and have voted best retail broker in Thailand for multiple consecutive years. Much was accomplished by our proud and dedicated people whose aim was to earn trust of customers and to exceed their expectations day in day out.

The parting of “Kim Eng” from our name and logo across entities globally marked the beginning of a new chapter. It represented a way forward as a cohesive regional organization (now known as Maybank Investment Banking Group or Maybank IBG) with common ambition and strong on the ground presence across Southeast Asia and beyond.

2021 was a watershed year for Maybank Securities (Thailand).

- Reached a key milestone in transitioning from trading to investing with the launch of our Investment Management / wealth business.
- Pivoted to become a more digitally-focused company with the new digital wealth app (Maybank Invest) that will launch in 2022.
- Ended the year by posting net profit increase of 57.04% year-over-year.

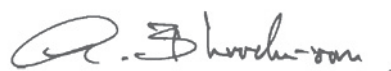
Under good corporate governance and excellent management, MST received a number of prestigious awards:

- Alpha Southeast Asia Awards 2021 for Best Retail Broker Thailand 2021, Best Broker in Southeast Asia 2007-2021, Best Local Currency Bond Deal of the Year & Most Innovative Deal of the Year (CPALL), and Best Equity IPO Deal of the Year (KEX)
- CFI.co Awards for Best Capital Markets Brokerage South East Asia 2021
- World Business Outlook Awards for Best Retail Broker Thailand 2021 and Best Institutional Broker Thailand 2021
- Finance Derivative Awards for Best Retail Broker Thailand 2021
- Foundation for Thai Society Awards 2021 for Organization of the year 2021 and Executive of the year 2021 (Award to Mr. Arapat Sangkharat, CEO)
- Excellent evaluation for good corporate governance FY2021 from Thai Institute of Directors
- The Assessment of 100 full score for The Annual General Meeting of Shareholders FY2021 by Thai Investor Association.
- Credit Rating AA(thai) from Fitch Ratings Thailand Limited which is the same level as large leading banks.

The next 10 years for Maybank IBG will be about becoming the region's leading sustainability-first investment bank. We aim to realise our ESG (environment, social and governance)-first ambitions as a group, humanising financial services for our clients and communities.

For Maybank Securities (Thailand), we will further strengthen our market positioning in all our core businesses including investment banking & advisor, retail and institutional brokerage, derivatives and debt capital market. We will continue to stay on course in transitioning from trading to investing by scaling up the investment management business launched in mid-2021. We aim to become the leader in democratising investing through our AI-powered digital wealth app, Maybank Invest. Lastly on the people front, we will strive become "first to mind" for customers and the "firm of choice" for employees.

In closing, I would like to express my gratitude to shareholders, clients and business partners for your support and my appreciation to all employees of Maybank Securities (Thailand) for their unwavering commitment to service excellence during this unprecedented pandemic. We look forward to a brighter 2022 and beyond.



Dr. Areepong Bhoocha-oom
Chairman of the Board Directors

Business Operation and Company's Performance

1. Policy & Business Overview

- **Vision, Objective & Business Strategy**

Vision:

Advancing ASEAN's ambition with you.

- **Mission:**

Our mission is to deliver superior investment services to our customers with a fundamental based strategy, through intelligence, pro-active ideas and efficient access, covering a complete range of products and services under the ESG guidelines.

- **Business Strategy**

2021 marks the 10th anniversary of the establishment of the Maybank Kim Eng brand and its business development from a leading enterprise in Malaysia to a leading regional investment financial institution with continued success. This year, Maybank Group announced a major change in corporate image under a new brand name, using "Maybank" as the major brand by removing Kim Eng from the company's title and logo. We promote the Maybank brand to reflect the image of leadership in the leading investment business group in the region. The company has changed its name to "Maybank Securities (Thailand) Public Company Limited" or "MST", which is a major step in the company's rebranding. This represents the consolidation of the various strengths of the Maybank Group under one vision. We leverage the expertise and capabilities of the group across the region through integration to empower MST to deliver services and products that meet the needs and expectations of our customers. We also play an important role in being a leader in socially responsible investments for sustainability goals with the oversight from the Board of Directors of the Company to ensure that the goal and strategy are implemented and executed towards the targeted plan and expectation.

In addition, this year the company continues to produce outstanding performance and wins various awards from leading international economic magazines and online media including awards from various prestigious forums as follows:

- "Best Retail Broker Thailand 2021" and "Best Broker in Southeast Asia 2017-2021" from Alpha Southeast Asia Awards 2021
- "Best Capital Markets Brokerage Southeast Asia 2021" from CFI.co Awards
- "Best Retail Broker Thailand 2021" and "Best Institutional Broker Thailand 2021" from World Business Outlook Awards
- "Best Retail Broker Thailand 2021" from Finance Derivative Awards
- "Organization of the Year 2021 in Business Administration and Development" and "Executive of the Year 2021 Awards" (Mr. Arapat Sangkharat - Chief Executive Officer)" from the Foundation for Thai Society Awards 2021

- **Value of employee**

With a belief that the significance factor for our business is human resource, the Company therefore has its policy to take good care of our employee, not only in the fringe benefit under the Securities and Exchange Commission's rules, but also supporting our employee in academic and research to create suitable investment opportunities for our customers. Moreover, during the pandemic of COVID-19, the Company has released various preventive measures to take care of our employee by contemplation of health and safety as major concern.

- **Technology development**

The Company recognizes that the Internet trading is constantly growing and growing. We therefore focus on the development and emphasis on technology, including the system for trading securities via the Internet as to give customers confidence in their investment. We emphasis on ease of use, convenience and speed that can support both individual clients and institutional clients. Under a mobile application called Maybank Trade, the service combines investment ideas with the investment behaviour of individual customers (Personalization) to meet the investment needs of customers accurately, convenient, fast to use, to match the concept of the Maybank Trade application “Better Faster Easier”. With outstanding features, investors can execute trading orders anywhere and anytime in real time. The service is easily accessible via mobile phone as it has a fast and easy-to-use trading execution process. The Digital Platform team has also speed up the development of the new version of the Maybank Trade application to be more intelligent and can respond to investors more comprehensively. We expect it to be operational in 2022.

- **Research development**

Our Research Department continuously develops and maintains better research standards as to deliver vital information to investors daily. We constantly provide updates on breaking news, in-depth details on each sector while focusing on investment themes, specifically digested for active investors via our daily live programme #ATO, aired on every morning from Monday-Friday.

Our programmes include “Investor School”, live every morning, at 8:30 - 10.15 AM, “Slap Right, Throw Left”, aired twice a month, at 1.45 - 2:30 PM, presented via Facebook, Youtube and on the Maybank Trade application. The programmes continue to create a phenomenon with consistent popularity. The viewership has grown by 50%, hitting a new record of 3,000 daily, and reaching over 10,000 views in each 24 hours of each clip. Thanks to an easy-to-understand presentation style, sincere interaction with investors and accurate analysis, the #ATO programme remains the country’s most popular right now.

In part of research, our Research Department has upgraded its presentation to become fully Digital Research, through Live shows and infographic presentations with an aim to personalize information to a format that is easy to understand and implement. It is presented through the Maybank Trade application directly to investors from the research department, which is a new dimension that is fast and more accessible than the traditional e-mail communication. After that, it will be presented on Facebook and LINE to expand to the new target customer base. This is to urge them to learn more about our research department which will increase the opportunity for them to choose the services of the Company.

In addition, the presentation as “Portfolio Model” named “JAI” is an investment portfolio model for customers to consider copying their investments or as a guideline for choosing investments that are suitable for their own style. It is still very popular and generates good returns for investors. In 2021, it yields 43.72%, with the principles of stock selection as follows:

JAI portfolio model

- Select to invest in Thai stock market.
- No more than 10 common stocks
- The investment ratio is 10% of the investment in the portfolio model.
- A daily presentation of the equity and cash ratio in the portfolio model that the Stock Exchange of Thailand operates.
- Investment decision making based on fundamental analysis.
- Focus on investing individual stock analysis which is linked with market momentum.

The Company places importance on companies that focus on environmental, social and corporate governance issues (Environmental, Social, Governance: ESG) linking business competitive perspectives together with sustainability, aiming to generate returns and reduce risks for investors. We add ESG perspective in individual stock and industry analysis. We also produce special analysis reports (Thematic Reports) that select stocks from a particular ESG perspective.

- **Knowledge for Investors**

The Company has established Maybank Academy, offering various training courses and seminars on several topics. A series of training courses and seminars were held continuously throughout the year to educate customers, investors and public, aiming to urge them to become a professional investor. This year, we put more emphasis on virtual seminars. Due to the pandemic of COVID-19, the Company therefore avoids organizing seminars or events that involve large crowds in respect to prevent the spread of COVID-19 strictly adhering to government measures.

- **Developing the Investment Banking**

To be ready and become a leader in term of financial service to cover client's need in the scope of capital market, bond, IPO and listing, merging and acquisition, offering tailor made financial services to each corporate client, REIT and IFF investment opportunity for institution and retail clients. With a greatness on the development of knowledge and abilities of the investment banking team continuously.

- **Futures contract**

The Company has partnered with Thailand Futures Exchange (TFEX) in the TFEX Analyst Poll project to provide weekly quality analysis and also be part of the program "Open trading polls" with TFEX on a monthly basis to expand the investor base. Even this year, there will still be more underlying stocks to perform Single Stock Futures transactions to support more stocks that investors are interested in, the Company is also working with the FI club under the Association of Securities Companies to improve operating standards and risk management processes. In 2021, TFEX has supported investors to use market products as risk management tools, such as options contracts based on the SET50 index, launching an application called "Options Starter" under Settrade.com to give investors the confidence to use the product in the market more easily as well.

- **New product launched "DW42"**

The Company invested heavily in operating system development and create liquidity. We continuously launch DW42 based on individual stocks and new indices focusing on outstanding features that satisfy customers. There are both the highest gear bearings on the market, which quickly follow the parent stock, and the lowest time decay in the market to provide more options for investors. We are striving to developing the DW42 so that it is ready to become a market leader in the future as well as launching special promotions and marketing activities.

- **ESG Development**

The Company focuses on developing the organization to become the "ESG Brokerage House for Sustainability Future", which means a sustainable way forward to achieve the Group's mission of being a true ESG focus by providing honest financial services to its customers. We focus on providing accessible investment services and sustainable return to society and community to be in line with the concept of the Stock Exchange of Thailand which has issued a policy to encourage Thai listed companies to adhere to drive and operate their business under the ESG guidelines. This year, the Company's Institutional Research Department has organized a conference via electronic media called Thailand Green Corporate Day, offering views from listed companies with outstanding ESG approach. Note that we presented 50 ESG-related research papers this year.

- **Currently, the Company has total 28 branches** (excluding headquarters) nationwide, divided into 15 branches in Bangkok and 13 branches in provinces.

- **Significant Change and Evolution**

Maybank Securities (Thailand) Public Company Limited (the “Company”) named previously “Kim Eng Securities (Thailand) Public Company Limited” formerly changed from “Nithipat Securities Company Limited” incorporated on April 3, 1996 with its first capital THB1,000 million. The separation of the business from capital business and securities business of Nithipat Capital and Securities Public Company Limited, Nithipat Finance Public Company Limited hold the 99.99% sold shares of Nitipat Capital and Securities Company Limited. On August 14, 1996 had gained the transferred of assets and liabilities related to securities business including the Stock Exchange of Thailand’s membership No. 42 from Nithipat Capital and Securities Public Company Limited which had been agreed from Securities and Exchange Commission of Thailand (SEC) and started to operate securities business onwards.

Economic crisis in 1997, closing of 56 Financial Institutions following to government announcement on August 8, 1997 concerning to closing the business of Nithipat Finance Public Company Limited who was the parent Company of our Company. However, the Company was still had its operation under the supervision of Financial Sector Restructuring Authority (FRA) before changing the major shareholders. Kim Eng Holdings Company Limited who was incorporated in Singapore and hold major shares in securities firms under Security of Exchange market in Asia and had its network across countries and finally, become listed Company in Security of Exchange in Singapore, won bidding to buy Nithipat Securities Company Limited (Nithipat) from FRA and became a shareholders and management of the Company.

On January 1, 2002 the Company had signed in the Transferred Asset Agreement for obtaining the assets from Yuanta Securities (Thailand) Company Limited which had been merged with Yuanta Securities (Thailand) Company Limited.

On October 17, 2002, the Company had converted itself into Public Company Limited, in the same time had changed its name to be “Kim Eng Securities (Thailand) Public Company Limited. The Company had registered in the Security Exchange of Thailand and our ordinary shares had been traded on December 3, 2003 afterward.

In 2007, the Company obtained the permission from Ministry of Finance (MoF) to set up the Asset Management Company and also launched the Exchange trade Fund (ETF) with refer to SET 50 index which was the first fund of Thailand under the name “TDEX”. On May 18, 2007, KEST Guardian Asset Management Company Limited was incorporated (after known as Kim Eng Asset Management Company Limited and Maybank Kim Eng Asset Management Company Limited, respectively). However, the Company sold the shares to Maybank Asset Management Group Berhad on March 21, 2013 and in August 2016, Maybank Asset Management Group Berhad sold the shares out which result presently Maybank Group has no asset management business in Thailand.

In 2011, Maybank IB Holdings Sdn. Bhd. (currently known as Maybank International Holdings Sdn. Bhd.) had bought 100% ordinary shares of the Kim Eng Holdings Company Limited (currently, Maybank IBG Holdings Company Limited) which was the major shareholders of the Company proposed buying ordinary shares of the Company in amount of 27.99% (excluded treasury stock) and restructure the shareholder structure. Maybank IBG Holdings Company Limited became our major shareholder which holds 83.25% shares.

2021 is a year of significant development in the change of corporate image. The Company has announced a change in corporate image under a new brand name and has changed its name to “Maybank Securities (Thailand) Public Company Limited” or “MST” on November 25, 2021, which is an important step change that shows the consolidation of strength in various fields of the Maybank group into one. This reinforces our business operations under the Maybank brand as the main brand. It reflects the image of leadership in a leading regional investment business group with the same goals and visions under the same brand.

The use of initial public offering capital is in accordance with the initial public offering declaration form.

1) The capital from short period Bill of Exchange during 2021

The Use of Capital	Thai BMA Code	Sum of Capital (Million Baht)	Period of Capital Use	The Detail and Progress of Capital Use
1. The repayment of the previous debt due	MBKET21511A	200	The Capital is all used In 2021	The Capital is used in accordance with the objectives.
	MBKET21315B	50		
	MBKET21510A	50		
	MBKET21421A	200		
	MBKET21517A	300		
	MBKET21520A	900		
	MBKET21524A	100		
	MBKET21525A	50		
	MBKET21D02A	130		
	MBKET21505A	700		
	MBKET21622B	600		
	MBKET21923A	70		
	MBKET21930A	60		
	MBKET21708B	500		
	MBKET21O07A	269		
	MBKET21707A	100		
	MBKET21719A	10		
	MBKET21O21A	60		
	MBKET21N01A	50		
	MBKET21806A	50		
	MBKET21809A	200		
	MBKET21813A	100		
	MBKET21816A	300		
	MBKET22210A	300		
	MBKET21817A	900		
	MBKET21820A	100		

The Use of Capital	Thai BMA Code	Sum of Capital (Million Baht)	Period of Capital Use	The Detail and Progress of Capital Use
	MBKET21909A	260		
	MBKET21D15A	300		
	MBKET21D15B	300		
	MBKET21D17Y	500		
	MBKET21921A	530		
	MBKET21D16A	690		
	MBKET22112A	100		
	MBKET22107A	100		
	MBKET22112B	500		
	MBKET21O19A	10		
	MBKET21N03A	50		
	MBKET21N10A	200		
	MBKET22510A	150		
	MBKET22510B	200		
	MBKET22214A	300		
	MBKET22512A	900		
	MBKET21N17A	100		
	MBKET21D09A	260		
	MBKET22616A	70		
	MBKET22114A	500		
	MBKET22119B	10		
	MBKET22120A	100		
	MBKET22429A	50		
	MBKET22131A	50		
	MBKET22510C	200		
	MBKET22512A	30		
	MBKET22214B	100		
	MBKET22518A	260		
	MST22602A	130		
	MST22309A	1,000		
	MST22310A	260		
	MST22317A	690		
	MST22316A	500		

The Use of Capital	Thai BMA Code	Sum of Capital (Million Baht)	Period of Capital Use	The Detail and Progress of Capital Use
2. The use of working capital for business operation	MBKET21408A	500	The Capital is all used in 2021.	The Capital is used in accordance with the objectives.
	MBKET21408C	269		
	MBKET21708A	262		
	MBKET21005A	262		
	MBKET21210B	200		
	MBKET21408B	100		
	MBKET21713A	100		
	MBKET21215C	50		
	MBKET21315A	50		
	MBKET21419A	10		
	MBKET21721A	200		
	MBKET21802A	200		
	MBKET21318B	1,000		
	MBKET21518A	300		
	MBKET21421B	700		
	MBKET21610A	260		
	MBKET21617A	70		
	MBKET21622A	550		
	MBKET21621A	50		
	MBKET21901A	30		
	MBKET21421C	100		
	MBKET21D17A	50		
	MBKET21O12A	300		
	MBKET21O06A	80		
	MBKET21O21B	50		
	MBKET21730A	200		
	MBKET21N04A	100		
	MBKET21707B	700		
	MBKET21813B	200		
	MBKET21N11A	30		
	MBKET21813C	50		
	MBKET21N18A	200		
	MBKET21N18B	60		
	MBKET21O14A	500		

The Use of Capital	Thai BMA Code	Sum of Capital (Million Baht)	Period of Capital Use	The Detail and Progress of Capital Use
	MBKET22120A	500		
	MBKET22419A	135		
	MBKET21020A	100		
	MBKET22119A	500		
	MBKET22125A	500		
	MBKET22210B	200		
	MBKET22224A	300		
	MBKET22310A	350		
	MBKET22302A	100		
	MBKET21D09Y	1,000		
	MBKET21D09B	615		
	MBKET22322A	530		
	MBKET22329A	400		
	MBKET22330A	60		
	MBKET21D27A	500		
	MBKET22112Y	1,564		
	MBKET22106A	600		
	MBKET22111A	267		
	MBKET22411A	100		
	MBKET22420A	80		
	MBKET22427A	300		
	MBKET22421B	70		
	MBKET22421A	50		
	MBKET22519A	100		
	MST22629A	300		
Total		32,753		

2) During 2021, there is no issuance and offering of debentures.

Maybank Securities (Thailand) Public Company Limited, a securities brokerage licensed No. 01075000314, Tel: 02658-5000, Website: www.maybank-ke.co.th. The common shares of 2,861,250,000 Baht with paid up capital of 2,854,072,500.00 Baht.

1.2 Nature of Business

- Revenue Structure**

The Company's revenue structures for 2019, 2020 and 2021 are tabled below:

Source of Revenue	2019		2020		2021	
	Millions of THB	%	Millions of THB	%	Millions of THB	%
Securities Brokerage Revenue	1,282.93	53.39	1,792.76	63.62	2,318.10	64.53
Derivatives Agent Revenue	138.26	5.75	183.69	6.52	158.49	4.41
Fee and Service Revenue	74.12	3.08	139.09	4.94	210.52	5.86
Gain (Loss) from Investment	162.81	6.78	293.92	10.43	254.79	7.09
Gain from Derivatives	(124.51)	(5.18)	(271.28)	(9.63)	(149.63)	(4.17)
Interest and Dividend Revenue	229.39	9.55	200.77	7.13	148.98	4.15
Interest on Margin Loan	565.37	23.53	426.68	15.14	599.24	16.68
Other Revenue	74.55	3.10	52.18	1.85	52.03	1.45
Total	2,402.92	100.00	2,817.81	100.00	3,592.52	100.00

- Securities Brokerage Business**

Average daily trading value in 2021 was THB 88,443.08 million, an increase by 31.35% from that in 2020 which was THB 67,334.80 million. The SET Index on 4 January 2021 opened at 1,427.68 and closed at 1,657.62 on 30 December 2021. The SET Index rose by 229.94 or 16.11% during 2021. Note that the SET Index movement throughout 2021 was still volatile. The SET Index movement was still affected by poor market sentiment as investors were still concerned about domestic and international COVID-19 situations, rise in NPLS in the domestic banking sector, domestic and international political and economic conflicts, rising US inflation as well as domestic and international political instabilities. All such factors have affected the SET Index over the last 2 to 3 years.

The Company earned total securities brokerage fee of THB 2,318.10 million in 2021, an increase by 29.30% from the year earlier. Its market share in the domestic securities brokerage business was 5.09%. The Company has still focused on the securities brokerage business and committed to continuously develop our services in this business with the aim to maximize our clients' satisfaction.

- Debt Capital Market Business (DCM)**

Our DCM business aims to provide financial advisory and securities underwriting services to listed- and non-listed corporate clients that need some financings to support their growth. The Company has provided debt securities underwriting services for corporate clients that issue debt instruments to raise funds. Our sale teams (ICs) will distribute debt securities to HNW investors who are our securities trading clients, and they will earn sales commission as a compensation for this,

The Company has concentrated on underwriting of debt securities as issued by SET listed companies with investment-grade credit ratings. In 2021, the Company provided debt underwriting services to several SET listed firms including CPALL, NER, TPIPL, TPIPP and DUSIT. The Company was quite successful in this business.

- **Financial Advisory and Equity Underwriting Businesses**

In 2021, the overall fund raising activities in the SET were still active although the domestic economy was ravaged by Covid-19 pandemic. Fund raising activities via IPO and REIT were active. In 2021, total companies that issued IPOs and were listed on the SET and mai were 20 and 18 consecutively. There were three newly listed REITs. Total fund-raising and offering amounts were THB 98,125.09 and 137,273.65 million respectively.

In 2021, the Company acted as the co-financial advisor and co-lead underwriter for CPNREIT. It also acted as the financial advisor and co-lead underwriter for IPO of PIN. It acted as the tender agent for ordinary shares of RCI. The Company was appointed as a co-underwriter of IPOs of ASW and SNNP.

In 2021, the Company worked with Maybank Group in raising USD and MYR loans for some SET-listed companies in asset acquisition and loan refinancing.

- **Derivatives Agent Business**

The Company obtained a derivatives agent license in accordance with the Derivatives Act 2003 (B.E.2546) from the Ministry of Finance. The Company started its derivatives agent business by serving both retail and institutional clients since the inception of Thailand Futures Exchange (TFEX) on 28 April 2006. At present, key derivatives products in TFEX include SET50 Index Futures, SET50 Index Options, Single Stock Futures, Gold Futures, Gold D, Interest Rate Futures, USD Futures, Sector Index Futures and Rubber Futures.

Total TFEX trading volume in 2021 was 270,234,616. Average daily trading volume of SET50 Index Futures in 2021 was 197,597, a decline by 16.44% from that in 2020 which was 236,485. Average daily trading volume of SET50 Index Options in 2021 was 7,232, an increase by 3.46% from that in 2020 which was 6,990. Average daily trading volume of Single Stock Futures in 2021 was 291,809, an increase by 49.64% from that in 2020 which was 195,007. Average daily trading volume of Gold Futures in 2021 was 49,020, an increase by 10.24% from that in 2020 which was 44,464. Average daily trading volume of USD futures in 2021 was 14,314, an increase by 24.09% from that in 2020 which was 11,536. Trading by retail investors, domestic institutional investors and foreign institutional investors accounted for 46.66, 30.70 and 22.64% of total trading value in 2021.

The Company's market share in the derivatives agent business in 2021 was 4.14% of total trading volume whereby 11,163,665 derivatives contracts was traded via the Company. The Company was ranked no.8 in terms of total trading volume in 2021. Most of the Company's revenue in the derivatives trading business in 2021 came from the derivatives agent business.

The Company has long focused on expanding its investor base in the derivatives agent business by continuously providing necessary investor education. The Company always believes that its long-term success in the derivatives agent business depends upon clients' knowledge and understanding in derivatives trading strategies, their understanding of risk and return from derivatives as well as their capabilities to appropriately apply derivatives instruments for investment and hedging purposes. The Company has aimed to consistently grow in this business concurrently with its continuously growing investor base. The Company has prepared and published daily derivatives research. It has prepared and published technical derivatives research report 3 times a day including pre-morning trading session, pre-afternoon trading session and pre-evening trading session. Such derivatives research reports explain about derivatives investment strategies and they are launched via KELIVE TV channel.

- **Derivative Warrants (DWs) Business**

The Company was one of the very first companies that has issued DWs. Its DWs are directly listed on the SET. The Company has focused on expanding its DW investor base. It has launched a website at <http://www.maybank-ke.co.th/dw42/> and Line@DW42 where investors can get access to DW42 table which has provided them with information about DWs.

- **Credit Rating**

Fitch Rating (Thailand) Company Limited has maintained the Company's long term domestic credibility as at June 3, 2022 at AA (tha) by rating the credit as positively outlook with stability and maintain the short term domestic credibility at F1+ (tha). However, Fitch may adjust the Company's domestic credit rating if the credit structure of the Company's parent company has decreased or if the parent company minimizes the special support apart from the support provided as the business operation as usual. However, the decrease of the support may show from the significant decrease of the Company's shareholding or the decrease of the level of support. However, Fitch does not foresee any of this to happen.

Symbol and Definition of Credit Rating

Fitch Rating (Thailand Company Limited ("FITCH") uses the symbols of the long term credit rating by starting from AAA which is the highest level to D which is the lowest level and short term credibility by starting from F1 which is the highest level to D which is lowest level. The symbols "AA" and "F1" have meaning as follows:-

AA Means the high credibility when compared with the issuer of the instrument or other instruments in which the level of credit of the money instrument at this level may slightly vary from the issuer of the instrument or other instruments which are rated with highest credibility.

F1 Means the highest credibility which implies the ability to repay the short term financial burden on time.

The indicator for Thailand "tha" will indicate after the credit rating at all levels to differentiate itself from the international credit rating in which the ending symbol "+" or "-" may indicate extra after the credibility for a certain country to indicate the sub-level by comparing with the main credit rating internally. However, there will be no symbol ending for the credit rating "AAA(th)" or lower level of "CCC(th)" for the long term credit rating for a certain country and may indicate the ending symbol "+" for the short term credit rating for a certain country as "F1" in the event that it's extremely strong.

- **Risk Management**

The purpose of issuing Derivative Warrants

To promote the new financial products or to add more investment choice for investors to distribute the Company's revenue structure in which the Company has stipulated the key objective of profit earning from the offering of the product and service in order to provide more investment choices in the money market with suitable return from value that has been set without profit earning in the way that only targeting price direction.

- **Hedging Strategy and the Company's risk management system**

Price Volatility Risk Management

To prevent risks that may arise from the issuance of Derivative Warrants. The Company shall manage the investment by using dynamic hedging with delta-neutral exposure target method. For example, in case of the call warrant, the Company shall purchase the underlying shares and keep in the portfolio in order to manage risk position in case of exercise events occur. However, in practice, the Company has determined the ability to maintain exposure from Delta-neutral position (Authorized off-neutral position limit or Authorized Delta Gap).

Credit risk management

According to offering of Derivative Warrants shall do the risk management by purchasing Derivative Warrants from third party or enter into Future contracts of the same underlying in the opposite direction. In this regard, the Company shall purchase Derivative Warrants or enter into Future contracts with the companies that listed on the authorized list or contain the required qualifications to keep the credit risk at an appropriate level

Risk Management for Settlement Disruption or Securities delivery

In order to prevent disputes due to Settlement Disruption or Securities delivery which may occur from an event beyond the control of the Company and not caused by the fault of the company. As a result, the Company is unable to do the settlement with the Derivative Warrants holder. This includes but is not limited to the following events:

Risk Management from Underlying Companies or Underlying Indices

In the event that Derivative Warrants is referred with stock, there may be some incidents or corporate action from the underlying companies which affects the Derivative Warrant prices (Maturity Date), Exercise Price and Conversion Ratio and related terms and conditions which can significantly affect the Company with profit loss.

In order to manage the risk, the Company will adjust the exercise of right, price exercise or any actions as stated in the factsheet and Prospectus related with Derivative Warrants.

Risk Management System

- **The Board of Directors**

The Board of Directors has responsibility to formalize the policy and scope of investment in the Future contracts, the policy to manage the risk in the Future contracts and the credit limit in the transaction of the Derivative Warrants and Future contracts in each category.

- **The Investment Committee of the Future Contracts**

The Investment Committee of the Future Contracts has the responsibility to endorse the policy and scope of the Derivative Warrants transaction and Future contracts transaction and propose to the Board of Directors to approve including the approval of each investment credit limit under the approved credit limit framework by the Board of Directors including the power of attorney to have the person who is in charge of managing the investment as per approved policy. However, the responsibility of the Investment Committee of the Future contracts will cover the review of the return of the investment and stipulation of the guideline to improve the policy and scope of the Derivative Warrants transaction and Future contracts transaction.

- **The Risk Management Committee**

Risk Management Committee has the responsibility to endorse the risk management policy and propose to the investment committee of Future contracts to propose to the Board of Directors for approval, review and formalize the guideline to improve the risk management policy including the review of the risk management control of the system in relation to the Derivative warrants and Future contracts.

- **The Risk Management Department**

Risk Management will coordinate with the compliance in order to monitor the recording of the risk management tasks and procedures in written for the Derivative Warrants transaction and Future contract transactions.

Risk Management has the responsibility to monitor and cross check the risk management in calculation system and financial model in which the risk management department will coordinate with the Information Technology department and Finance and Account to assess the Financial Model of its accuracy to provide the information of the risk management.

- **The role of senior management on risk management governance**

The Board of Directors, the Investment Committee of Future contracts, Risk Management Committee and Risk Management Department has responsibility and role as shown in “Risk Factors”.

- **The Control of the Derivative Warrants or other instruments transactions which affects the financial position or liquidity not as stipulated.**

As the Company has the principle of maintaining the net capital and the net capital ratio as per the rule stipulated by the Stock exchange Commission (SEC) for transactions of SET and Future Market by calculating the net capital and net capital ratio as stipulated by the SEC when the Company has the transactions in relation to the Derivative Warrants and/or Future contracts. However, the Company has the policy to limit the quantity of the Derivative Warrants transactions as per approved credit limit by the Board of Directors and/or approval by shareholder’s meeting in which the risk management department will control the quantity of the transactions in order to maintain the net capital ratio lower than the Board of Directors stipulated in the policy and guideline of the Future contracts investment.

The Lists of Derivative Warrants Issuances during 2021-2022 which the Company issues and offers for the total number of 215.

(As at 31 December 2022, the Company does not have the Derivate Warrants which do not expire remained with the Company.)

No.	Abbreviation	Securities Indices	Initial Transaction Date	Expiry Date
1	S5042P2111T	S50	8/19/2564	12/2/2564
2	S5042C2111G	S50	8/11/2564	12/2/2564
3	S5042C2111T	S50	8/11/2564	12/2/2564
4	S5042P2111G	S50	8/11/2564	12/2/2564
5	S5042P2111T	S50	8/11/2564	12/2/2564
6	KBAN42C2110G	KBANK	5/31/2564	10/28/2564
7	KBAN42P2107G	KBANK	3/1/2564	7/30/2564
8	OR42P2107G	OR	3/1/2564	7/30/2564
9	DELT42C2105G	DELTA	2/22/2564	5/31/2564
10	BCPG42C2107G	BCPG	2/22/2564	7/30/2564
11	BGRI42C2107G	BGRIM	2/22/2564	7/30/2564
12	OR42C2107G	OR	2/22/2564	7/30/2564
13	OSP42C2107G	OSP	2/22/2564	7/30/2564
14	TISCO42C2107G	TISCO	2/22/2564	7/30/2564
15	ADVA42C2107G	ADVANC	2/22/2564	7/30/2564
16	AMAT42C2107G	AMATA	2/22/2564	7/30/2564
17	S5042C2104G	S50	2/15/2564	5/6/2564
18	S5042P2104G	S50	2/15/2564	5/6/2564
19	AOT42C2106G	AOT	1/25/2564	6/30/2564

No.	Abbreviation	Securities Indices	Initial Transaction Date	Expiry Date
20	GFPT42C2106G	GFPT	1/25/2564	6/30/2564
21	TKN42C2106G	TKN	1/25/2564	6/30/2564
22	BANP42C2106G	BANPU	1/25/2564	6/30/2564
23	INTU42C2106G	INTUCH	1/25/2564	6/30/2564
24	TOP42C2106G	TOP	1/25/2564	6/30/2564
25	BBL42C2106G	BBL	1/25/2564	6/30/2564
26	KTC42C2106G	KTC	1/25/2564	6/30/2564
27	TVO42C2106G	TVO	1/25/2564	6/30/2564
28	BCP42C2106G	BCP	1/25/2564	6/30/2564
29	PRM42C2106G	PRM	1/25/2564	6/30/2564
30	WHA42C2106G	WHA	1/25/2564	6/30/2564
31	BDMS42C2106G	BDMS	1/25/2564	6/30/2564
32	PTT42C2106G	PTT	1/25/2564	6/30/2564
33	CK42C2106G	CK	1/25/2564	6/30/2564
34	RS42C2106G	RS	1/25/2564	6/30/2564
35	DOHO42C2106G	DOHOME	1/25/2564	6/30/2564
36	SCB42C2106G	SCB	1/25/2564	6/30/2564
37	DTAC42C2106G	DTAC	1/25/2564	6/30/2564
38	SCC42C2106G	SCC	1/25/2564	6/30/2564
39	DELT42C2104G	DELTA	1/18/2564	4/28/2564
40	PTTG42C2106G	PTTGC	1/18/2564	6/30/2564
41	ACE42C2106G	ACE	1/18/2564	6/30/2564
42	EA42C2106G	EA	1/18/2564	6/30/2564
43	SUPE42C2106G	SUPER	1/18/2564	6/30/2564
44	AEON42C2106G	AEONTS	1/18/2564	6/30/2564
45	EGCO42C2106G	EGCO	1/18/2564	6/30/2564
46	TASCO42C2106G	TASCO	1/18/2564	6/30/2564
47	BH42C2106G	BH	1/18/2564	6/30/2564
48	GULF42C2106G	GULF	1/18/2564	6/30/2564
49	THAN42C2106G	THANI	1/18/2564	6/30/2564
50	CBG42C2106G	CBG	1/18/2564	6/30/2564
51	HANA42C2106G	HANA	1/18/2564	6/30/2564
52	TMB42C2106G	TMB	1/18/2564	6/30/2564
53	COM742C2106G	COM7	1/18/2564	6/30/2564
54	IRPC42C2106G	IRPC	1/18/2564	6/30/2564
55	TQM42C2106G	TQM	1/18/2564	6/30/2564
56	CPAL42C2107G	CPALL	1/18/2564	7/30/2564
57	KCE42C2106G	KCE	1/18/2564	6/30/2564
58	TRUE42C2106G	TRUE	1/18/2564	6/30/2564
59	CPF42C2106G	CPF	1/18/2564	6/30/2564
60	PTTE42C2106G	PTTEP	1/18/2564	6/30/2564

No.	Abbreviation	Securities Indices	Initial Transaction Date	Expiry Date
61	TU42C2106G	TU	1/18/2564	6/30/2564
62	MINT42P2105G	MINT	1/8/2564	5/31/2564
63	S5042C2103G	S50	12/23/2563	4/2/2564
64	S5042C2103T	S50	12/23/2563	4/2/2564
65	S5042P2103S	S50	12/23/2563	4/2/2564
66	S5042P2103F	S50	12/23/2563	4/2/2564
67	JMT42C2105G	JMT	12/8/2563	5/31/2564
68	SCGP42C2105G	SCGP	12/8/2563	5/31/2564
69	KBAN42C2105G	KBANK	12/8/2563	5/31/2564
70	STA42C2105G	STA	12/8/2563	5/31/2564
71	KBAN42P2105G	KBANK	12/8/2563	5/31/2564
72	VGI42C2105G	VGI	12/8/2563	5/31/2564
73	MINT42C2105G	MINT	12/8/2563	5/31/2564
74	S5042P2103G	S50	12/8/2563	3/30/2564
75	ADVA42C2105G	ADVANC	12/8/2563	5/31/2564
76	MINT42P2105G	MINT	12/8/2563	5/31/2564
77	AOT42P2105G	AOT	12/8/2563	5/31/2564
78	MTC42C2105G	MTC	12/8/2563	5/31/2564
79	GPSC42C2105G	GPSC	12/8/2563	5/31/2564
80	PTG42C2105G	PTG	12/8/2563	5/31/2564
81	IVL42C2105G	IVL	12/8/2563	5/31/2564
82	SAWA42C2105G	SAWAD	12/8/2563	5/31/2564
83	S5042P2103T	S50	11/23/2563	3/30/2564
84	S5042C2102G	S50	11/23/2563	3/2/2564
85	S5042P2102G	S50	11/16/2563	3/2/2564
86	S5042P2101G	S50	10/26/2563	1/28/2564
87	S5042P2102T	S50	10/26/2563	3/2/2564
88	S5042C2101G	S50	10/26/2563	1/28/2564
89	S5042C2102T	S50	10/19/2563	3/2/2564
90	BBL42P2102T	BBL	8/31/2563	3/2/2564
91	MINT42P2102T	MINT	8/31/2563	3/2/2564
92	STEC42P2102T	STEC	8/31/2563	3/2/2564
93	SUPE42P2102T	SUPER	8/31/2563	3/2/2564
94	THAN42C2102T	THANI	8/31/2563	3/2/2564
95	CK42C2101T	CK	7/29/2563	1/28/2564
96	HANA42C2101T	HANA	7/29/2563	1/28/2564
97	PRM42C2101T	PRM	7/29/2563	1/28/2564
98	SIRI42C2101T	SIRI	7/29/2563	1/28/2564
99	JMT42C2101T	JMT	7/13/2563	1/28/2564
100	MEGA42C2101T	MEGA	7/13/2563	1/28/2564
101	TISCO42C2101T	TISCO	7/13/2563	1/28/2564
102	TKN42C2012T	TKN	7/13/2563	12/30/2563
103	AEON42C2101T	AEONTS	7/13/2563	1/28/2564

No.	Abbreviation	Securities Indices	Initial Transaction Date	Expiry Date
104	DOHO42C2012T	DOHOME	7/13/2563	12/30/2563
105	SUPE42C2101T	SUPER	7/9/2563	1/28/2564
106	AOT42P2012T	AOT	7/7/2563	12/30/2563
107	GULF42P2101T	GULF	7/7/2563	1/28/2564
108	KBAN42P2101T	KBANK	7/7/2563	1/28/2564
109	PTT42P2101T	PTT	7/7/2563	1/28/2564
110	PTTE42P2101T	PTTEP	7/7/2563	1/28/2564
111	AMAT42C2101T	AMATA	6/29/2563	1/28/2564
112	GFPT42C2101T	GFPT	6/29/2563	1/28/2564
113	SGP42C2101T	SGP	6/29/2563	1/28/2564
114	BDMS42C2101T	BDMS	6/29/2563	1/28/2564
115	KBAN42C2101T	KBANK	6/29/2563	1/28/2564
116	SPRC42C2101T	SPRC	6/29/2563	1/28/2564
117	CBG42C2101T	CBG	6/29/2563	1/28/2564
118	MINT42C2101T	MINT	6/29/2563	1/28/2564
119	TOA42C2101T	TOA	6/29/2563	1/28/2564
120	CPF42C2101T	CPF	6/29/2563	1/28/2564
121	OSP42C2101T	OSP	6/29/2563	1/28/2564
122	TRUE42C2101T	TRUE	6/29/2563	1/28/2564
123	DTAC42C2101T	DTAC	6/29/2563	1/28/2564
124	PLAN42C2101T	PLANB	6/29/2563	1/28/2564
125	TU42C2101T	TU	6/29/2563	1/28/2564
126	EA42C2101T	EA	6/29/2563	1/28/2564
127	PTG42C2101T	PTG	6/29/2563	1/28/2564
128	VGI42C2101T	VGI	6/29/2563	1/28/2564
129	EPG42C2101T	EPG	6/29/2563	1/28/2564
130	RATC42C2102T	RATCH	6/29/2563	3/2/2564
131	WHA42C2101T	WHA	6/29/2563	1/28/2564
132	ESSO42C2101T	ESSO	6/29/2563	1/28/2564
133	RS42C2101T	RS	6/29/2563	1/28/2564
134	INTU42C2101T	INTUCH	6/29/2563	1/28/2564
135	EGCO42C2101T	EGCO	6/22/2563	1/28/2564
136	PTTE42C2101T	PTTEP	6/22/2563	1/28/2564
137	GPSC42C2101T	GPSC	6/22/2563	1/28/2564
138	PTTG42C2012T	PTTGC	6/22/2563	12/30/2563
139	GULF42C2101T	GULF	6/22/2563	1/28/2564
140	SCB42C2101T	SCB	6/22/2563	1/28/2564
141	IVL42C2101T	IVL	6/22/2563	1/28/2564
142	STA42C2101T	STA	6/22/2563	1/28/2564
143	ADVA42C2102T	ADVANC	6/22/2563	3/2/2564
144	KCE42C2012T	KCE	6/22/2563	12/30/2563
145	SUPE42C2101T	SUPER	6/22/2563	1/28/2564
146	AWC42C2101T	AWC	6/22/2563	1/28/2564

No.	Abbreviation	Securities Indices	Initial Transaction Date	Expiry Date
147	KTC42C2012T	KTC	6/22/2563	12/30/2563
148	TASC42C2101T	TASCO	6/22/2563	1/28/2564
149	BANP42C2012T	BANPU	6/22/2563	12/30/2563
150	MTC42C2101T	MTC	6/22/2563	1/28/2564
151	TCAP42C2101T	TCAP	6/22/2563	1/28/2564
152	BGRI42C2101T	BGRIM	6/22/2563	1/28/2564
153	PTT42C2012T	PTT	6/22/2563	12/30/2563
154	TQM42C2101T	TQM	6/22/2563	1/28/2564
155	BBL42C2101T	BBL	6/15/2563	1/28/2564
156	CPAL42C2101T	CPALL	6/15/2563	1/28/2564
157	SAWA42C2101T	SAWAD	6/15/2563	1/28/2564
158	TOP42C2011T	TOP	6/15/2563	11/30/2563
159	AOT42C2101T	AOT	6/15/2563	1/28/2564
160	GULF42C2010M	GULF	6/1/2563	10/28/2563
161	PTT42C2010M	PTT	6/1/2563	10/28/2563
162	CBG42C2008A	CBG	3/11/2563	8/28/2563
163	IVL42C2008A	IVL	3/11/2563	8/28/2563
164	PTTE42P2008A	PTTEP	3/11/2563	8/28/2563
165	CK42C2006A	CK	2/20/2563	6/30/2563
166	STA42C2007A	STA	2/20/2563	7/30/2563
167	ADVA42P2007A	ADVANC	2/20/2563	7/30/2563
168	GFPT42C2008A	GFPT	2/20/2563	8/28/2563
169	TU42C2007A	TU	2/20/2563	7/30/2563
170	AOT42P2009A	AOT	2/20/2563	9/30/2563
171	GLOB42C2009A	GLOBAL	2/20/2563	9/30/2563
172	AWC42C2008A	AWC	2/20/2563	8/28/2563
173	GPSC42C2006A	GPSC	2/20/2563	6/30/2563
174	BBL42C2007A	BBL	2/20/2563	7/30/2563
175	KBAN42C2007A	KBANK	2/20/2563	7/30/2563
176	BH42C2008A	BH	2/20/2563	8/28/2563
177	KBAN42P2008A	KBANK	2/20/2563	8/28/2563
178	BTS42C2008A	BTS	2/20/2563	8/28/2563
179	RS42C2008A	RS	2/20/2563	8/28/2563
180	CBG42C2006A	CBG	2/20/2563	6/30/2563
181	PLAN42C2007A	PLANB	2/20/2563	7/30/2563
182	TRUE42C2007A	TRUE	2/17/2563	7/30/2563
183	CPAL42C2007A	CPALL	2/17/2563	7/30/2563
184	GPSC42P2006A	GPSC	2/11/2563	6/30/2563
185	DTAC42C2006A	DTAC	2/3/2563	6/30/2563
186	SCC42C2008A	SCC	2/3/2563	8/28/2563
187	ESSO42C2007A	ESSO	2/3/2563	7/30/2563
188	SGP42C2007A	SGP	2/3/2563	7/30/2563
189	IRPC42C2006A	IRPC	2/3/2563	6/30/2563

No.	Abbreviation	Securities Indices	Initial Transaction Date	Expiry Date
190	SPRC42C2006A	SPRC	2/3/2563	6/30/2563
191	AMAT42C2007A	AMATA	2/3/2563	7/30/2563
192	KTC42C2006A	KTC	2/3/2563	6/30/2563
193	TKN42C2006A	TKN	2/3/2563	6/30/2563
194	BANP42C2006A	BANPU	2/3/2563	6/30/2563
195	PTG42C2006A	PTG	2/3/2563	6/30/2563
196	TOP42C2007A	TOP	2/3/2563	7/30/2563
197	BCPG42C2007A	BCPG	2/3/2563	7/30/2563
198	PTT42C2007A	PTT	2/3/2563	7/30/2563
199	WHA42C2006A	WHA	2/3/2563	6/30/2563
200	BGRI42C2006A	BGRIM	2/3/2563	6/30/2563
201	PTTG42C2007A	PTTGC	2/3/2563	7/30/2563
202	CPN42C2006A	CPN	2/3/2563	6/30/2563
203	SCB42C2007A	SCB	2/3/2563	7/30/2563
204	IVL42C2005A	IVL	1/20/2563	5/28/2563
205	AOT42C2006A	AOT	1/13/2563	6/30/2563
206	SCB42C2006A	SCB	1/13/2563	6/30/2563
207	CENT42C2006A	CENTEL	1/13/2563	6/30/2563
208	TASC42C2005A	TASCO	1/13/2563	5/28/2563
209	CHG42C2006A	CHG	1/13/2563	6/30/2563
210	CKP42C2006A	CKP	1/13/2563	6/30/2563
211	EGCO42C2007A	EGCO	1/13/2563	7/31/2563
212	JMT42C2006A	JMT	1/13/2563	6/30/2563
213	PRM42C2006A	PRM	1/13/2563	6/30/2563
214	BTS42C2003A	BTS	1/13/2563	3/30/2563
215	RATC42C2006A	RATCH	1/13/2563	6/30/2563

Other Related Information

Investors can see additional information of the Company as referred in the 56-1 One Report from the following sources.

- www.set.or.th
- www.sec.or.th

The Conflict of Interest of the Derivative Warrants

As the Company and/or the related company has operated the business and has the other responsibilities as licensed such as the Financial Consultancy, Investment Advisory the Company's Investment and the other related Company's investment, the securities brokerage including the insider information which may lead to the conflict of interest from the issuance of the Derivative Warrants directly or indirectly. Therefore, in order to prevent the conflict of interest, the Company has the rule of the internal control to cross check and utilize as the insider information prevention which may impact the securities price or lead to any of the conflict of the interest especially the information that impact the securities price which has not been disclosed to the public. Each department will keep the insider information in which other departments will not be able to access such information (Chinese Wall). However, the Company will disclose the direct and indirect stake holding of the Company in the article or research of the Derivative Warrants and securities indices.

The Supply of Product and Service

Source of Capital

In terms of the source of capital for business operation, since the Company is the listed company in the Stock Exchange of Thailand (SET) which creates various channels in capital raising via capital and money market. The Company has the policy to raise the capital to support business operation by the use of the loan from commercial bank and the offering of debentures such as the debentures and Bill of Exchange to offer to the investors including the loan from major shareholders whereby the consideration of capital raising will consider the key factors such as the necessary and the period of the capital use including conditions and principle of the capital raising in order to choose the most appropriate source of capital for the certain period of time. As at 31 December 2021, the remaining loan from financial institution and major shareholder, including the issuance of debentures and other sources of loans per the Company's financial position is THB 17,520.27 Million.

The capital arrangement or the loan via related person with the Company's executive or major shareholder

During 2021, the Company arranged for the capital raising from major shareholder (Maybank Group) which offers the one stop financial services from Malaysia. As at 31 December 2021, the Company has the sum of loan remaining with major shareholders of THB 4,037.12 Million.

The maintenance of the Net Capital Ratio (NCR)

As at 31 December 2019, 2020 and 2021, the Company has NCR of 33.90%, 35.13% and 41.76% respectively which is higher than the minimum requirement from the regulator by 7%.

Asset for Business Operation

Total Sum of Asset for Business Operation

The asset for business operation (Or Equipment) which shows in the financial Statement per the net book value as at 31 December 2021 is THB 88.43 Million. The Company's total asset with no bindings has details as follows:-

Details of the Asset	Net Book Value (Baht)
1. Building Maintenance	19,340,470
2. Decoration and Office Supply	68,907,675
3. Work under Installation	177,864
Total	88,426,009

In addition, the Company still has the intangible asset namely Computer Software, Membership fee for Derivative Market which has net book value as at 31 December 2021 of THB 35 Million.

Lease Agreement

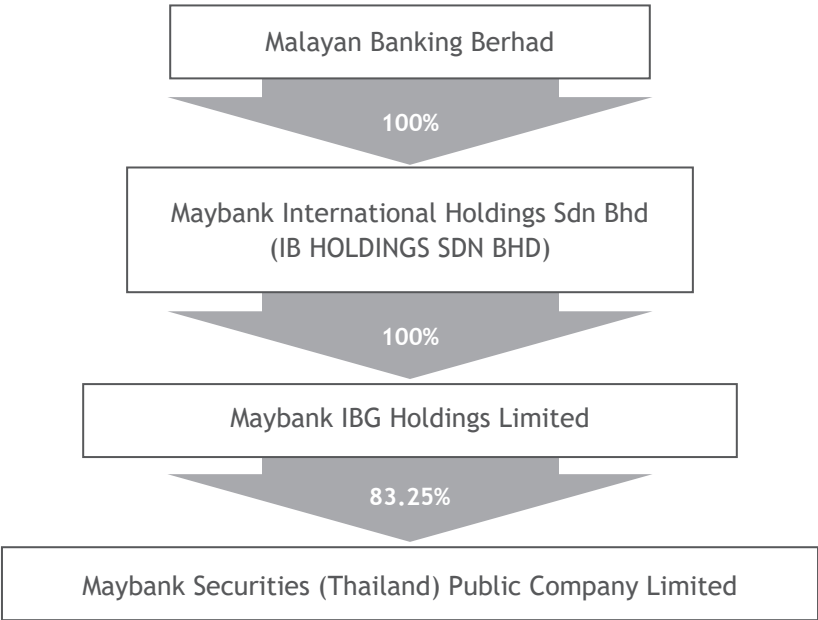
Maybank Securities (Thailand) Public Company Limited has entered into the lease agreement with Central World Tower Company Limited to lease 20th-21st floor at The Office @ Central World, Rama 1 Road, Pathumwan, Bangkok to utilize as the head quarter office. In addition, the Company has also entered into the lease agreements to utilize the 28 branch offices in Bangkok and suburb areas in various regions all over the country in order to serve the Company's business operation with 1-3 years lease term.

Investment Policy in the Subsidiary and Joint Venture

The Company has the investment policy to invest in the Company that has the type of business that deem fit with the Company’s business operation and will enhance the Company’s capability to provide all round services with more efficiency. At present, the Company has no investment in the subsidiary and the joint venture.

1.3 Relation of Group Business of Major Shareholder

Our securities business is a part of business in MALAYAN BANKING BERHAD who operates Finance Institutions in Malaysia by holding its shares on Maybank IBG Holdings Limited (Formerly Maybank Kim Eng Holdings Limited) Singapore which currently has changed its name to be Maybank IBG Holdings Limited in amount of 83.25% of the total issued shares and its shareholder structure as of the latest book closing date of the Company on October 18, 2021 as follows:



The MALAYAN BANKING BERHAD Group has its professional management team. MALAYAN BANKING BERHAD had appointed its management to be Directors of the Company with the objective to jointly outline the various operational policies.

Shareholder Structure

1. Share Capital of the Company

As at December 31, 2021, the Company had a total registered share capital of 2,861,250,000 Baht with total paid-up capital of 2,854,072,500 Baht comprised of 570,814,500 ordinary shares at par value Baht 5 each.

2. Shareholders

The Company's major shareholder is Maybank IBG Holdings Limited which holds 83.25% of the Company's total paid-up capital. The details on the Company's shareholders as at October 18, 2021 being the latest book closing date are as follows:

No.	Name	No. of Shares Held	%
1.	MAYBANK IBG HOLDINGS LIMITED	475,182,790	83.25%
2.	MR. KANOK TANGCHAIRUKKARNDÉE	2,800,000	0.49%
3.	THAI NVDR CO.,LTD	2,780,024	0.48%
4.	Mr. VIBUL ENGWATTANA	1,959,500	0.34%
5.	MR. SOMCHAI SIITHINANONDORN	1,450,500	0.25%
6.	MAYBANK KIM ENG SECURITIES PTE. LTD.	1,440,800	0.25%
7.	Ms. NAOWARAT TANGCHAIRUKKARNDÉE	1,300,000	0.22%
8.	Mr. SUCHART GORTRAKOL	1,214,100	0.21%
9.	MR. JONGJATE AOJANEPONG	1,200,000	0.21%
10.	MRS. SUTRAPORN CHITSAKUL	1,110,000	0.19%
11.	MR. SOMSAK KITTIMAHAKHUN	800,000	0.14%
12.	Mr. EUA UPATCHAYA	765,000	0.13%
13.	MR. PITAK SAPSIRISAWAD	752,000	0.13%
14.	MR. MANA SAHASANTISUK	720,000	0.12%
15.	OTHERS	77,340,083	13.99%
Total		570,814,500	100.00%

As at December 31, 2021, Maybank IBG Holdings Limited is a wholly-owned subsidiary of Maybank International Holdings Sdn. Bhd. (formerly known as Maybank IB Holdings Sdn. Bhd.)

Maybank International Holdings Sdn. Bhd (formerly known as Maybank IB Holdings Sdn. Bhd.) is a company incorporated in Malaysia and is a wholly-owned subsidiary of Malayan Banking Berhad. As at December 31, 2021 Malayan Banking Berhad has 11,878,513,218 registered shares. Its top-10 major shareholders as at 31 December 2021 are as follows:

No.	Name	No. of Shares Held	%
1.	AMANAHRAYA TRUSTEES BERHAD AMANA SAHAM BUMIPUTERA	4,040,146,323	34.01
2.	CITIGROUP NOMINEES (TEMPATAN) SDN BHD EMPLOYEES PROVIDENT FUND BOARD	1,536,819,992	12.94
3.	PERMODALAN NASIONAL BERHAD	841,663,000	7.09
4.	KUMPULAN WANG PERSARAAN (DIPERBADANKAN)	534,220,390	4.50
5.	AMANAHRAYA TRUSTEES BERHAD AMANA SAHAM MALAYSIA 2 - WAWASAN	285,665,212	2.40
6.	AMANAHRAYA TRUSTEES BERHAD AMANA SAHAM MALAYSIA	193,091,611	1.63
7.	AMANAHRAYA TRUSTEES BERHAD AMANA SAHAM MALAYSIA 3	117,836,837	0.99
8.	CARTABAN NOMINEES (TEMPATAN) SDN BHD PAMB FOR PRULINK EQUITY FUND	110,538,552	0.93
9.	CARTABAN NOMINEES (ASING) SDN BHD EXEMPT AN FOR STATE STREET BANK & TRUST COMPANY (WEST CLT OD67)	107,647,663	0.91
10.	CITIGROUP NOMINEES (TEMPATAN) SDN BHD EXEMPT AN FOR AIA BHD.	106,275,646	0.89
Total top 10 major shareholders		7,873,905,226	66.29

Remark: AMANARAYA TRUSTEES BERHAD holds the legal title to the Malayan Banking Berhad share as trustee for several unit trust funds. Investors in those unit trust funds comprise the Malaysian public.

1.4 The Capital Registration and Paid-Up Capital

The Company has registered capital of 2,861,250,000 Baht with paid-up capital of 2,854,072,000 Baht comprising of 570,814,500 common shares with par value of 5 Baht per share.

1.5 The Issuance of other securities

The remaining sum of the securities which is the debentures as at 31 December 2021
As at 31 December 2021, the Company has remaining of the securities as follows:-

Type of Securities	Short period Bill of Exchange (Baht)
Value (Million Baht)	13,483
Due date for redemption	Within 1 year
Guarantee	No
Pre due date Redemption	No
The requirement of the maintenance of Capital Ratio	No
The rating of the issue of short period debenture	AA (tha) The trend of credit rating is “Stable” by the Fitch Rating (Thailand) Company Limited as at 31 June 2021.

1.6 Dividend Payment Policy

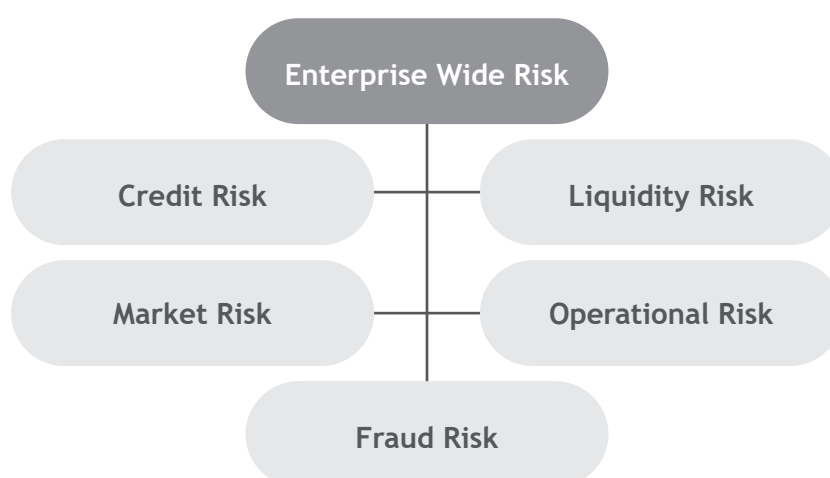
The Company has the policy of making dividend payment at a rate not less than 40% of its net profit after deduction of all reserves as specified by the Company. Dividend payment made each year depends upon the Company’s investment plan, necessity and situation in the future. The Board of Directors can propose the final dividend payment during its board meeting and present to shareholders during a shareholders’ meeting for approval. The Board of Directors is authorized to decide an interim dividend payment, but need to inform the shareholders at the next shareholders’ meeting.

2. Risk Factors

Risk Management Policy in operating business, the Company may face both internal and external business risks. In order to cope with such risks, the Company has continually developed and implemented risk management systems. The Board of Directors has approved policies and procedures to be used as a guideline which will help developing effective business operations under risk appetite.

Overview of Risk Management

Risk management at both policy and operating level shall be under the responsibility of Risk Management Committee and other related Committees;



- Operation of the Company is under the organizational structure, with check and balance mechanisms; and
- Risk management policies and guidelines in each area are in written form for reference by management and employees.

The risk management system is developed on the basis of care and continual improvement, taking into account the best interests of shareholders, clients, employees and the society. Details are indicated in “Principle 6: Strengthen Effective Risk Management and Internal Control.

Risk Factors

1. Fluctuations in the conditions of international and domestic economies, money markets

SET’s average daily trading value in 2021 was THB 68,606.91 million, a 28.98% increased from that in 2020 resulting from the lower average brokerage commission rate, a low commission rate of the business in the stock market couple with and the increasingly volatile condition in the securities business causing the Company’s securities brokerage revenue was THB1,976.45 million in 2021, a 39.07% increased from that in 2020, the Company’s securities brokerage business was adversely affected by COVID 19 outbreak and intense business competition whilst the local macro economy as well as the money and capital markets were affected by concerns about possible global economic stagnation and trade war between the US and China, both of which are global economic powerhouses and major trading partners of Thailand. They would of course directly and significantly affect the Thai export and tourism sectors.

MST has mitigated such risk by adjustment of the Company's operational strategy plan for sustainable growth has expanded the customer base to be wider, to include both individual and institutional clients and generating revenue from a variety of financial advisory services including securities offering, M&A, business takeovers, project feasibility studies, business valuation and securities underwriting. MST also engages in other businesses to generate additional sources of revenue such as asset management, private fund management, securities borrowing & lending (SBL) and the derivatives business.

2. Risk due to Intense Competition in the Securities Business

Securities business has been a quite highly competitive business, especially in the area of securities brokerage that has long been the Company's major source of revenue. Since the Stock Exchange of Thailand (SET) has changed the brokerage fee structure, the securities brokerage business will be a highly competitive business in terms of securities brokerage fee. To cope with the increasing level of competition in the securities brokerage business, the Company has put extra efforts in improving every area of its service quality, especially Internet trading service. This is because the brokerage fee applied to Internet trading has still been lower than that applied to traditional trading service (In 2021, Internet trading brokerage fee was 54.14% of total trading brokerage fee). Internet trading has thus drawn strong interest from a lot of securities investors. The Company has long focused on providing high-quality services with the aim to maintain and expanding the existing client base. The Company has done so by increasing the quality of research publications, improving and developing skills and capabilities of staff in providing services and recommendations to clients. The Company has continuously upgraded its information system to respond to and satisfy fast-changing client needs. All of these have enabled the Company to be in a good position and well prepared for liberalization of the securities brokerage fee structure that would be effective on January 1, 2012, and thus intensifying competition in the securities brokerage industry.

Financial advisory and investment banking services and fees have also been competitive in terms of both service quality and advisory fee levels. MST has provided a variety of financial advisory services including securities offering, independent financial advisory, fund raising, M & A, business takeovers, business valuations etc., focusing on provisions of high-quality services. The Company has continuously developed and upgraded advisory skills of its IB staff, and this enables it to provide high-quality financial advisory services to clients on a continuous basis.

MST was also granted a license to operate its business as a derivatives agent in accordance with the Derivatives Act B.E. 2546. It was selected as a member of Thailand Futures Exchange (TFEX) that was launched on April 28, 2006 and Thailand Clearing House (TCH) to operate its business as a derivatives agent. This has helped to expand the Company's source of revenue.

3. In its securities brokerage business, the Company is highly dependent on a small number of large clients.

The Company's top 10 big trading clients accounted for 33.09% of total securities brokerage fee income in the year 2020 and 38.37% in 2021. Had MST lost such big trading clients, its securities brokerage fees for 2020 and 2021 would have fallen by 12.07% and 9.30%, respectively. However, the Maybank IBG Holdings Group is MST's major shareholder for 10.90% and 8.33% of total securities brokerage fee income in the year 2020 and 2021 respectively. Thus, it is quite unlikely that it will lose such a client. As MST has long realized concentration risks, it has thus aimed to increase the number of trading accounts in order to expand its client base. For 2019 and 2020, the number of new client opening account was 3,531 and 6,140 respectively. For 2021, 86.0% of the Company's securities brokerage fees were from retail trading business and the remainder 14.0% from local and foreign institutions. Another source of the Company's operating revenue was from Investment Banking business.

4. Clients may default or delay payment for or transfer of securities and collateral for taking position in futures.

For the year ending December 31, 2021, excluding allowance for expected credit losses, the Company's securities brokerage receivables totaled THB 13,510.84 million, consisting of clients' Cash accounts of THB 2,124.91 million, Credit Balance account of THB 17,412.73 million, Securities Borrowing and Lending accounts of THB 27.11 million, and other receivables of THB 264.30 million, with unearned interest revenue of THB 36.03 million. In addition, the Company had derivatives business receivables amounting to THB 41.70 million and other receivables of THB 0.61 million. Such securities and derivatives brokerage receivables are classified as non-performing debts in the amount of THB 263.80 million, accounting for 1.95% of its total securities and derivatives brokerage receivables. Of the total amount of doubtful debt, THB 254.49 million of which belonged to Nithiphat Securities Co., Ltd., was incurred prior to acquisition of the ordinary shares of that company by Kim Eng Holdings Limited in 1998, and THB 9.31 million of which was incurred after the share acquisition by Maybank IBG Holdings Limited. The Company tries to collect all doubtful debts as fast as possible, and if it cannot do so, it will file a lawsuit against the defaulting receivables.

For such non-performing debts of THB 263.80 million mentioned above, the Company established an allowance for expected credit losses of THB 252.68 million. 100% allowance was provided to outstanding debts exceeding their collateral.

In the derivatives agent business, the Company may face the risk that collateral clients put up may not be sufficient to satisfy their debt obligations with TCH. Thus, MST, as a derivatives agent, is obligated to follow and collect more collateral from clients to satisfy debts incurred as a result of loss from holding a position in futures. Nevertheless, MST has implemented many policies aimed to mitigate default risk as a result of securities and derivatives trading. It has done so by focusing on selecting high-quality clients and specifying trading limits for securities and derivatives that well correspond to securities collateral amount, clients' financial status, their abilities to repay debts, liquidity conditions and investment experience. MST has regularly reviewed and closely monitored the receivables' status.

The Company has policy to closely monitor and tight procedure for Thailand Future Exchanges (TFEX) business risk management continuously. For institutional clients, the Company will assess the financial position for both domestics and international clients closely. If clients has financial risk or deficient capital flow, the Company has right to adjust the financial credit for TFEX clients, change the procedure or capital deposit, lower the financial credit which clients possess. For retail client, the Company will reassess the financial status constantly and will monitor clients who is requested to increase the financial deposit or clients who are forced to terminate the status closely.

5. Risk Associated with Margin Account under the Credit Balance System

In extending margin loans to securities trading clients, the Company may face the risk that margin clients may default their repayments, especially in the case that value of securities put as collateral falls below their outstanding margin amount. Normally, such repayment default will not occur under the credit balance system as margin clients are required to maintain their maintenance margin in accordance with conditions as prescribed by the Company and relevant regulators. If the proportion of collateral to outstanding margin amount falls below the prescribed ratio, the procedures related to call margin and force sell will apply respectively. Nevertheless, some adverse abnormal situation may occur, thus leading to a sharp decline in the value of securities put as collateral, such that the system of maintenance margin cannot cope with it. To manage this risk, the Company formulates and applies clear and stringent policies in selecting securities allowed to be traded under the margin system as well as prescribing initial margin for such securities. The Company does not allow its clients to trade risky/speculative securities under the margin system. The Company also prescribes ceiling margin amounts for each client in trading particular securities.

Margin loans amounts as of December 31, 2019, 2010 and 2021 were THB 11,145.38 million, 10,992.25 million, and 17,357.73 million respectively. Margin loans amount outstanding may vary each year, depending upon trading activities on the SET. For the period that margin loans amount outstanding sharply increases, the Company realizes the potential risk associated with margin account. The Company complies with policies/measures in dealing with this risk as described in the previous paragraph stringently. In the past, the Company never faced serious damage due to extending margin loans.

6. Any failure in computer systems may disrupt the Company's securities brokerage business operations.

To operate its securities brokerage business, the Company relies heavily on its computer systems. Business impact analysis has been carried out to identify critical business functions, which in turn will determine critical IT systems that have to be carefully taken care of.

Resiliency and stability have been implemented for identified critical IT systems in many ways as follows:-

- Data backup of critical IT systems has been performed on a daily basis.
- High Availability (HA) is established for key IT components.
- Disaster Recovery (DR) capability has been prepared where required backup servers and software components are prepared and running at a different data center site. DR test to make sure the recovery is within expected duration are carried out at least twice annually.
- Data network redundancy has also been implemented between data centers and between branches to reduce impact if there is problem with one particular network provider.

7. Cybersecurity Risk Factors for Business

According to the company's business relating to customer information and providing services through the use of various technologies, such as opening an account via online, Trading stocks, depositing, withdrawing money online system. The chances of facing cyber threats are therefore quite high. Cyber threats can come from external actors in variety ways such as attacking on the system vulnerabilities, conducting social engineering, spreading malwares, etc., or from internal staff either with malicious intentions or just lacking of security awareness. It leads to various risks for example:

- Data loss or data leak
- Data integrity risk
- Financial loss
- Reputational and trustworthy risks
- Service availability risk
- Regulatory and compliance risks
- Legal risk

However, the company attaches great importance to this matter, by coordinating with the Maybank Group in bringing various machines to use and formulating guidelines to deal with cyber threats effectively, such as;

- 1) Implementing multiple layers of defense to protect corporate network and systems from being attacked by using technologies and security tools such as Firewall, Intrusion Prevention System, Advanced Persistent Threat detection, Email Security Gateway, Network Access Control, Antivirus, etc.

- 2) Controlling access to network and applications with proper authentication and authorization, and regular review of access granted.
- 3) Implementing Data Leak Prevention (DLP) to detect confidential data being sent out to unauthorized persons.
- 4) Preventing staff to browse dangerous and unwanted websites
- 5) Educating staff to have awareness and understanding in cybersecurity
- 6) Hiring professional service to setup Security Operation Center to monitor and detect cyber security threat events to ensure timely response.
- 7) Patching system software regularly and hiring professional to do system-wide penetration test annually
- 8) Having regular IT audits from both internal and external auditors to ensure high standard of internal controls
- 9) Business continuity preparation for the disaster or computer system failure events by distributing data centers in multiple locations, backing up important data offsite, performing disaster recovery and business continuity exercise regularly.
- 10) Securing data communication to prevent data tapping using industry standard encryption
- 11) 11 Strict controlling of remote access with trusted devices and multi-factors authentications
- 12) Controlling usage of unauthorized software to prevent potential threats from malwares

8. As an underwriter, the Company is required to subscribe for unsubscribed securities that may expose it to large losses.

In relation to investment banking business in which the Company acts as an underwriter, it assumes an underwriting risk that may require it to purchase any unsubscribed securities for its own account. This may be due to inappropriate pricing and fluctuations in both money and capital markets. If, in the future, the Company is required to purchase underwritten securities for its own account, it may result in significant losses that could have a material adverse effect on its financial condition, particularly the net capital ratio, and its results on operations.

To mitigate this risk, prior to participating as an underwriter for any securities, the Company conducts a study and analysis of the business potential of issuers as well as client interest, and the Company will act as underwriter for securities only with minimal risk of securities under subscription. In case the Company acts as underwriter for securities at significant amounts, approval for securities underwriting from the Underwriting Committee needs to be obtained prior to the Company's acting as underwriter. In acting as underwriter and/or financial advisor, the Company has put emphasis on selecting clients. Prior to accepting any new clients, the Company will conduct a preliminary assessment and due diligence on the business potential as well as financial performance of the clients. The Company's IB staff are well accustomed to relevant applicable law and regulations, and this enables them to provide high-quality and accurate services to clients.

9. The Company's business may be affected by an error or the misconduct of an employee that is difficult to check and prevent.

The Company's business is highly dependent upon its reputation and the trust of its clients. Employees are regularly in direct contact with clients and have knowledge of, or access to, the clients' assets or information. Accordingly, when an employee does not carry out his or her duties in accordance with a client's orders or acts beyond his or her authority or does not act in compliance with the Company's rules and regulations including its compliance manual or commits misconduct in managing client's assets or uses the client's information without permission or other actions that may harm client interests, the Company's reputation and the trust of other clients may be adversely affected. The Company may also become liable for the losses incurred by the clients in question.

In addition, certain actions may be made in breach of relevant laws or regulations and may result in the Company becoming liable to pay fines, losing its license or being subject to litigation, all of which may have a materially adverse effect on the Company's financial condition and result of operations. To deal with this risk, the Company has regularly monitored working activities of employees and will punish any employee who violates these Company's rules. Also, the Company established clear working rules, actions and procedures that its employees have to follow. Besides, the Company established process appropriate for any employee who fails to comply and/or misconduct as well as increase measures to check and govern to prevent this issue to happen again. In the Year 2021, there were no cases where the Company's staff failed to comply with or violated applicable rules and regulations that may cause detrimental effects to the Company's operation.

10. The Company operates its businesses under stringent laws and regulations, including regulations that impose liability on its operations that could have an adverse effect on its results of operations and financial condition

The securities business is strictly controlled by laws and regulations from government authorities, the Office of the SEC and the SET. As a result, any establishment or change of government policy or of the supervisory roles of the relevant regulatory bodies may affect the Company's goals, competitiveness and business and could have a materially adverse effect on the business, financial condition and result of operations of the Company. Moreover, the Company may incur liabilities resulting from the operation of its business, such as from mistakes arising from the performance of its duties as financial advisor or underwriter or from its failure to comply with steps in accepting securities purchase or sales orders from clients. The Company cannot ensure that if the Company became liable, it would not face serious liability or a possible business license risk, either of which could have serious a material effect on its business and its reputation.

To mitigate this risk, the Company's Compliance Department has closely monitored changes in laws and regulations relevant to the Company's businesses, and will closely control and check operations of each department in the Company to ensure they are in conformance with applicable laws and regulations. It will inform of changes in relevant regulations to all involved departments.

11. The Company is highly dependent on staff

The Company relies on experienced, knowledgeable and skilled employees in its business operations. At present, in a highly competitive business, with a limited number of experienced and skilled staff, there is intense competition to recruit appropriate qualified staff. Should the Company be unable to retain these staff, the Company's business continuity may be affected to the detriment of its financial condition and result of operations.

To counter this risk, the Company has provided its staff with good employee welfare, and long put emphasis on providing training courses for employees with the aim of enhancing employee skills.

12. The Company's operations are under the control of the major shareholder

As at October 18, 2021, Maybank IBG Holdings Limited (formerly known Maybank Kim Eng Holding Limited), the Company's major shareholder, held an 83.25% equity stake in the Company's total paid-up shares. Thus, Maybank IBG Holdings Limited, with more than 50% share held, remains able to control shareholders' resolutions in relation to key matters that are required by laws or articles of association of the Company to be passed by a majority vote of shareholders attending the meetings and entitled to vote, except for matters that are required by laws or articles of association of the Company to be

passed by a three-fourths vote of shareholders. Therefore, other shareholders may not obtain sufficient votes to balance those of Maybank IBG Holdings Limited. Nevertheless, the Company has appointed three independent directors that account for 50% of the Company's Board of Directors. They are responsible for monitoring and providing advice on the Company's operations to ensure it has operated transparently and accurately.

Moreover, as a subsidiary of Maybank IBG Holdings Limited that has long been well known for its securities business with subsidiaries in Asia, Europe and the United States, MST has been widely accepted by retail and institutional trading clients for its expertise and experience in the securities business.

Nevertheless, in the Year 2011, there was a major change in the shareholding structure of Maybank IBG Holdings Limited. Maybank IB Holdings Sdn Bhd (currently known as "Maybank International Holdings Sdn Bhd") which has been a part of Malayan Banking Berhad from Malaysia conducted a tender offer for a 100% stake in Maybank IBG Holdings Limited. Such change, however, had no effect on management policy and all staff of the Company.

13. The Effect from the emergency situations

The Company, however, has put emphasis on managing any casualties that might occur with its branches and clients. The Company developed and implemented plans related to safety standards. It also purchased casualty insurance that could cover any casualties resulted from many disasters with the amount of THB 940million.

In addition, the Company has set Business Continuity Plan (BCP) and alternate site to support continuous operation, in case there is any crisis situation that may affect normal process. Currently, the Company has set up an alternate site at Bang Khae branch where we provide computer equipment, programming system and minimum resources that may be needed for immediate use and conduct testing with various scenarios on an annual basis.

In addition, we are into the second year operating in COVID-19 environment and while it has many operational challenges, thanks to our robust business continuity plan and continuous guidance and support from Maybank Group, we are able to manage effectively the Operations and continue servicing our clients in a very challenging environment.

At MST, we adopt safety first approach for our employees and clients, therefore we encouraged working from home as much as we can during COVID-19 situation. In fact about 70 to 80 percent of our staff were working from home during the peak of COVID-19 outbreak and only critical support function staff are allowed to work from office. On the critical support function ability to continue servicing our clients need, we adopt 3 tier splits Operations whereby 1st team work from HQ, 2nd team work from alternate site while the 3rd team will work from home to minimize potential outbreak that will impact Operational efficiency.

We also leverage as much as we can on technology to support the working environment, practicing strict hygiene on working area and implement COVID-19 protocol like vaccination, scheduled ATK testing, travel and social restriction to our staff to minimize infection. As at today, 98 percent of our employees already had 2 doses of vaccination. And we plan to continue using these best practices for MST to safe guard our employees and clients while continue to provide uninterrupted services to all our stakeholders.

14. The Risk factors of Derivative Warrants

14.1 Risks relating to the Derivative Warrants

A. Risks from price changing of Derivative Warrants

Market supply and demand

The price of Derivative Warrants depends on the demand and supply of the derivatives warrants at that time, i.e. in trading of Derivative Warrants on the Stock Exchange of Thailand which there are a large number of buyers and sellers, each buyer and seller may decide to place an order by different methods and decisions which could affect the price of derivatives warrants at that moment.

II. Factors affecting price of the Derivative Warrants

▪ Price of Underlying

The dynamic of Underling price will effect Derivatives Warrant price depend on the following:

o Derivatives Warrant which the issuer gives the investors the right to buy (Call Warrant)

If the underlying asset price increases, the price of Derivative Warrant will increase accordingly. On the other hand, if the underlying asset price declines, the price of Derivative warrants will decrease.

o Derivatives Warrant which the issuer gives the investors the right to sell (Put Warrant)

If the underlying asset price increases, the price of Derivative Warrants will decrease accordingly. On the other hand, if the underlying asset price declines, the price of derivative warrants will increase.

▪ Exercise Price

The changing of Exercise Price will effect Derivatives Warrant price depend on the following:

o Derivatives Warrant which the issuer gives the investors the right to buy (Call Warrant)

If the Exercise Price increases, the price of Derivative Warrant will decrease. On the other hand, if the Exercise Price decreases, the price of Derivative Warrants will increase.

o Derivatives Warrant which the issuer gives the investors the right to sell (Put Warrant)

If the Exercise Price increases, the price of Derivative Warrants will increase. On the other hand, if the Exercise Price decreases, the price of Derivative Warrants will decrease.

▪ Volatility of the return on underlying asset

Volatility is the uncertainty of an asset's price. Therefore, the higher the Volatility of the underlying asset, the greater the chance of Underlying Asset price movement. This will give investors the opportunity to take profit from the Derivative Warrant price differentiation or from the increasing of exercise of rights under the Derivative Warrants. The value of the Derivative Warrants increases when the Volatility increases and decrease as the volatility decreases.

▪ The Remaining period of Derivative Warrants

According to the fact that Derivative Warrants have a limited life time, which is different for each issuance. Therefore, if the time remaining of the Derivative Warrant is long, the probability that the underlying price will go up or down will increase accordingly. This will give investors the opportunity to take profit from the price movement or from the exercise of derivative warrants. The value of Derivative Warrants with a longer remaining period will have a higher value than a shorter remaining period, in the case that other specifications such as the exercise price are the same.

- Interest Rate

The risk-free interest rate will affect the price of derivative warrants as follows:

- o Derivative warrants (Call Warrant)

According to the fact that the purchase of Derivative warrants (Call Warrant) takes less payment than the purchase of the underlying shares directly. Therefore, if risk-free interest rate is higher, the opportunity cost to buy shares directly would be higher. Therefore, investors are willing to pay more for the purchase Derivative Warrants. This makes the Derivative Warrants have more value, and if the risk-free interest rate is lower, the value of Derivative Warrants will decrease.

- o Derivative warrants (Put Warrant)

According to the Derivative warrants (Put Warrant) in general, if the risk-free interest rate is higher, the present value of the exercise price would be lower. It implies selling in advance through the exercise of selling right would result in lower sales in future. Therefore, the value of the right to sell Derivative Warrants will decrease and if the risk-free interest rate is lower, the value of Derivative Warrants would increase.

- Dividend or return on holding of Underlying Securities

Dividend payment on Underlying securities or return on holding of underlying assets would inevitably result in a decrease in the price of the Underlying Securities or the Underlying Asset. If the right from dividend payment or return from holding the underlying asset will not affect the value of the Derivative Warrants which is in accordance with the prospectus. However, in the event that the designation differs from the prospectus, or there is no adjustment of rights or partial adjustment of rights, such as adjustment of rights only in the case of special dividends will affect the price of derivative warrants as follows:

- o Derivative warrants (Call Warrant)

When the underlying securities price or the underlying asset has declined, the price of Derivative Warrants would decrease accordingly.

- o Derivative warrants (Put Warrant)

When the price of the underlying asset or the underlying Asset declines, the price of Derivative Warrants would increase accordingly.

B. Liquidity Risk

For trading Derivative Warrants on the Stock Exchange of Thailand, there is a market maker to provide liquidity follow the Terms and Conditions requirements of the market maker. However, the market maker's requirements would be different depending on the issuance of the Derivative Warrants issuer. Investors can seek the information on market maker conditions from the issuer of Derivative Warrants information published by the Stock Exchange of Thailand.

C. Risk from expenses related to exercise the rights under Derivative Warrants

In the event that the exercise of rights under Derivative Warrants is cash settlement, if not specified in other cases, all exercises under Derivative Warrants will be automatically exercised. The investors of Derivative Warrants shall receive the cash settlement from the issuer of the Derivative Warrants. If the net cash value that the holder of Derivative Warrants is entitled to receive under the Terms and Conditions after deducting the exercise cost is greater than zero. However, investors of Derivative Warrants should inquire their securities companies for additional expenses incurred from the exercise of rights that are charged by their own securities companies because there may be a risk that the net cash value is insufficient to cover the additional expenses incurred from the

exercise of the rights charged by the brokerage firm (if any). In addition, the investors of derivative warrants are also obliged to declare the difference in cash value as their annual taxable income. Nonetheless, in case investors sell the Derivative Warrants to the Stock Exchange before the end of the last trading day of the derivatives warrants, the investors would not be subject to any tax burden because they are not automatically exercised.

I. In the event that the exercise of rights under the Derivative Warrant is physical settlement, in this case there will be no automatic exercise, Derivative Warrants investors will decide whether to exercise their rights or not. Investors of derivative warrants should inquire their securities companies to the expenses incurred from the exercise of rights that are charged by the securities companies that are their own brokerages. Including to consider expenses from other rights exercises such as the exercise fee including fees for the delivery or acceptance of the underlying assets (if any) to assist in the decision to exercise the rights.

13.2 Risks relating to Underlying Companies/ Underlying Securities or Indices of Underlying Securities

a. Adjustment of rights of Derivatives Warrants (adjustment of the Exercise Ratio per unit and/or Exercise Price)

In the case of the issuer of the Underlying Securities (“Underlying Company”) takes some action (Corporate Action) that affects the price of Derivative Warrants. The issuer of the Derivative warrants will adjust the rights of the Derivative Warrants in accordance with the Terms and Conditions. The following cases as stipulated in prospectus.

- Allocation of new shares to the existing shareholders of the Underlying Company
- Stock Dividend Payment of the Underlying Company
- Dividend payment to shareholders of the Underlying Company
- Changes in the value of shares by splitting or merging shares of the Underlying Company

However, in the case where the rights are exercised and the underlying securities are delivered or accepted, there may be a requirement for a minimum number of trading units to be delivered or accepted.

b. Suspension in calculation of underlying indices/suspension or cessation in trading of Underlying Securities and Derivative Warrants

In the event that the calculation of the underlying indices is suspended or the Underlying Securities are suspended or halted trading by the Stock Exchange of Thailand. As a result, Derivative Warrants would be subject to suspension or halt trading following the suspension of the underlying stock indices calculation or suspension or cessation in trading of the Underlying Securities during the same period.

c. Delisting of Underlying Securities from the SET

In the event that the underlying securities are delisted from the SET before the expiration date of the Derivative Warrants as ordered by the SET or the shareholders' meeting of the Underlying Company, the issuer of the derivative warrant would adjust the expiration date of the Derivative Warrants and result in the remaining life of the Derivative Warrants being reduced. This will result in a decreasing in the value of Derivative Warrants, for example, Derivative Warrants with cash settlement will be before fourth (4) business day of the last trading day of the Underlying Securities as specified in the Terms and Conditions.

d. The Underlying Company liquidation

In the event that the shareholders' meeting of the Underlying Company has a resolution to dissolve or appoint a liquidator or the court has a final order to dissolve the Underlying Company or give absolute protection Issuers of Derivative Warrants will proceed as follows:

In the case of Derivative Warrants have the right to purchase (Call Warrant)

a) Unexercised Derivative Warrants will be canceled and cannot be exercised. The Derivative Warrants will be canceled on the date that the shareholders' meeting of the Underlying Company has a resolution or by the date prescribed by the court or having an order, as the case may be.

b) Derivative Warrant Issuer will notify the holders of the Derivative Warrants of such cancellation as soon as possible after such cancellation and disclose information according to the regulation of the Stock Exchange of Thailand.

In the case of Derivative Warrants Type of right to sell (Put Warrant)

a) Derivative Warrant Issuer will announce the fair price of the underlying securities to the holders of the Derivative Warrants to be informed within fifty (50) days after the date that the shareholders' meeting of the reference company has passed a resolution to dissolve the reference company or appoint a liquidator or the court has a final order to dissolve the reference company or give absolute protection.

b) "Fair price" means a fair price made by an independent financial advisor in an account approved by the SEC Office. The said fair price must be made no later than fifty (50) days prior to the date of the issuance of Derivative Warrants. The fair price is assumed to be the reference price.

Derivative Warrant Issuer will pay the net difference in cash (if any) to the holders of the Derivative Warrants by paying to the bank account of the holders of the Derivative Warrants or a check with a crossed name payable to the holder of the Derivative Warrant whose names are listed in the register book on the date of automatic exercise of rights and delivered by registered mail within nine (9) business days from the date of the fair price announcement or reference price, as the case may be.

14.3 Risk of disruption in settlement and delivery

Settlement Disruption Event means an event which prevents the issuer of Derivative Warrants from settling and delivering the underlying asset to/accepting the underlying asset from the exercised Derivative Warrant holder. This is an event that is beyond the control of the issuer of derivative warrants and not caused by the fault of the issuer of the Derivative Warrants such as wars or riots in the country or abroad or any other reason resulting in inability to trade warrants or underlying securities on the Stock Exchange of Thailand as usual, the Stock Exchange of Thailand has suspended trading on the underlying securities for any reason. There are statutory requirements or orders of relevant authorities that affect the trading of derivatives warrants and/or affect the trading of underlying securities to the extent that the underlying price cannot be found. However, the occurrence of an event of failure to settle the price does not constitute a suspension of the exercise of the rights of the warrant holders and does not constitute an event of default under the terms and conditions. The issuer of Derivative Warrants will pay the difference in cash according to the conditions stipulated in the terms and conditions or deliver the underlying asset to/take delivery of the underlying asset from the holder of the exercised derivative warrants in the case of the exercise of right and the underlying asset is delivered/received according to the conditions stipulated in the terms and conditions.

14.4 Risk of cash settlement and delivery of securities, payment of exercise of rights upon acceptance of securities in accordance with the obligations of the issuer of the Derivative Warrants

Derivative Warrants are instruments that are contractual obligations between the holders of Derivative Warrants and the issuer of Derivative Warrants. In the event that Derivative Warrant is a type with partial secured or unsecured, the holder of the Derivative Warrant shall not be subordinated to the right to receive debt payment of all other present and future unsecured and unsubordinated creditors of the Issuer. The holders of derivative warrants are exposed to risks related to the ability to pay the net difference in cash, delivery of securities including the payment of the exercise price in accordance with the obligations of the issuer of the Derivative Warrants. However, Derivative Warrant holders should seek the credit rating, financial status and performance of operations of the issuers of Derivative Warrants.

3. Sustainability Report 2021



Overall Environment Social Governance Policy

Maybank Securities (Thailand) Public Company Limited is determined to be a leading financial institution in the region while fostering a good society for sustainable growth. In 2021, the Company has a clear determination to becoming an “ESG Company Leadership” with awareness of the importance of society, community and environment and to be in line with the Sustainable Development Goals (SDGs) of the United Nations (UN). Therefore, the Company has focused on creating social responsibility activities along with business operations while taking into account the creation of social responsibility values which will bring maximum benefit to society, community, environment and all related parties. It has established policies and strategic frameworks in 3 core areas, focusing on “Sustainable investment, a livable and sustainable society and sustainable environment for future generations.”

Stakeholders in the Business Value Chain



The Company is well aware that good and effective sustainability management comes from true corporate commitment and responsibility, together with an effective management process. It aims to encourage all related parties to create continual engagement with stakeholders throughout its value chain, which comprising customers, employees, shareholders, society, environment and regulators. The Company focuses on sustainability management in 3 main dimensions:



Economic dimension	<ul style="list-style-type: none"> • Customer-centricity and innovation that meets customer needs • Providing fair customer service and maintaining the security and privacy of customer data. • Conducting business under good governance principles • Developing products and services to diversify investments to the public so that they can access investments thoroughly.
Social dimension	<ul style="list-style-type: none"> • Developing the potential of employees in terms of increasing their knowledge as well as taking care of their health and well-being • Awareness and care about providing the right knowledge to customers • Respect for human rights and diversity • Creating access to investment knowledge for the public • Creating good conscience on taking care of society, community and environment for employees and customers.
Environment dimension	<ul style="list-style-type: none"> • Raising awareness and campaigning for plastic reduction and waste separation in the organisation • Supporting Zero waste policy within the organisation • Supporting the policy to reduce e-waste • Operating by promoting business that is friendly and caring for the environment

Sustainability management strategies in economic, society and environment dimensions

The Company drives sustainability business operations under the strategic framework of 3 core principles, which are “Sustainable investment, livable society and sustainable environment for future generations.” It sets goals and focuses on success in managing the impacts on stakeholders in the company's value chain, with guidelines for managing and operating in 2021 as follows:



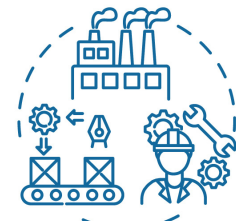


Sustainable Investment: When it comes to investing, it means returns. Investors seek profits when investing their money. The Company focuses on providing them with knowledge and understanding of the initial investment before they invest as we do not want them to make wrong investments that may cause damage. Therefore, focusing on encouraging investors to educate is the primary intention that the company has always focused on. In order to make them a quality investor who can invest in achieving sustainable wealth, the company has established Maybank Academy to provide training to educate people. The knowledge can be obtained from information on the company's YouTube website or social media. The Company is also among the leading financial institutions in the region under the Maybank Group. Our major shareholders have a long and stable business foundation. The company has a regional network under the brand Maybank Investment Banking Group, which has a network in 10 key economic countries that will support new investment opportunities in the international markets as well.

A Livable and Sustainable Society: A society and lifestyle that has changed to keep up with the digital age, a fast life, lack of time to study investments, resulting in a lack of new earning opportunities. If everyone had access to investments easily and being inclusive for everyone, would be a means to upgrade a society to be livable and to create a more sustainable society. Diversification of investments to everyone through new technologies should help simplify investments. We therefore continue to develop new investment applications. There are many applications for customers to choose from. In addition, we regularly held training through online media to sharpen investors' skills.

Sustainable Environment for Future Generations: Nowadays, environmental problems are a big concern that needs to be resolved quickly. Especially the problem of climate change, PM 2.5 pollution, which has intensified and has a wider impact and can cause effects on the economy and ecosystems. If we want the next generation to live in a pleasant environment, it's time we all need to help each other. Even just helping each other a little can produce excellent results in the future. But we have to start today before it's too late. The Company has initiated the 3 R (Reduce, Reuse & Recycle) project, which is a continuous project for 5 years to instill awareness among employees to reduce and use resources efficiently. We continue to reduce the use of paper and stop using plastic bottles. There is also a waste separation project where we provide waste sorting bins for service at the head office and branches as well.

At present, the Company is studying the disclosure of the carbon footprint emission as per the international standard required by SEC and will disclose the information in the 56-1 ONE Report FY2022.

The Company has adopted the standards for the development and implementation of CSR in accordance with the Corporate Social Responsibility Guidelines of the Stock Exchange of Thailand, which are generally accepted and internationally accepted. The business relationship with the stakeholders is as follows.

Stakeholders	Policy	Guideline for stakeholders participation
 <p>Shareholders</p>	<ul style="list-style-type: none"> • Create a good performance. • Make profits grow continuously and firmly. • Operate business with prudence, transparency, ethics and integrity 	<ul style="list-style-type: none"> • 2021 Annual General Meeting of Shareholders was hosted via online meeting (E-AGM). • Provide information through “Opportunity Day” event. • Communicate through various channels such as website, email, phone, etc. • Receive feedback and complaints.
 <p>Clients</p>	<ul style="list-style-type: none"> • Service with quality • Service with ethics, transparency and verifiable • The service is fair, not take advantage over the clients. • Keep the customer’s information confidential. 	<ul style="list-style-type: none"> • There are channels to communicate with customers. • Customer Satisfaction Survey • Receive feedback and complaints.
 <p>Trading partners Business partners Creditors</p>	<ul style="list-style-type: none"> • Doing business in good faith, not taking advantage over them. • Treat them with prudence, transparency, ethics and verifiability. • Having a fair and transparent process of work and selection. 	<ul style="list-style-type: none"> • There are channels to communicate with Trading partners Business partners Creditors. • Receive feedback and complaints.
 <p>Society and environment</p>	<ul style="list-style-type: none"> • Awareness of care, support and development of social and environmental activities to help create a better society and community, and to create a better environment and conserve natural resources. 	<ul style="list-style-type: none"> • Encourage the community to participate in the activity.
 <p>Employees</p>	<ul style="list-style-type: none"> • Continuously hold staff’s potential development trainings. • Set up a workplace and a good working environment to be safe and appropriate for working. • Provide employee benefits to help employees improve their quality of life. • Comply with the requirements of human rights • Treat employees fairly and equally. 	<ul style="list-style-type: none"> • Set up a workplace and a good working environment to be safe and appropriate for working effectively. • Provide channels for communications with Employees • Receive feedback and complaints.

Activities for Society and Environment

1

Society, Community and Environment



- **Donate money to help treat COVID-19 patients and buy oxygen concentrators for COVID-19 patients during the Covid-19 Crisis**

With the entire world facing the COVID-19 pandemic in 2021, the Company has expressed its concerns towards the society by joining hands with the Association of Thai Securities Companies (ASCO) and other securities company members to support the "ASCO joins hands to fight against Covid-19" project. The project has jointly donated a total amount of 10,000,000 baht to the Chaipattana Foundation through the Pan Lom Pran project to purchase oxygen concentrators for patients infected with the COVID-19 virus in August 2021. The aforementioned donations all have the Sustainable Development Goals (SDGs) in line with Goal 3 on Promoting Good Health.



- **Computer project for children of the Mirror Foundation**

In 2021, the Company continues to donate computers for children of the Mirror Foundation. The project has started since 2018. The aim is to share opportunities for children and youth in education and to increase the accessibility of technology. It also helps in the matter of reducing electronic waste, which is one of the key factors that cause environmental unfriendly conditions. The Company has joined with the Mirror Foundation as a coordinating agent for the delivery of such unused computer equipment to schools or agencies that are in need in the provinces. Each donation includes computers and IT equipment that are no longer in use both from the head office and from branches across the country. By 2021, there were over 1,000 unused computers and devices donated. This is in line with the Sustainable Development Goals (SDGs), the 4th goal, on the matter of ensuring equal and comprehensive education and also promote lifelong learning for all (Quality Education) and Goal 13 on urgent action to combat climate change and its impacts (Climate Action).



2 To promote hygiene for a healthy society

In 2021, the whole world faced with the coronavirus disease (COVID-19) pandemic, causing people around the world to adjust their lifestyle in a new way. A "New Normal" lifestyle has been introduced focusing on avoiding participating in a large community and keep social distancing. This includes having a requirement to wear a mask every time people leave home.

Consequently, the activities for social and environmental benefits have changed. Therefore, the Company has policy to use communications technology to help reduce the gap and solve the problem of social distancing that affects work performance and lifestyle. IT technology is used as a medium for connecting person to person, for conferences and training seminars, which can be used through various electronic media comfortably, no need to waste time traveling to meeting or seminars and prevent the spread of COVID-19.

Importantly, the Company realizes the importance of health and hygiene as the first priority. The COVID-19 pandemic is an urgent problem facing the world population nowadays. Meanwhile, Thailand is also facing the problem of PM 2.5 particulate matter which has a continuously rising trend. As a result, the Company needs to raise awareness and consider the issue of health by campaigning for employees, as well as customers and those who come in contact with the company regarding the prevention and taking care of their own and others' hygiene. This is in line with the policies and regulations announced by the government that 2021 is the year of living in a new way of life (New Normal).

■ Campaign on personal and public hygiene practices

In 2021, due to the continuous coronavirus outbreak (COVID-19), the Company announced measures to work under the circumstances of the COVID-19 pandemic and communicated with employees, the clients and those who visit the office on how to treat oneself and regulations to protect oneself from COVID-19. The Company has campaigned and PR according to the policy from the Maybank Group. It has set up a preliminary screening point, namely wearing mask in workplace, temperature measurement and enquiry of travel history to those who come in contact with the Company, etc. This has been done with an aim to meet the Sustainable Development Goals (SDGs) in line with the 3rd goal of promoting the well-being of all (Good Health).



Regular investment education activities for clients and investors

The Company realises the importance of educating the clients and investors on financial products and services. We provide training and advice on how to efficiently use various devices or applications. The objective is to equip the clients and investors with capability to accurately adopt the innovation and new technologies that are important factors affecting their perception and understanding. We believe that if clients and investors have gained the knowledge and understanding correctly, they can apply and use them for the investment more effectively. In 2021, there has been a change in the people's lifestyle (New Normal) due to the spread of COVID-19. Therefore, the Company has organised seminars in the form of online meeting where the clients and investors can take part via online meeting applications. In 2021, the Company has organised 198 hours of online training seminars for clients and investors with 681 participants and 59,355 views.

Educating clients and investors

In 2021, the Company has focused more on creating experiences for the public and investors. It has added more channels to access useful information of investment that includes online seminar training through various channels such as Facebook and Youtube. Keynote speakers are from within the Company, such as our Research Department, who present the programme called "#ATO investor school", aired every morning via Facebook live channel. The programme ran a total of 25 hours throughout the year with over 56,000 views. The purpose is to create a community focus on sharing investment knowledge from MST, in terms of method or principles of investment. That includes ESG report on Infographic such as ESG focus: Sustainability & Long-term winners, Drivers of ESG integration, Building ESG via Mass Media by Research content, Market strategy and ESG.



In addition, our keynote speakers from the Derivatives Business Department (FOS) also presented a series of programme regularly to investors and clients. Interesting training topics such as “Why the contract is closed #profitable #not profitable in #TFEX”, “Tools on Settrade Streaming”, “Payment criteria in TFEX that investors need to know”, “Understand the difference and How to calculate the cost price in #TFEX (FIFO vs Average)”, “The outstanding position of the Block Trade contract in TFEX”, and “How to close the spread (position) when the margin is not enough”.

However, the Company shall not neglect to provide knowledge to investors with professional basis and has already invested in the equity market. Such education will focus on techniques and knowledge about new products other than common stocks such as Single Stock Futures, Block Trade and Derivatives Warrants, which are suitable for high-risk taking investors who look for higher returns.

In 2021, due to the situation of the COVID-19 pandemic, the investment education activities for investors and the general public have been organised via online. The investment education activities in 2021 have summed up to a total of 400 hours with a total audience of more than 61,000.



■ Organising seminars to educate institutional clients in Thailand

In 2021, the Company's Institutional Sale Department has continually organised educational activities for domestic institutional clients in a form of online seminars via Zoom Application. This year, the total number of 141 hours of seminars was organised, with 681 attendees altogether. The aim was to focus on educating institutional customers on new technology and innovation that affect investment and the current economic conditions. Our Institutional Sale Department has invited experts in the field of technology and innovation and well-known bloggers on investment to regularly share knowledge and exchange experiences such as business overview seminars and investment trends on EV BATTERY SERIES - Ep.1 "EA", Seminar on Business Overview and Investment Trends on Cannabis, Seminar on Business Overview and Trends on RE-OPENING, Seminar on Investment Strategy on Defi...WTF (What the Finance), Seminar on Business Overview and Investment Trends in Cannabis by VGI&JMART group and an overview seminar and investment trends in Theme food, etc.

In addition, in 2021, our Institutional Research Department also organised seminars for both domestic and foreign institutional investors by joining as a speaker at the seminar. This year's seminars have content that focuses on the aspect of ESG policy, with more than 1,530 views, representing 24 hours, such as the Asean Green Energy Corporate Days seminar, Thailand Green Corporate Day seminar, Thailand Automotive seminar, Manufacturing leadership in ASEAN as the industry shifts from ICE to EV?, ESG Investing in ASEAN: Risks & Opportunities Seminar, Market Strategy & Economic Outlook and ESG Seminar, Market Strategy & Economic Outlook and ESG Seminar, Thai Market Compass Seminar - Thai Green Corp Day Broader ESG adherence gains momentum in Thailand and Thailand: ESG Compendium, etc.



4 Personnel development

Employee development training programme

The Company continues to focus on human resource development. Therefore, training is organised for personnel, covering investment consultants and operations personnel. The aim is to promote the Company's personnel to be equipped with knowledge, skills and operational expertise. That includes training to provide knowledge on the skills of using the English language at a high level, Business English Writing for the maximum benefit of the work, for 40 hours, with 50 participants. Part of attendees studied at the head office and the other at home through an online system. And in the part of Upskill Investment licenses and Certifies Financial Planner training, a total of 150 hours, with 166 participants. There is also training on Anti Money Laundering and Counter Terrorism and Proliferation of Weapon of Mass Destruction Financing for the Benefit of Performing Duties of Reporting Entities (AML/CFT Training). In total, the Company has provided 50 hours of training to employees.

The Company has conducted its business under ethics and code of conduct in year 2021 to assure sustainable growth as provided below:

5 Good Governance

The Board of Directors of Maybank Securities (Thailand) Public Company Limited attaches great importance to fair business operations by creating good corporate governance guidelines. The Company is confident that good corporate governance will help prevent damage from carelessness and helps it to be more efficient in managing and using resources. It shall as well as create credibility for all stakeholders. In addition, it shall give the Company the sustainability growth, create value to shareholder and provide the benefits to shareholders and execute with fair to stakeholders with reference to information that are

provided in “Corporate Governance” part. In addition, for the clear procedure, good attitude building and honest culture for the Board of Directors, Management and staffs, the Company has also established the Code of Conduct as a Company’s policy for everyone to comply.

6

Anti-Corruption

Certified and awarded by Thailand’s Private Sector Collective Action Coalition Against Corruption on May 21, 2019, the Company has zero tolerance policy for any corruption or bribery.

In addition, the Board of Directors has established a Zero Tolerance Policy to counter corruption in all forms and prohibits all forms of bribery. The Company has a process called RCSA: Risk Control Self-Assessment on a regular basis and review the risk management measures to be at Zero-Tolerance along with establishing guidelines on supervision to prevent and monitor corruption risks that may occur. The Company’s internal audit department will monitor and evaluate the implementation of the anti-corruption policy presented to the Board of Directors.

The Company has communicated and organised training for employees at all levels in order to acknowledge the anti-corruption policy and practices, including related policies, such as business ethics, No Gift policy (includes entertainment & corporate hospitality) and Conflict of Interest policy. All employees have access to various policies and guidelines, including a test on the rules and performance through the company’s Intranet system. And the results are used to assess their knowledge and understanding and to improve communication so that employees have a thorough understanding and realize their role and duty in promoting anti-corruption. In addition, the Company also encourages all employees to be aware of the Compliance culture as well.

The Company has guidelines on supervision and monitoring, evaluating and preventing risk from corruption which is defined as follows:

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|----|--|
| 1. | Assign management and staff to regularly self-assess their performance in compliance with the good corporate governance and business ethics manual. |
| 2. | Arrange for the Internal Audit Department to check the internal control systems, fraud risk management and provide ongoing recommendations. Conduct an audit in accordance with the internal audit plan approved by the audit committee and report significant audit results and recommendations to the audit committee. |
| 3. | Arrange for the inspection process, assess internal control and risk management that covers various important work systems such as procurement, contract preparation, to prevent and monitor the risk of corruption as well as providing appropriate suggestions. |
| 4. | Provide channels for receiving clues or complaints regarding violation of laws or the company’s code of ethics or guidelines for preventing involvement with corruption or doubts in financial reports or internal control system. The company has a policy to protect information providers and will keep the information confidential. |

■ Overview

The Company has its fair employment practices that are in line with all relevant policies and guidelines according to the human resource policy. It encourages personnel to be good, honest, considerate, trustworthy and respected by all stakeholders. They must focus on working righteously, transparent and takes into account the environment and benefits for all. The Company is focusing on encouraging personnel to strive for work achievement, binding on the success of the organisation and unity at work. It continues to promote and develop personnel to be experts, specialised in their tasks, whose work is evident at all levels. The Company provides fair and appropriate compensation and welfare for the employees so that they have a good quality of life, stable and safe, with career opportunity and progress in working according to their ability and praise.

As of December 31, 2021, the Company has a total of 882 employees, divided into 530 investment consultants, 352 operational staff with no temporary ones.

For the year 2021, due to the prolonged COVID-19 pandemic, the Company refrained from organising various social events and training where a large group of employees gathered, which is in accordance with the Group's policy. Instead, it organised training through online channel to comply with employee operational policies in the wake of the COVID-19 pandemic. The Company has organised the following important activities to build good employment relations and training for business operational enhancement:

- | | |
|----|--|
| 1. | Organise Certifies Financial Planner (CFP) training, from February to October 2021 |
| 2. | Organise Upskill Investment licenses training, from February to October 2021 |
| 3. | Organise Advanced English training course, Business English Writing, from January to December 2021. |
| 4. | Organise a training on AML/CFT: Anti Money Laundering and Counter Terrorism and Proliferation of Weapon of Mass Destruction Financing for the Benefit of Performing Duties of Reporting Entities, from January to December 2021. |

■ Compensation for employee benefits

REMUNERATION

In line with Maybank Group, Maybank Securities (Thailand) or MST's remuneration and rewards philosophy is aligned with our business strategies and values, and serves to foster a performance-oriented culture that delivers long-term sustainable returns for our stakeholders. We have in place a comprehensive Total Rewards system which forms a holistic and strategic component of our integrated Talent Management framework, guiding us to effect "Reward Right" principles to drive positive outcomes and deliver exponential business results responsibly. The system not only supports MST's strategy and business plan, it is also critical to improving employee productivity and engagement. By focusing on the right compensation, benefits and development support, it inspires our employees to achieve their personal and professional aspirations.

MST’s remuneration policies and practices are governed by sound principles, our remuneration policies and practices are reviewed periodically to ensure alignment with regulatory requirements and to reinforce a high-performance culture. The aim is to attract, motivate and retain talents through market competitiveness and responsible values.

Components of Remuneration

MST adopts a holistic Total Rewards Framework comprising three main elements, namely Total Compensation, Benefits & Well-Being, and Development & Career Opportunities.

Total Compensation

Total Compensation is based on two components, Fixed Pay and Variable Pay, with targeted Pay Mix levels designed to align with the long-term performance goals and objectives of the organisation. The compensation framework provides a balanced approach between fixed and variable components that change according to the performance of the Group and Maybank Investment Banking Group business/ corporate function and individual.

Fixed Pay	Variable Pay
<ul style="list-style-type: none"> Attract and retain talent by providing competitive and equitable level of pay. Reviewed annually through benchmarking externally against relevant peers and locations and internally aligned with consideration of market dynamics, differences in individual responsibilities, performance, achievements, skillset, as well as competency level. 	Short Term:
	<ul style="list-style-type: none"> Reinforce a pay-for-performance culture and adherence to the Maybank Group’s T.I.G.E.R. Core Values. Based on overall Group Performance, Business/Corporate Function and individual performance. Performance is measured via the Balanced Scorecard approach.
	Long Term:
	<p>Clawback Provision: MST Board has the right to make adjustments or clawbacks to any Variable Bonus if deemed appropriate based on risk management issues, financial misstatement, fraud, gross negligence or wilful misconduct. This provision was further strengthened in 2021 to ensure the highest level of rewards governance.</p> <p>Deferral Policy: Any Variable Bonus in excess of certain thresholds will be deferred over a period of time. A Deferred Variable Bonus will lapse immediately upon termination of employment (including resignation) except in the event of ill health, disability, redundancy, retirement or death.</p>

Benefits & Well-being

MST believes in promoting employees' well-being through the provision of financial protection, health care benefits to employee and spouse & children, paid time-off, staff loans at preferential rates and programmes that support work-life integration. The benefits programmes, which blend all elements including cost optimisation and employee/job needs, are reviewed regularly in order to remain competitive in an increasingly dynamic business landscape. In light of the COVID-19 pandemic, working remotely has become a new normal. This is supported by a strong infrastructure built on innovative platforms, together with the right policies and system to enable employees to perform their best.

The Company also reviews the compensation rate and welfare allocation regularly to ensure that the compensation is at a level that is competitive in the same industry. Providing appropriate welfare for employees. All employees receive other benefits aiming to reduce the burden of expenses, including promoting the well-being of employees, including their family members to have good health which is good for the operation and living. The Company has released these benefits to all employees to acknowledge their rights via employee handbook and the company's intranet system. Those welfares are as follows:

- Subvention, such as subvention for funeral of employee's spouse or parents. That includes other allowances.
- Loans, such as housing loans, auto loans and etc.
- Funds, such as provident funds, workmen's compensation fund, social security fund.
- Health and life insurance. The Company has provided life and health insurance for all employees. It has also provided health insurance for staff's spouse and children as well.

In addition, in the year 2021, the Company attaches importance to employee health by providing influenza vaccination at a special price. And more importantly, there is special benefit which employees can have an annual health checkup at the participated hospitals for free of charge following employee's package allowance; any additional checkup will be absorbed by the employee but at special price rate.

Development and Career Opportunities

Continue to invest in the current skills and capabilities necessary as well as the personal and professional growth of MST's employees. Opportunities are provided to employees to chart their careers across different businesses and geographies. Our strong learning culture is grounded in a multitude of flexible and customisable learning and development programmes for employees' long-term relevance, competitive advantage and growth. Employees are also encouraged to assume personal ownership of their development by upgrading their skills and taking on stretch assignments as well as expanded responsibilities.

Respect for human rights

The Company realises and pays attention to the principles of human rights, which are fundamental human rights. It learns that the principles of human rights are the cornerstone of peaceful coexistence which is an important part of adding value to human resources, an important factor for businesses. It enhances value and increase efficiency of employees without discriminating while promoting equality within the organization. It gives importance to rights in personal information, respect the rights and freedom of expression, not discriminating gender and status. Our guidelines are as follows:

- Support and respect human rights by not supporting and not engaging in or violating human rights, such as not using child labour and illegal labour. It is against all forms of sexual harassment.
- Providing the highest standards and equal service to people of all genders, all ages, all statuses, all nationalities and all religions.
- Providing equal employment opportunities for personnel, including the employment of people with disabilities.
- Implementing policies and measures regarding the security of personal information of customers, including the internal control system
- Give employees the opportunity to make a complaint regarding human rights violations.

The Company also has a concrete policy to prevent sexual harassment within the organization. The sexual harassment is considered a serious crime. The Company has demonstrated in all forms intolerance of sexual harassment and defining acts that are considered sexual harassment, such as unwanted verbal expressions about sex, sexual intimidation, publication of pornographic content or images or depictions of sexual harassment.

In this regard, the company has stipulated penalties for offenders in such matters and provides a channel for whistleblowing. The complaints will be kept confidentially.

Occupational safety and health and working environment

The Company has put the importance of security policy as well as occupational health and safety in the working environment in the same level as other business objectives. Therefore, the Company has set up the Ergonomics Committee in which the roles and responsibilities are in compliance with Labour Protection Act.

The Company announced the policy on occupational safety and health and working environment as follows:

- Safety, occupational health and working environment is considered to be the duty of every employee to perform.
- The Company supports the announcement of regulations, rules and guidelines regarding safety, occupational health and working environment that are appropriate in accordance with relevant standards and laws.
- The Company follows up, monitors, assesses, controls hazards and provides improvements in the work environment, including in the workplace.
- The Company disseminates knowledge and continuously raising awareness on safety, occupational health and working environment for executives and employees.
- All employees must strictly comply with regulations regarding safety standards, occupational health and working environment and various related requirements.
- The Company continues to follow up, evaluate performance and develop safety, occupational health and working environment systematically and continuously.

Operations Policy in the Situation of the Coronavirus 2019 (COVID-19) outbreak

2021 is the year of the Coronavirus disease 2019 (COVID-19) outbreak, which has spread since mid-January 2020 until end of year 2021. The Company has put in place an operations policy under the COVID-19 pandemic as follows:

- Preparation and promulgation of "Employee Handbook for New Normal Lifestyle" based on the following practice principles.
 1. Keep social distancing
 2. Reduce one-to-one contact between employees.
 3. Maintain cleanliness and hygiene standards in the workplace.
 4. Adhere to the principle of good health. Both body and mind are ready to perform their work effectively.
- Establish critical work functions such as operations, information technology, etc. and separate groups for employees to work on split sites to prevent risks and employees can perform their work for maximum efficiency and to support business continuity according to the company's business continuity plan.
- Assign employees who are non-critical functions to be able to work from home more efficiently. The Company provides employees with a work-from-home system in order to operate continuously and efficiently and employees who work-from-home must not be the roles that affect the Company's operation.
- Prevention policy has been announced to request all employees to wear mask in the workplace and the Company has provided muslin masks for employees to show how we care for their health and hygiene due to the spread of the COVID-19 virus causing a shortage of masks at that time.
- Social Distancing in the workplace must be operated. Meetings, seminars and trainings must be organized through online channel with an online webinar system in order to operate efficiently.

Safety Vision		
Focus on employees' health and wellness	Create a suitable and safe working environment for employees	To improve work efficiency and create good quality of life for employees

Safety Mission	
Provide knowledge and create awareness about safety at work for employees	Assess and control various hazards that will affect employee health
Maintain a safe workplace	Empower employees to have good physical, mental, emotional and social well-being.

4. Management Discussion and Analysis

Summaries of Auditor Report for the Years 2020 and 2021 are as follows:

Financial statements of the Company for the Year ended 31 December 2020	Ms. Ratana Jala, Certified Public Accountant No. 3734 of EY Office Limited, express the opinion that the audited financial statements present fairly, in all material respects, the financial position of Maybank Kim Eng Securities (Thailand) Public Company Limited as at 31 December 2020 and its financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.
Financial statements of the Company for the Year ended 31 December 2021	Ms. Ratana Jala, Certified Public Accountant No. 3734 of EY Office Limited, express the opinion that the audited financial statements present fairly, in all material respects, the financial position of Maybank Securities (Thailand) Public Company Limited as at 31 December 2021 and its financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Overview of the Company's Operation

Maybank Securities (Thailand) Public Company Limited (formerly known as “Maybank Kim Eng Securities (Thailand) Public Company Limited”) (the “Company”) is a member of the Stock Exchange of Thailand No.42. It has been granted 4 types of securities business licenses, namely securities brokerage, securities dealing, investment advisory and securities underwriting licenses. The Company has also engaged in other kinds of business that relate to and support securities business such as investment banking (financial advisory), securities registrar and securities borrowing and lending. In addition, the Company was also granted by the Ministry of Finance a license to engage in the business of derivatives agent in accordance with the Derivatives Act B.E. 2546 (2003). The Company was selected to be a member of Thailand Futures Exchange (TFEX) as well as a member of Thailand Clearing House (TCH) to engage in the business of derivatives trading. Over the last several years, a major portion of the Company's revenue came from securities brokerage business.

The Company's market shares in the domestic securities brokerage business in the Years 2020 and 2021 were 6.34% and 5.09% of total trading value in each respective year. As at 31 December 2020, the Company's total assets, liabilities and shareholders' equity as showed on the Company's statement of financial position were THB 19,085.67 million, THB 14,484.12 million and THB 4,601.55 million, respectively. As at 31 December 2021, the Company's total assets, liabilities and shareholders' equity as showed on the Company's statement of financial position were THB 27,353.66 million, THB 22,540.05 million and THB 4,813.61 million, respectively. A major component of the Company's assets is securities and derivatives business receivables, the amount of which directly relates to trading volume during the last 2 trading days prior to the end of the year. In case total trading volume significantly rises during such period, so does the amount of securities and derivatives business receivable. Thus, significant rise/decline in the Company's assets as a result of rise/fall in the amount of securities and derivatives business receivables does not truly reflect material change in the Company's financial performance and position during the year. As of 31 December 2021, major components of the Company's liabilities include securities and derivatives business payables and debt issued and other borrowings amounted to THB 2,511.55 million and THB 17,520.27 million, respectively.

The Company's Competitive Strengths

- The Company has long been one of the leading securities brokerage houses in Thailand, thanks to the followings:
 1. Total branches in Thailand (excluding the head office) are 28 as of 31 December 2021, the Company's total securities trading accounts were 211,594 thus allowing the Company to manage operating costs efficiently.
 2. As of 31 December 2021, the Company's total securities marketing officers were 569, and this is one of the largest securities brokerage teams in Thailand.

As at 31 December 2021, total shareholders' equity on the Company's statement of financial position was THB 4,813.61 million and the Company's NCR stood at 41.76%. The Company has an investment banking team which is responsible for executing financial advisory and securities underwriting tasks.

- The Company has a research team which has covered fundamental, technical and economic analysis.
- The Company's management team consists of knowledgeable executives with proven track record and over 20-year experience in the securities brokerage business.

Source of income of the Company consists of brokerage fee, fee and service income, gain (loss) on investments and derivatives, interest and dividends, interest on margin loans and others which were tabled the ratio as follows:

Revenue	2019		2020		2021	
	Million Baht	%	Million Baht	%	Million Baht	%
Securities brokerage fee	1,282.93	53.39	1,792.76	63.62	2,318.10	64.53
Futures brokerage fee and others	138.26	5.75	183.69	6.52	158.49	4.41
Fee and service income	74.12	3.08	139.09	4.94	210.52	5.86
Gains (losses) on investments	162.81	6.78	293.92	10.43	254.79	7.09
Gains on derivatives	(124.51)	(5.18)	(271.28)	(9.63)	(149.63)	(4.17)
Interest and dividends	229.39	9.55	200.77	7.13	148.98	4.15
Interest on margin loans	565.37	23.53	426.68	15.14	599.24	16.68
Other income	74.55	3.10	52.18	1.85	52.03	1.45
Total	2,402.92	100.00	2,817.81	100.00	3,592.52	100.00

Operating Result

• Total Revenue

The Company's revenue consists of brokerage fee, fee and service income, gain (loss) on investments and derivatives, interest and dividends, interest on margin loans and other income (i.e. share transfer fee, interest on loan to employees and etc.). Main source of the Company's revenue comes from brokerage fee. For the Year 2020, brokerage fee (from both securities and derivatives businesses) accounted for 70% of the Company's total revenue. For the Year 2021, brokerage fee (from both securities and derivatives businesses) accounted for 69% of the Company's total revenue. The Company's securities trading clients are mainly retail investors. Their trading value accounted for 73.32% of the Company's total trading value. Institutional investors accounted for 26.68% of the Company's total trading value.

For the Year 2020, the Company's total revenue was THB 2,817.81 million, increased by THB 414.89 million compared to that of the preceding year. It was mainly due to increase in brokerage fee of THB 555.26 million, as a result from the average daily trading value increased by 28.98%, from Baht 53,192.02 million per day to Baht 68,606.91 million per day.

For the Year 2021, the Company's total revenue was THB 3,592.52 million, increased by THB 774.71 million compared to that of the preceding year, mainly due to the increase in brokerage fee of THB 500.14 million, as a result from the average daily trading value increased by 36.79%, from Baht 68,606.91 million per day to Baht 93,845.64 million per day.

Ratio (%)	2019	2020	2021
Income Growth Rate	-11.95	17.27	27.49
Expense Growth Rate	-9.33	6.39	19.17
Net Profit Margin Growth Rate	-34.89	90.17	57.04
Gross Profit Margin	78.53	83.78	82.64
Net Profit Margin	10.60	17.19	21.18
Return on Equity (ROE)	5.76	10.91	16.16

In the Year 2020, the Company's gross profit margin was 83.78%, net profit margin was 17.19% and ROE was 10.91%, which were increased from year 2019 mainly due to increase in brokerage fee and fee as mentioned earlier.

In the Year 2021, the Company's gross profit margin was 82.64%, net profit margin was 21.18% and ROE was 16.16%, which were increased from year 2020 mainly due to increase in brokerage fee and fee as mentioned earlier.

- **Brokerage Fees Income**

Brokerage fees income from Securities Business increased by 25.30% or Baht 500.14 million, from Baht 1,976.45 million to Baht 2,476.59 million. The reasons were as follows:

- Brokerage fees income from Securities Business increased by 29.30% or Baht 525.34 million, from Baht 1,792.76 million to Baht 2,318.10 million as a result from the average daily trading value increased by 36.79% from Baht 68,606.91 million per day to Baht 93,845.64 million per day coupled with the proportion of retail brokerage fee which is the main contribution to the Company revenue increased from 43.66% to 46.52%. As a result, average trading value increased by 45.75% from Baht 29,956.10 million per day to Baht 43,660.58 million per day.
- Brokerage fees from Derivatives Business decreased by 14.15% or Baht 25.99 million, from Baht 183.69 million to Baht 157.70 million.
- Other brokerage fees, which is mostly derived from tender offer service, increased by 100% or Baht 0.79 million.

- **Fee and Service Income**

Fee and service income increased by 51.36% or Baht 71.43 million, from Baht 139.09 million to Baht 210.52 million derived from increase in underwriting fee of Baht 36.11 million, increase in financial advisory fee of Baht 9.34 million and increase in selling agent fee income of Baht 33.36 million while other service fees income decreased by Baht 7.38 million.

- **Other Income**

Other income increased by 28.92% or Baht 203.13 million, from Baht 702.28 million to Baht 905.41 million. It was derived from increase in income from interest on margin loans by Baht 172.55 million, increase in gain on investments and derivatives by Baht 82.53 million against with decrease in other income by Baht 51.95 million.

- **Total expenses**

Total expenses increased by 19.17% or Baht 425.08 million, from Baht 2,217.73 million to Baht 2,642.81 million. It was derived from increase in employee benefit expenses by Baht 178.15 million, increase in fee and service expenses by 15.90 million, increase in interest expense by Baht 14.74 million, increase in expected credit losses by 135.45 million and increase in other expenses by Baht 80.84 million.

- **Corporate Income Tax**

Corporate income tax increased by 63.38% or Baht 73.29 million, from Baht 115.63 million to Baht 188.92 million due to increase in profit before income tax.

Due to the above reasons, the operating result of the Company for the year ended December 31, 2021 increased from the same period of last year by 57.04%.

Financial Position

- **Assets**

Total assets at the end of the Year 2021 and 2020 were THB 27,353.66 million and THB 19,085.67 million, respectively. A major portion of the Company's assets are securities and derivatives business receivables which varies in accordance with trading volume during the last 2 trading days of each fiscal year, which are 78.97% and 69.67% of total assets as at 31 December 2021 and 2020, respectively.

- **Securities and Derivatives Business Receivables**

As of 31 December 2020, the Company's net securities and derivatives business receivables (plus accrued interest receivables) totaled THB 13,300.47 million, increase from the end of the Year 2019 which was THB 12,855.31 million.

As of 31 December 2021, the Company's net securities and derivatives business receivables (plus accrued interest receivables) totaled THB 21,600.70 million, increase from that at the end of the Year 2020 which was THB 13,300.47 million.

As of 31 December 2020 and 2021, securities and derivatives business receivables consisted of the following:

- o As of 31 December 2020, the Company has securities business receivables-cash accounts in the amount of THB 2,124.91 million, accounting for 16.04% of net securities and derivatives business receivables (plus accrued interest receivables). The outstanding balance of securities business receivables-cash accounts increased by 34.44% from that at the end of the preceding year. This is because total trading value during the last 2 trading days of the Year 2020 was more than that during the last 2 trading days of the Year 2019.

- o As of 31 December 2021, the Company has securities business receivables-cash accounts in the amount of THB 4,098.00 million, accounting for 18.97% of net securities and derivatives business receivables (plus accrued interest receivables). The outstanding balance of securities business receivables-cash accounts increase by 92.86% from that at the end of the preceding year because total trading value during the last 2 trading days of the Year 2021 was higher than that during the last 2 trading days of the Year 2020.

o As of 31 December 2020, the Company has credit balance accounts in the amount of THB 10,992.25 million, accounting for 82.60% of net securities and derivatives business receivables (plus accrued interest receivables). The outstanding balance of credit balance accounts decreased by 1.37% from the end of the Year 2019. In addition, for other receivables which are overdue receivables on the process of following, composition or installment, at the end of the Year 2020, the outstanding balance was THB 249.33 million slightly increased from last year which was THB 249.12 million. Most of such overdue receivables are receivables under the old margin loans system.

o As of 31 December 2021, the Company has credit balance accounts in the amount of THB 17,357.73 million, accounting for 80.36% of net securities and derivatives business receivables (plus accrued interest receivables). The outstanding balance of credit balance accounts increased by 57.91% from the end of the Year 2020. In addition, for other receivables which were overdue receivables on the process of following, composition or installment, at the end of the Year 2021, the outstanding balance was THB 263.66 million slightly decreased from last year which was THB 264.30 million. Most of such overdue receivables are receivables under the old margin loans system.

o The outstanding balance of receivables under securities borrowing and lending business was THB 31.77 million as of 31 December 2021, decreased from the outstanding balance at the end of the Year 2020, which was THB 93.35 million.

o The outstanding balance of net derivatives business receivables was THB 41.98 million as of 31 December 2021, increased from the outstanding balance at the end of the Year 2020, which was THB 41.83 million.

- **Investment in Securities**

The Company's net investment in securities as of 31 December 2020 totaled THB 2,746.86 million. Such investment in securities consists of marketable equity instruments of THB 2,734.52 million and non-marketable equities instruments of THB 12.34 million.

The Company's net investment in securities as of 31 December 2021 totaled THB 3,269.62 million. Such investment in securities consists of marketable equity instruments of THB 3,257.15 million and non-marketable equities instruments of THB 12.47 million.

Most of the Company's investments are for the purpose of hedging for derivative warrants issued and Single Stock Futures, Block Trade.

- **Receivables from Clearing House**

As of 31 December 2020, the Company had receivables from clearing house balance of THB 1,775.78 million, increased from THB 494.60 million as of 31 December 2019.

As of 31 December 2021, the Company had receivables from clearing house balance of THB 550.05 million, decreased from THB 1,775.78 million as of 31 December 2020.

- **Equipment**

As of 31 December 2021, the Company's net equipment totaled THB 88.43 million, increased from THB 69.00 million at the end of the Year 2020. During the Year 2021, there were investments in fixtures and computer equipment of THB 48.02 million and depreciation charge of THB 28.53 million.

- **Other Assets**

The Company's other assets include clearing fund, unearned revenue, prepaid expenses and others. Total net book value as of 31 December 2021 was THB 384.42 million, decreased from THB 465.96 million as at the end of the Year 2020. Such decrease was mainly due to decrease in accrued income and other receivables.

- **Liquidity**

For the Year 2020, the Company had a net cash flow used in operating activities of THB 881.55 million and a net cash flow used in investing activities of THB 28.28 million. The Company invested in equipment and intangible assets totaled THB 23.23 million and THB 5.33 million, respectively.

For the Year 2020, the Company had a net cash flow from financing activities of THB 677.66 million. Major source of the Company's financing cash inflow is borrowings from domestic financial institutions. Major use of the Company's financing cash flow was loan repayments and dividend payment.

For the Year 2021, the Company had a net cash flow used in operating activities of THB 5,312.07 million and a net cash flow used in investing activities of THB 66.26 million. The Company invested in equipment and intangible assets totaled THB 45.90 million and THB 21.47 million, respectively.

For the Year 2021, the Company had a net cash flow from financing activities of THB 6,048.84 million. Major source of the Company's financing cash inflow is borrowings from domestic and overseas financial institutions. Major use of the Company's financing cash flow was borrowings repayments and dividend payment.

In assessing the Company's liquidity, we should take into account its capability to maintain NCR in accordance with the rules as stipulated by the Office of the SEC. Over the last 3 years (2019-2021), the Company was able to maintain NCR at the rate of higher than 7%, which is the minimum requirement by the Office of the SEC. This demonstrates that the Company was able to generate and maintain sufficient liquidity for its operation. For the Years 2019, 2020 and 2021, the Company's NCR fell in the range of 27.50% - 53.86%, 20.67% - 39.04% and 22.78% - 45.54%, respectively. Note that NCR may vary from time to time due to changes in securities trading volume, securities underwriting commitment and etc.

- **Sources of Capital**

As of 31 December 2021, the Company's source of capital is from debt of THB 22,540.05 million and from equity of THB 4,813.61 million. The Company's D/E ratios as of 31 December 2020 and 2021 were 3.15 times and 4.68 times, respectively. Major portions of the Company's debt are securities and derivatives business payables that may vary from time to time in accordance with securities trading volume during the last 2 trading days of each year and borrowings from financial institutions, debt issued and borrowings. Readjusted D/E ratios of the Company (excluding securities and derivatives business payables) as of 31 December 2020 and 2021 were 2.54 times and 4.16 times, respectively. It is increase in the Company's total debt in the Year 2021 was due to the increase in debt issued and other borrowings.

The Company's ROEs for the Years 2020 and 2021 were 10.91% and 16.16%, respectively. For the Years 2020 and 2021, the Company made total dividend payments of THB 159.83 million and THB 559.40 million, respectively.

Factors that may significantly affect the Company's financial performance and position in the future

Domestic economic and political situations may affect the Company's financial performance and position. Factors such as change in interest rates, fluctuation in oil prices, political uncertainty, monetary policy as prescribed by the Bank of Thailand as well as domestic and global economic situations, all of which may jointly work to affect investment confidence in domestic and international markets.

Risk due to change in price of securities the Company has held may affect the Company's performance. Investment diversification would help to reduce this risk, i.e. settlement risk, trading error risk as well as financial risk, all of which will jointly work to affect the Company's financial position. The Company controls those risks to be at an acceptable level.

- **Future Trend**

Domestic political unrest as well as uncertain and fragile global economic recovery will affect long-term domestic economic recovery, new business opportunities and profitability of domestic listed firms in the medium and long-run, thus making investments in SET-listed firms less interesting. This will adversely affect trading activities on the SET as well as performances of the Company and other securities brokerage firms. To ensure its long-term competitiveness, the Company has a policy to continuously develop its human resources to ensure its readiness for new businesses and apply new technology to achieve operating efficiency and effective cost management. The Company has a policy to maintain its leadership in the domestic securities business by providing fully-integrated securities brokerage services and to support continuous development of the Thai capital market.

5. Corporate Information

The Board of Directors

1. Dr. Areepong Bhoocha-oom
2. Ms. Sopawadee Lertmanaschai
3. Mr. Hans Johan Patrik Sandin
4. Mr. Ricardo Nicanor Jacinto
5. Mrs. Hamidah Binti Moris
6. Mr. Arapat Sangkharat

Corporate Secretary

Ms. Panut Javalkul

Head Office

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Fax: 0-2658-6301

Auditor

EY Office Limited

1. Ms. Sirikorn Plernpissiri
Certified Public Accountant,
Registration No.5234
2. Ms. Somjai Khunapasut
Certified Public Accountant,
Registration No.4499
3. Ms. Wanwilai Phetsangn
Certified Public Accountant,
Registration No.5315
4. Ms. Ratana Jala
Certified Public Accountant,
Registration No.3734

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Email: EY.Thailand@th.ey.com

Company Registration No.

Bor Mor Jor 0107545000314

Homepage/website

www.maybank-ke.co.th

Securities Registration

Thailand Securities Depository (Thailand) Co., Ltd.

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Company Offices

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Ngamwongwan Branch

30/39-50 The Mall
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Seacon Square Branch

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Thaniya Branch

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Bangkae Branch

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Future Park Rangsit Branch

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12130
Team 1;
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Fax: 0-2958-0420
Team 2;
Tel: 0-2958-0992
Fax: 0-2958-0590

Fashion Island Branch

587,589, Fashion Island Shopping
Center BF FL., Ramintra Rd., Khan
Na Yao, Bangkok 10230
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Fax: 0-2947-5799

Watcharapon Branch

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Lad Prao Branch

1693 Central Lat Phrao Tower
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Bangkok 10900
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Fax: 0-2541-1108

Sri Nakarin Branch

425, Big C Sri Nakarin, Srinakarin
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Fax: 0-2383-4510

The Nine Branch

999/3 The Nine Neighborhood
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Bangkapi Branch

3105 N-Mark Plaza 3rd FL.
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Fax: 02-378-1323

The Chaengwattana Branch

99/9 Central Plaza Chaengwattana
Office Tower, 14th Fl., Unit1401
Chaengwattana Rd., Bangtarad,
Pakkret, Nonthaburi 11120
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Fax: 0-2835-3280

Pinklao Branch

7/129 Central Pinklao Tower
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Fax: 0-2884-6920

Phahurad Branch

125, 125/1-6, 125/19-25
The Old Siam Plaza 3rd Fl.
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Fax: 0-2225-0523

Other Provinces**Chonburi Branch**

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Mueang, Chon Buri 20000
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Fax: 038-053-966

Chanthaburi Branch

351/8, Tha Chalaep Rd.,
Talad, Mueang,
Chanthaburi 22000
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Fax: 039-312-391

Chiangmai Branch

201/3 Mahidol Rd.,
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Chiangmai 50100
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Fax: 053-284-019

Nakhon Ratchasima Branch

1242/2 The Mall Department
Store, 7th Fl., Room 3A, Mittrapap
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Nakhon Ratchasima 30000
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Fax: 044-288-466

Phuket Branch

1, 1/1 Thungkhar Rd., Talad Yai,
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Rayong Branch

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Surin Branch

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Surat Thani Branch

216/11 Moo 4 Chonkasem Rd.,
Makhamtea, Mueang,
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Fax: 077-205-475

Hat Yai Branch

1, 3, 5 Soi Juti Uthit 3,
Juti Anusorn Rd. Hat Yai,
Songkhla 90110
Tel: 074-237-100
Fax: 074-239-509

Ubon Ratchathani Branch

311 Moo 7 Central Plaza
Ubonratchathani, Room G3,
G Fl., Chaengsanit, Jae Ramae,
Muang, Ubonratchathani 34000
Tel: 045-422-911
Fax: 045-422-930

Khonkean Branch

238/8, Theparak Rd., Muang, Khon
Kaen 40000
Tel: 043-058-900
Fax: 043-058-901

Nakorn Sawan Branch

1/12 Suchada Rd.,
Pak Nam Pho, Mueang,
Nakorn Sawan 60000
Tel: 056-217-140
Fax: 056-217-149

Legal Dispute

As at 31 December 2021, the Company has no legal dispute which is material which will negatively impact to the Company's performance or financial position higher than 5% of shareholder ratio as per financial statement as at 31 December 2021.

List of Financial Institutions that the Company regularly associates.

- Bangkok Bank Public Company Limited
- Krungsri Ayutthaya Public Company Limited
- Kiatnakin Phatra Public Company Limited
- TMB Tanachart Public Company Limited
- Siam Commercial Public Company Limited
- Land and House Public Company Limited
- Standard Chartered Bank (Thai) Public Company Limited
- HSBC Corporation Limited
- Krungthai Public Company Limited
- Kasikorn Public Company Limited
- CIMB Thai Public Company Limited
- TISCO Public Company Limited
- UOB Public Company Limited

6. Good Corporate Governance Report (CG Code)

The Board of Directors of Maybank Securities (Thailand) Plc. has long put emphasis on good corporate governance. The Board of Directors believes that good corporate governance would help to prevent potential serious damages caused by the lack of a good internal control system. Good corporate governance also plays an important role in enhancing management efficiency and improving the utilization of resources. This will lead to sustainable growth for the Company and create value for all shareholders and stakeholders.

Board of Directors

The Board of Directors as establishing leadership role and responsibilities consists of the Directors with knowledge, skill and experience in the business. They are responsible for setting company's policy, vision, strategy, goals, mission, business plan, measures, monitoring operating results and budget of the Company, and supervise Executive Committee to operate in accordance with the policy with efficiency and effectiveness under the framework of laws, objectives, regulations and resolutions of the shareholders' meeting with responsibility, honesty and under the code of conduct but also include driving business adaptation to maximize profit and create maximum security to its shareholders.

Scope of Power and Duties of the Board of Directors

1. To manage the Company's operations to ensure compliance with the objectives and articles of association of the Company and resolutions of the Company's meeting of shareholders with honesty and due care for the interests of the Company.
2. To set goals, guidelines, policies, operating plans and budget of the Company, control and supervise the administration of the Executive Committee to ensure the management has performed competently and in compliance with the policies prescribed in an efficient manner. Exceptions to this are transactions such as increase/decrease of capital, issuance of debentures, selling or transferring the business of the Company in whole or in major part, buying or taking control of other companies, amending the memorandum of association or articles of association, and giving benefits to directors. In such matters, the Board of Directors needs to obtain approval from a shareholders meeting prior to carrying out such transactions.
3. The Board of Directors may, as deemed appropriate, elect some directors and management as members of the Executive Committees, provided that they shall have power and duties to conduct the Company's business as delegated and authorized by the Board of Directors. The Board of Directors shall elect one member of the Executive Committee as Chairman of the Executive Committee.
4. Notify the related transactions of oneself and affiliated entities in the management of the Company or a Subsidiary.
5. Plan the annual meeting schedule with company secretary and notify for the Board of Directors since the beginning of each year to prepare to attend the meetings.
6. The Board of Directors developed and implemented a risk management policy for the entire organization. Risk management team shall monitor relevant risk factors and report to the Risk Committee every month and Board of Directors quarterly, including risk review and assessment at least once a year.

7. The Board of Directors developed and implemented internal control and audit systems. The Board of Directors assigned and authorized Internal Audit Department and Compliance Department to conduct audits and report results of the audits to the Audit Committee prior to reporting to the Board of Directors.
8. The Board of Directors has delegated and assigned sub-committees for any specific duties and responsibilities according to terms of reference (TOR). Each TOR identifies name of committee, duty and responsibility, as well as basic element such as meeting frequency, reporting line and committee's self-evaluation as well as disclosing remuneration.

Orientation of the New Directors

The Board of Directors have prescribed the reorientation for Board of Directors onboarding to understanding the business and internal policies to help support the operating duties of the directors to fully take position as fast as possible and by having the Company's Secretary as the coordinator which will cover topics as follows:

- STANDARD OF BUSINESS CONDUCT
- DIRECTORS' DUTIES AND OBLIGATIONS
- APPOINTMENTS AND RESIGNATIONS OF DIRECTORS
- GOVERNANCE STRUCTURE
- BOARD PROCEEDINGS
- REMUNERATION AND BENEFITS
- SUPPLY OF INFORMATION TO THE BOARD
- GOOD CORPORATE GOVERNANCE
- CODE OF ETHICS (ANTI-CORRUPTION MEASURE)
- ANNUAL BOARD ASSESSMENT
- CONFLICT OF INTEREST AND RELATED PARTY TRANSACTION
- OTHER KEY POLICIES OF THE MAYBANK GROUP

Development of Directors and Executives

1. The Company has prepared a succession plan for Director and the Chief Executive Officer on both ad-hoc and permanent basis. On an ad-hoc basis, other executives will act in such capacities on a temporary basis. On a permanent basis, the Nomination Committee will consider and appoint appropriate qualified personnel in advance with sufficient period of time in order to carry on the duty of Director or Executive in the near future. The Company's succession plan is to be agreed and considered from the Nomination and Remuneration Committee prior to propose to the Board of Directors for approval.

2. The Company encourages and facilitates training and development for its staff. In 2021, it sent the Senior Executives, Company's secretary and Audit Committee's secretary to attend a training course regarding corporate governance. The Company urged its directors to attend classes aimed at improving and developing their knowledge and understanding the roles, duties and responsibilities of directors. Please refer to below tabulation for the record of training attended by the Directors.

Course	Date of Attendance	Name of Director/Management/related employees
Digital Asset : New Era for Business Opportunities	5 November 2021	Ms. Sopawadee Lertmanaschai
Director Accredited Program Batch 187/2564	4 October 2021	Mr. Arapat Sangkharat
ONE Report Preparation	9 August 2021	Ms. Panut Javalkul
Maybank Group Offsite Session via Zoom by Maybank Academy @ Bangi	2 April 2021	Mr. Hans Johan Patrik Sandin
Teach-in Session on Environmental, Social & Governance (ESG) by PWC for Board Members	14 April 2021	Dr Areepong Mr. Hans Johan Patrik Sandin Ms. Sopawadee Ms. Ami Moris
Sustainability & Responsible Investment (SRI) 2021 Conference - Paving the Way for Profitability through Sustainability	16 June 2021	Mr. Hans Johan Patrik Sandin
Invest ASEAN 2021- ASEAN Beyond Pandemic crisis	24 June 2021	Mr. Hans Johan Patrik Sandin
Maybank Annual Board Risk Workshop (ABRW) 2021	25 June 2021	Mr. Hans Johan Patrik Sandin
CEO Talk : BUILDING a Green Future	14 July 2021	Mr. Hans Johan Patrik Sandin
Fraud & Financial Crime Asia	21, 22 & 23 July 2021	Mr. Hans Johan Patrik Sandin
ESG Teach-In Session with DNB	24 August 2021	Mr. Hans Johan Patrik Sandin
In-House Cyber Risk Training	26 Nov 2021	Mr. Hans Johan Patrik Sandin
Shariah In-House On-boarding Series for Board and Senior Management of Islamic Financial institutions	20 Dec 2021	Mr. Hans Johan Patrik Sandin
8th Securities and Exchange Commission - Philippine Stock Exchange Corporate Governance Forum 19 November 2021.	19 November 2021	Mr. Ricardo Nicanor Jacinto
Anti-Money Laundering Act Compliance in the Digital World	27 September 2021	Mr. Ricardo Nicanor Jacinto

Self-Evaluation by the Board of Directors

The Board of Directors conducts self-evaluation once a year. Such self-evaluation will be conducted on an overall basis as well as one to one session. Evaluation in accordance to the Securities Exchange of Thailand will be conducted on the following areas:

- Structure and Qualifications of the Board of Directors;
- Roles, duties and responsibilities of the Board of Directors;
- The Meeting of the Board of Directors;
- Performance of Duties by the Board of Directors;
- Relationship with Management; and
- Self-Development of Directors and Management Development.

The company secretary is responsible for summarizing the results of evaluation before providing them to the Chairman. The Chairman will inform the results to the meeting of the Board of Directors and consult with all of the directors to improve any deficiencies or weaknesses found from the evaluation.

The process of evaluation are as follows:

1. To evaluate the effectiveness of the operation of the Board of Directors for both the individual at least once a year.
2. The Company Secretary will summarize and present the results of evaluation performance of the Board of Directors to the on the nomination committee board and the remunerations committee board. To consider and evaluate ways to improve the efficiency of operations.
3. Nomination and Remuneration Committee present the result and the trend to improve operational performance the Board of Directors.

Annual Performance of the Board of Directors

Year of Annual Performance of the Board of Directors	Evaluation Date	Overall Performance (Committee)	Overall Performance (Individual)
2020	8 February 2021	“good to excellent”	“good to excellent”
2021	4 January 2022	“good to excellent”	“good to excellent”

For the Year 2020 Annual Performance, the Board of Directors conducted self-evaluation and peer-evaluation on 8 February 2021 with both evaluation are evaluated as a “good” to “excellent” level. For evaluation method the Company has specified criteria and process in which the Company ensures that there is improvement in result as well as follows up on the status of prior evaluation. For Year 2021 Annual Performance, the Board of Directors (self-evaluation and peer-evaluation) has set the evaluation date on 4 January 2022 and maintained evaluation as “good” to “excellent” level.

Roles of Stakeholders

- **Shareholders:** The Company put emphasis on generating profitability to provide good investment returns to all shareholders. The Company’s dividend payment policy is to pay out at least 40% of net profit. The Company has encouraged shareholders to exercise their legal rights and will treat all shareholders equitably. Shareholders shall have the right to receive accurate and updated information on the Company’s operations via its website on a regular basis. In Year 2020, the Company made dividend payment at the rate of Baht 0.60 per share, or a payout ratio of 70.70% of 2020 net profit. Such payout ratio exceeded its specified dividend payout policy of at least 40% of the Company’s earnings after deducting all required legal reserves. For the Year 2021, the Company made a dividend payment at the rate of Baht 0.96 per share, or a payout ratio of 72% of 2021 year-ended net profit.
- **Clients:** The Company put emphasis on equal and fair treatment of all clients. The Company has provided high-quality services to its clients, keeping their information confidential, and disseminated sufficient, accurate and timely information to them. The Company has provided a variety of products and services and continued to improve and develop them to satisfy clients’ needs. In providing services, the Company takes into account the best interests of clients. The Company’s investment consultants urged their clients to trade with care and thoroughness and consider all relevant information carefully and thoroughly prior to making their investment decisions, not emphasizing their trading volume. This helps to prevent them from investing in manipulated stocks. Client may leave comments, suggestions, and other complaint through the Company’s communication channels as follows.

Channels	Email	Phone number
Client Service	mst.clientservice@maybank.com	02-658-5050
Corporate Communication	mst.corpcom@maybank.com	02-658-6300 #7401-7404
Company's Secretary	cosecthailand@maybank.co.th	02-658-6300 #6660

- **Competitors:** The Company treated all of its competitors fairly and equally, and strictly complied with mutual agreements and member agreements as applicable under the relevant SEC and SET rules and regulations and ASCO agreements, which the Company has set to its standard practice not to acquire any investment consultants from other brokers in any inappropriate way.

The Company has policy to treat trade competitors not using unethical means in acquiring the confidential information from. Thus, the Company adheres to the policy as follows:

- Conducting the business within the fair and ethical competition
 - Acquiring the information from trade competitor by unethical means
 - Sabotaging the trade competitors by untrue information
- **Creditors and Business partners:** The Company fully complied with all conditions and terms under loan agreements and other agreements it entered into. The Company will never take advantage of, and try to build trust and support with all stakeholders. The Company had purchasing policy to compare at least 3 quotations from reliable vendor and ensure that the policy for purchasing is transparent and fair.
 - **Employees:** Please see the details of “Fair Employment Practices” under the “Sustainability Report 2021” section.
 - **Society and environment:** The Company promotes the efficient use of resources in all processes related to running a business, to reach maximum benefit. Whereby the Company considers the responsibility of executives and employees, which the Company will support the human resource budget, working time and training to participate in the proposed social and environmental development, namely;

- The production of the annual general shareholders' meeting invitation letter and the annual report, the Company uses paper which is the standard of environment friendly that reduces emissions of carbon dioxide (CO₂).
- The Company has agreed to reduce energy consumption, such as changing the light bulb in the offices to a LED bulb.
- The Company organized the 2021 Annual General Meeting via Electronics channel to prevent the risk of contracting the COVID-19 incurred to the Company's shareholders as well as decreased the use of paper materials and enhance the application of the digitization to the Company's meeting.

Please see the further details in the “Sustainability Report 2021” section.

- **Intellectual Property:** The Company respects and abide by the laws regarding intellectual property, and has policies and guidelines regarding non infringement of the intellectual property rights as follows::
- All employees have a duty to protect and maintain confidentiality with respect to the intellectual property of the Company to prevent data leakage and shall not use the Company intellectual property for personal or third party interest without permission.
- All employees must respect and honor the intellectual property of others and must not infringe the intellectual property of other whether wholly or partly without the permission of the owner.

In the Year 2021, the Company had no disputes with any group of stakeholders and was in full compliance with its operating policy.

Shareholders' Rights

The Board of Directors formulated a written corporate governance policy comprising policies on protecting the shareholders' rights and encouraging shareholders to utilize their rights, including basic rights and extra rights, such as the rights to: receive profit contribution in the form of dividends; obtain accurate, adequate and transparent information for making investment decisions; vote on major issues related to the Company; express opinions in the shareholders' meeting; participate in making decisions regarding major changes in the Company; and electing directors. For the Year 2020, the Company fulfilled the rights of shareholders as follows:

1. Right to Receive Dividends

For the Year 2020, the Company made dividend payment at the rate of Baht 0.60 per share, or a payout ratio of 70.70% of net profit of Year 2020 in which exceeds the specified dividend payout policy of at least 40% of the Company's earnings after deducting all required legal reserves. For the Year 2021, the Company had made a dividend payment at the rate of Baht 0.96 per share, or a year-ended payout ratio of 72 % of year-ended net profit of Year 2021.

2. Right to Attend the Shareholders' Meeting

Prior to the Date of the Meeting

1. The Company allowed its shareholders to propose meeting agendas at least 3 months prior to the date of the shareholders' meeting via the Company's website since December 1, 2020 to January 31, 2021.
2. The Company allowed its shareholders to submit questions approximately 1 month prior to the date of the shareholders' meeting via its website from February 11, 2021 to March 31, 2021 for the 2021 Annual General Meeting of Shareholders and from October 1, 2021 to November 15, 2021 for the Extraordinary General Meeting of Shareholders No.1/2021.
3. The Company notified shareholders of the resolutions from the meetings of the Board of Directors regarding date, time, place and meeting agendas 64 days prior to the date of general shareholders' meeting via the SET Link system.
4. The Company informed its shareholders via the SET Link System that it posted notice of its shareholders' meeting on its website 35 days prior to the date of each meeting for thorough consideration. In addition, the clarifications and reasons of each agenda will be stated in the notice of shareholders' meeting.
5. The Company posted notice of the shareholders' meeting, including relevant information such as date, time, place, and meeting agendas, via its website 35 days prior to the date of meeting as the place for shareholders' meeting has been prepared for the shareholders' convenience of transport. In 2021, due to the coronavirus (COVID-19) pandemic in which the government has announced the emergency decree as well as to provide safety and convenience for the Company's shareholders, the Company arranged the 2021 Annual Shareholder's Meeting via electronics channel by outsourcing the Digital Access Platform company, the certified service provider by Electronics Transaction Development Agency (ETDA), Ministry of Digital Economy and Society to arrange 2021 Annual General Shareholder's Meeting

6. The Company requested Thailand Securities Depository Co., Ltd. (TSD), acting as the Company's securities registrar, to mail notices of general shareholders' meetings to all shareholders 22 days prior to the date of each meeting and relevant documents are prepared both Thai and English versions to be enclosed with the Thai and English version of notice of shareholders' meeting.
7. The Company continually updated information on its website for access by its shareholders.
8. The Board of Directors facilitated the shareholders' rights including institutional investors to attend the shareholders' meeting by prohibiting any acts that may limit or restrict shareholders' access to Company information or the general shareholders' meeting. No immediate changes in information provided during the meeting are to be made or ad-hoc meeting agendas proposed. Shareholders who arrive late will be allowed to attend the shareholders' meeting.
9. Prior to proceeding on the meeting agenda, the chair of the meeting briefed the meeting process and voting method of each agenda to the shareholders so that they can properly and correctly execute their rights and to ensure that the meeting process is in order and efficiently.
10. The chair of the meeting allowed shareholders convenient and adequate time to explain the process of voting and a mean to indicate the result before the meeting will be conducted including offer the opportunities to the shareholders to raise their issues or question. Moreover, there will be the record of questions and answers and the result of voting for each agenda. In addition, the meeting allowed shareholders to express their opinion on each agenda item and ask questions at the shareholders' meeting. However, there will be no amendment of information or any change of agenda to the meeting. The Company disclosed minutes of the meeting for the shareholders' review via its website. Details of the meeting could also be accessed via video posted on the Company's website.
11. The Board of Directors supports the adoption of technology for the meeting. Consequently, the meeting is conduct rapidly, accurately, and precisely, for example utilizing electronics media platform to arrange the Annual General Shareholder's Meeting for convenience and safety of shareholders without shareholder's travelling to the meeting venue in person which would make shareholders at risk of contracting coronavirus but instead could attend the meeting via online channel. The Company outsourcing the Digital Access Platform company, the certified service provider by Electronics Transaction Development Agency (ETDA), Ministry of Digital Economy and Society to arrange 2021 Annual General Shareholder's Meeting
12. In the shareholders' meeting, the chairman of each sub-committee, namely the Chair of the Audit Committee, the Chair of the Nomination and Remuneration Committee, the Chair of the Remuneration Committee and the Chair of the Good Corporate Governance Committee, attends the meeting. Shareholders are allowed to ask questions on relevant issues. The Company had disclosed the minutes of the meeting for the shareholders' review via its website. Details of the meeting can also be accessed via video posted on the Company's website.
13. In the shareholders' meeting, the chair of the meeting set an arrangement to have examiners for vote counting procedure, which comprises of shareholders' representative to witness the vote counting procedure in each agenda and disclose the result in the shareholders' meeting minutes.

On the Date of the Meeting

1. The Company facilitates the meeting registration by utilizing electronics media platform to arrange the Annual General Shareholder's Meeting for convenience and safety of shareholders without shareholder's travelling to the meeting venue in person which would make shareholders at risk of contracting coronavirus but instead could attend the meeting via online channel. The Company outsourcing the Digital Access Platform company, the certified service provider by Electronics Transaction Development Agency (ETDA), Ministry of Digital Economy and Society to arrange 2021 Annual General Shareholder's Meeting.
2. The Company holds the shareholders' meeting on the date, at the time and in the place that is convenient for shareholders to attend specified in the notice of the shareholders' meeting. There will be no short notice in relation to changes in the meeting place to avoid shareholders not being able to attend the meeting.
3. The meeting chairman clarifies the quorum, explains the voting (one share per one vote), vote-counting and balloting procedures and clearly discloses voting results on each agenda item.
4. There shall be no ad-hoc meeting on agenda items to be proposed by shareholders, who are the Company's executives.
5. The chair of the meeting will convene the meeting in accordance with the order as specified in the notice of the shareholders' meeting.
6. The chair of the meeting will allow shareholders to ask questions or express their views in a reasonable and adequate way.
7. The chair of the meeting will start to open quorum of E-AGM on the system (E-Meeting), the system will process and show the quorum to the meeting in comply with the law and Article of Association of the listed company. For agenda that open to vote, shareholder or proxy can vote on system in each agenda immediately (E-Voting). As closing the E-AGM meeting the system will also process the quorum at the closing time. The listed company can download the report after closing from the system immediately such as report of open/closing quorum-report of voting result in each agenda, report of voting result by shareholder/proxy and etc. Electronic Log File will store in system during time as required by law for transparency and any arguments (if any).
8. Each shareholder is allowed to exercise his/her rights in electing directors on an individual basis.

After the Meeting

1. The Company Secretary will be responsible for preparing the minutes of the shareholders' meeting with opinions of and questions from shareholders. The minutes of shareholders' meeting would be reviewed for accuracy by the Company's executives and the Chairman.
2. The Company will publicize the minutes of the shareholders' meeting in both paper and video formats via its website 7 days after the date of the meeting, so that shareholders who did not attend the meeting, can check and acknowledge details of the meeting on an equal basis.

(Conflict of Interest, Preventive Policy regarding use of Confidential Information and Anti-Corruption Policy are shown in the Good Corporate Governance Page 95-96)

3. Right to Consider the Director's Earnings and the Election of Directors

In 2021, the Company granted right for shareholders to evaluate the rate of earning payment for all Directors with a thorough policy and methodology for consideration, which include a fixed salary, pension payment, with no any other benefits.

For the Election of Directors, the Company proposed all Directors' names to the shareholders for voting one by one so that they can make the right decision. The voting result is announced and reported in the shareholders' meeting minutes for shareholders' acknowledgement.

4. Right to Receive Information and News about the Company.

The Company has long emphasized on disseminating information and news about the Company to its shareholders so that they would know the progress and activities related to the business of the Company for their consideration. The Company disseminated information and news about its operation via the SETLink System and its website. The Company disseminated accurate, quick, fair, reliable and timely information to all stakeholders.

In addition, the Company allowed its shareholders to submit questions approximately 1 month prior to the date of the shareholders' meeting via its website as well as establishing a forum called Opportunity Day for shareholders and investors to receive any information and news about the Company. Further, the Company has Investor Relation unit to provide service and news about the Company to all investors.

5. The structure of Company's shareholding

The details of the structure of the Company's shareholding can be seen in the topic "The structure of shareholding" in which the Company has no any crossing shareholding.

6. Anti-Corruption Policy

The Board of Directors has stipulated the Anti-Corruption Policy with an aim to counter all types of corruption (Zero Tolerance Policy), including the banning of bribery for the business interests. The Company has a process to evaluate the potential risk of corruption that may arise from the operation of its business (RSCA: Risk Control Self-Assessment) as well as a guideline set for monitoring and control to prevent and pursue the risk of fraud and potential corruption risk. The Company's Internal Audit Department will serve to monitor and evaluate an effectiveness of the implementation of Anti-Corruption Policy as well as to report the evaluation result to the Board of

Directors. In addition, the Company has already conducted training for employees at all levels to ensure their awareness and understanding toward the policy.

7. Whistle Blowing

The Company provides a channel for the stakeholders to place queries or file a complaint by appointing the department which independent in its operation to examine the adequacy and appropriateness of the facts in order to ensure that the complaints are handled with transparent and fair manner and to protect the informant or petitioner with fairness. (Please refer to the Company's Whistle Blowing Policy which is provided separately from this policy.) Channels for whistle blowing and complaints filing. The stakeholders can file a complaint against an action of direct or indirect fraudulent or corruption via channel as stated in this policy. The informant must provide the detail of compliant or trace and evidence or any support information as well as the name, address and contact number and submit all the details via following channels;

- Tel: 02-658-5155
- E-mail: MST.Whistleblowing@maybank.com
- Mailbox: Compliance Department
Maybank Securities (Thailand) Public Company Limited
The Office at Central World, 20th - 21st Floor
999/9 Rama I Rd., Pathumwan, Bangkok 10330

All stakeholders, including shareholders, clients, competitors, creditors, government agencies, community and employees of the Company have the right to file a complaint or report against an action of fraudulent or corruption via the provided channels. The information will be kept with the highest confidentiality.

In addition to the above channels, the stakeholders can also contact or file a complaint directly to the Board of Directors in written and submit the letter to the Company via mail box or Company's website.

Safeguards

Provided Company's safeguard for whistleblowers as follows:-

- (1) Committed to protect any Employee who has made a disclosure on wrongdoings involving other Employees.
- (2) in raising a concern, the Whistleblower shall not be subjected to any discrimination or unfair treatment.
- (3) If the Whistleblower believes that he/she has been subjected to discrimination, retaliation, threats or harassment for making the disclosure, he/she may highlight the matter to the Designated Recipient.
- (4) The Company shall ensure details of the Whistleblower and all relevant matters pertaining to the report would be kept confidential so long as permitted by the relevant laws.

Provided Company's safeguard on filing complaint as follows.

- (1) check evidence and related compliant documents from the Recipient
- (2) propose to the Audit Committee for consideration on fact.
- (3) provide additional investigate on violations the rules, process, fraud or corruption or disciplinary action for employees.
- (4) report to Audit Committee of Maybank Group.

Business Ethic

As the Board of Directors focuses on "Good Corporate Governance", Maybank continues to emphasize the importance of transparency, integrity and accountability in all its processes and endeavours. Ethics have always played a large role in the history of the company.

Ethic are a key part of our good governance policy. The Board of Directors has set up operational guidelines for employees at all levels to acknowledge this component of our good governance policy.

The purpose of the Code is to:

- uphold the good name of the Maybank Group and to maintain public confidence in the Organization.
- maintain public confidence in the security and integrity of the banking system;
- maintain an impartial and unbiased relationship between the Maybank Group and its customers; and
- uphold the high standards of personal integrity and professionalism of the Maybank Group staff.

Coverage of the Code

1. Conflict of Interest
2. Misuse of Position
3. Misuse of Information
4. Integrity and Accuracy of Records/Transactions
5. Fair and Equitable Treatment
6. Relationship with Customers
7. Confidentiality
8. Making Public Statements
9. Social Media Usage
10. Integrity of the Banking System
11. Required Knowledge and Compliance
12. Pecuniary Embarrassment
13. Avenue to Express Viewpoint or Complaint
14. Prohibited Conduct of Person in Possession of Inside Information
15. Money Laundering and Terrorism Financing
16. Computer Crimes
17. Sexual Harassment
18. Dress Code

The Important Change and Development of Policy Guideline and Corporate Governance System from previous year

To be in compliance with good corporate governance (CG Code) as mentioned, the Company has established the CG Policy. The Policy has been approved by the Board of Directors and communicated to all employees throughout the Company. There is also a channel which the Company can provide information regarding good corporate governance to all employees via Company's Intranet.

For the Year 2021, Company was rated the evaluation point of corporate governance with "5-Star" in this regards, the Company was given "excellent score" for the Rights of Shareholders, Roles of Stakeholders, Equitable Treatment of Shareholders, Disclosure and Transparency, Responsibilities of Board of Directors and. The Company shall improve and disclose of information as derived from the suggestion in accordance with corporate governance guidance / corporate governance code (CG Code) by The Securities and Exchange Commission, Thailand. For the year 2021, the Company had followed to practice all the 8 CG principles (CG Code) as following:-

The Board of Directors has emphasized on good corporate governance. The Good Corporate Governance Committee was established to determine and specify monitoring and evaluation guidelines since 2018 onwards and to promote implementation of, and compliance with CG Code and adopted into good corporate governance policies. For the CG Code can be classified into 8 principles as follows:

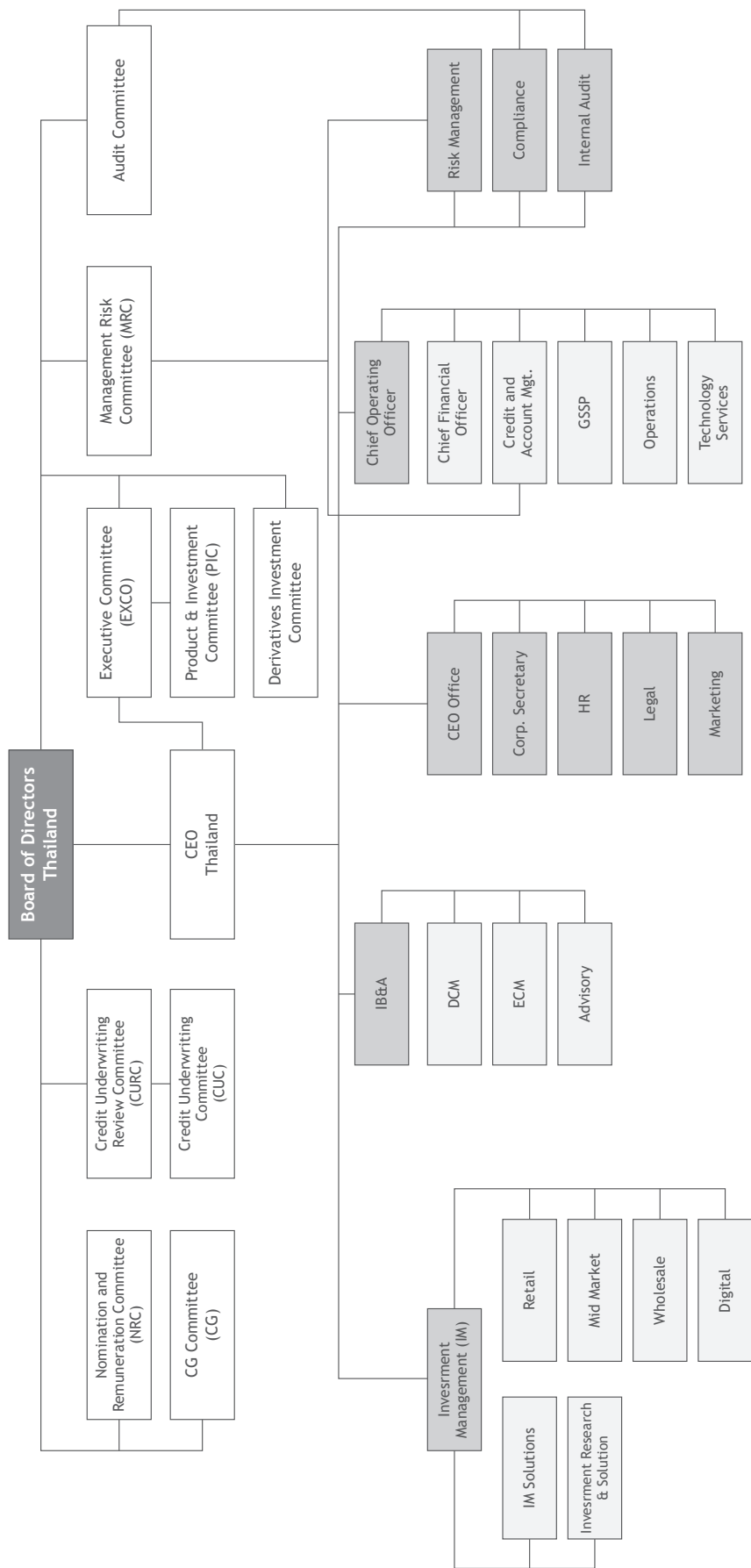
	<u>CG Code</u>	<u>CG Principles</u>
<u>Principle 1</u>	Establish Clear Leadership Role and Responsibilities of the Board	(5) Responsibilities of the Board of Directors
<u>Principle 2</u>	Define Objectives that Promote Sustainable Value Creation	(5) Responsibilities of the Board of Directors
<u>Principle 3</u>	Strengthen Board Effectiveness	(5) Responsibilities of the Board of Directors
<u>Principle 4</u>	Ensure Effective CEO and People Management	(3) Roles of Stakeholders
<u>Principle 5</u>	Nurture Innovation and Responsible Business	(3) Roles of Stakeholders
<u>Principle 6</u>	Strengthen Effective Risk Management and Internal Control	(3) Roles of Stakeholders
<u>Principle 7</u>	Ensure Disclosure and Financial Integrity	(4) Disclosure and Transparency
<u>Principle 8</u>	Ensure Engagement and Communication with Shareholders	(1) Shareholders' Rights (2) Equal Treatment to Shareholders

The Company has disseminated its good corporate governance policies via its website to show its intent to operate under the good corporate governance practices to ensure its operation transparency. Employees are given a written good corporate governance manual and urged to work ethically and be in compliance with good corporate governance policies.

To ensure that all employees understand the rules, regulation, code of business conduct, and do the right thing right. The company had conducted to all employees to do the rules and regulations testing on company's intranet and had evaluated the level of understanding of employees from the testing results to improve the communication to employees to understand and aware of their role in promoting corporate governance. In addition to employees shall do the rules testing as a part of key performance indicators (KPI) and the employees who had joined to work during the year, they shall do the rules testing which is considered to be a part of the performance evaluation. The company also encourages employees to aware the compliance culture which is the key performance indicators (KPI).

In the Year 2021, compliance with good corporate governance policies was evaluated. The results of evaluation indicate that the Company was in compliance with most of the specified guidelines and policies in which all directors of the Company attended the Annual Shareholder Meeting and Extraordinary General Meeting of Shareholders including Chairman of the Board of Directors, Chief Executive Officer, Chairman of Audit Committee, Chairman of Nomination and Remuneration Committee and Chairman of Corporate Governance Committee.

7. Corporate Governance Structure and Important Information of Committee and Sub-Committee Executive and Employee Structure (As at 31 December 2021)



Composition of the Board of Directors

1. As at 31 December 2021, the Board of Directors has 6 members comprising of:

- 2 executive directors
- 4 non-executive directors (all are independent directors.)

1. The Company has long realized the importance of the appropriate composition of the Board of Directors, and nominates its directors in such a manner that there is a balance of power between executive and non-executive directors. The composition of the Board of Directors is such that independent directors will work together with directors who represent the major shareholders and executive directors. The number of independent directors accounts for more than one-third of the total no. of directors, thus being in line with the CG Code as prescribed by the SEC and corporate good governance principle by the SET. The Chairman is also an independent director. Regarding to the number of non-executive directors (4 persons) who all are independent directors in order to be independently expressing their opinion and make check & balance decisions from the executive directors, and the Board of Directors can perform their duties effectively.

2. The Board of Directors recognizes the benefits of diversity on the board which is the key factor in increasing the efficiency in making decision of the Board. The diversity of The Board of Directors consists of experts in many fields who Possess a variety of knowledge, capability, professional experience, business moral and loyalty. They are willing to dedicate themselves to the good of the Company.

3. Each independent director has terms of holding office of 3 years each. Each Independent director cannot hold more than three terms, or more than 9 years There is an exception to the rule when it is deemed by the shareholders or the Board of Directors that some directors play important roles in the growth and success of the Company. In such cases, the terms of office of such directors can be extended as appropriate. The Company's policy regarding directors' term of office is clearly specified in its corporate governance policy.

4. The Board of Directors have specified qualifications of "Independent Directors" that are in line with new rules and stricter than those required by the SEC and the SET. They are as follows:

- Holding shares of not more than 0.5% of all voting rights of the Company, any companies in the Maybank Group or its associated companies;
- Not being a member of management, employee, staff member or advisor who receives a regular compensation from the Company, or controlling person of the Company, any company in the Maybank Group and its associated companies, or person with potential conflict of interest for at least one year prior to nomination;
- Having no business relationship or direct or indirect potential conflict of interest in terms of financial and general management of the Company, any company in the Maybank Group, its associated companies and other persons with potential conflict of interest that may interrupt his independent discretion or opinion on the Company's operations;
- Not being a person who has any legal registered relationship in the form of close relatives, major shareholders or controlling person of the Company, any company in the Maybank Group, its associated companies, persons with potential conflict of interest, or persons who are nominated to take care of the interest of major shareholders.

5. No directors of the Company can hold a directorship in more than 5 other listed companies including its affiliates which may be unlisted. In case it is necessary for any director of the Company to hold a directorship in more than 5 other listed companies, he must obtain approval from the Board of Directors beforehand. Details regarding holding directorships of directors are disclosed in the topic “the Board of Directors and Management Structure”. For 2021, no directors of the Company held directorships in more than 5 other listed companies including its affiliates which may be unlisted. There has been a separation of the position between the Chairman and the Chief Executive Officer to create a check and balance mechanism, so that no one has absolute power. The Company has clearly specified roles, powers and duties of each person; the Chairman shall be an independent director and the leader in policy and corporate governance, and the Chief Executive Officer shall be the leader in corporate and business management.

6. In case of an expiry in terms for holding office of any director, the Company allows minority shareholders to propose name(s) or person(s) to be nominated as a director (s), provided that such person(s) has the qualifications in line with the Company’s rules. When complete information about the person(s) proposed to be the Company’s director(s) is obtained, the Nomination Committee will consider their qualifications prior to proposing at the shareholders’ meeting for nomination. For the Year 2020, no minority shareholders had proposed the name(s) of person(s) to be nominated as the Company’s director(s).

7. The Company has announced Code of Ethics and Conducts Policy as a guideline for all employees.

8. The Company has set a policy for position taking at other companies for CEO that it is required an approval from the Board of Directors in any case.

Approval authority to execute in any transaction

1. The Company has prescribed the approval authority to execute in any transactions of the company in accordance with the credit line which can be divided into tier, in order to prevent for any person shall have the authority to execute in any transactions which is led to create risk for the company, in addition, such authority has given approval from the Board of Directors and shall review upon regular basis.

2. The Board of directors serves to define the vision and mission of the company, in order for the executives and employees to have same goal and intended to operate in the same direction. In year 2021, the Board of directors has reconsidered and approved the vision, mission, strategy, goals and direction of the company’s business, including a review of major policies, with appropriate and consistent business according to the principles of corporate governance, such as policy, governance, etc.

3. The Board of directors has monitored the company’s strategy to bring to the meeting of the Board of Directors on a quarterly basis. The Committee monitors the implementation of management by reporting the results of operations and prospects, particularly on the part of financial goals and plan tasks to follow defined strategies.

As at December 31, 2021, the Company's Board of Directors comprised of 6 directors as follows:

	<u>Name</u>	<u>Title</u>
1.	Dr. Areepong Bhoocha-oom	Chairman and Independent Director Chairman of Good Corporate Governance Committee, Member of the Audit Committee and Member of Nomination and Remuneration Committee
2.	Ms. Sopawadee Lertmanaschai	Independent Director and Chairman of Nomination and Remuneration Committee, Chairman of the Audit Committee and Member of Good Corporate Governance Committee
3.	Mr. Hans Johan Patrik Sandin	Independent Director and Member of the Audit Committee, Member of Nomination and Remuneration Committee and Member of Good Corporate Governance Committee
4.	Mr. Ricardo Nicanor Jacinto	Independent Director and Member of the Audit Committee and Member of Good Corporate Governance Committee
5.	Mr. Arapat Sangkharat	Executive Director and Member of Good Corporate Governance Committee
6.	Mrs. Hamidah Binti Moris	Executive Director and Member of Nomination and Remuneration Committee and Member of Good Corporate Governance Committee

The Board of Directors has appointed Company Secretary whose duties and responsibilities are as stipulated in the Securities and Exchange Act (No. 5) B.E. 2559, an amendment of the Securities and Exchange Act B.E. 2535.

Ms. Panut Javalkul has been appointed as Company Secretary of the Company. She has working experience in company secretarial from listed company and has attended and passes the Company Secretary Program course Batch 97 from Thai Institute of Directors Association.

Authorized Directors who can sign on behalf of the Company

The Authorized directors who can sign on behalf of the Company are Ms. Hamidah Binti Morris and Mr. Arapat Sangkharat, jointly sign with the Company's seal affixed.

Scope of Power and Duties of the Board of Directors

1. To manage the Company's operations to ensure compliance with the objectives and articles of association of the Company and resolutions of the Company's meeting of shareholders with honesty and due care for the interests of the Company.

2. To set goals, guidelines, policies, operating plans and budget of the Company, control and supervise the administration of the Executive Committee to ensure the management has performed competently and in compliance with the policies prescribed in an efficient manner. Exceptions to this are transactions such as increase/decrease of capital, issuance of debentures, selling or transferring the business of the Company in whole or in major part, buying or taking control of other companies, amending the memorandum of association or articles of association, and giving benefits to directors. In such matters, the Board of Directors needs to obtain approval from a shareholders meeting prior to carrying out such transactions.

3. The Board of Directors may, as deemed appropriate, elect some directors and management as members of the Executive Committees, provided that they shall have power and duties to conduct the Company's business as delegated and authorized by the Board of Directors. The Board of Directors shall elect one member of the Executive Committee as Chairman of the Executive Committee.

4. Notify the related transactions of oneself and affiliated entities in the management of the Company or a Subsidiary.

5. Plan the annual meeting schedule with company secretary and notify for the Board of Directors since the beginning of each year to prepare to attend the meetings.

The Company has a policy that quorum for a meeting of Board of Directors shall be two third of its total company directors to pass a resolution. For the Year ended December 31, 2021, each director attended at least 75% of Board meeting held in financial year which comply with the requirement of the Company's Policy.

Detail of Job Description of Chairman of Board of Directors

To clearly separate the scope of power and duties in setting the policy and management of the Company. The Company, therefore, set the Chairman of the Board of Directors and Chief Executive Officer to be different person. Details of job Description of Chairman of Board of Directors are as follows;

1. Convene the Board of Director's Meeting, acting as the Chairman of the Board of Director's meeting and Annual General Shareholder's meeting as well as co-formulating the agenda with Chief Executive Officer;
2. Control the Meeting to be effectively functioned and in line with the Company's Article of Association. Encourage the directors to express opinion independently; and
3. Support and encourage the Company's director to fully execute their roles and responsibilities within the scope of power and duties and good corporate governance.
4. Oversea and monitor the operation and management of Board of Directors and Sub-Committee to meet the Company's goal and objective.
5. Acting as the final person to decide the vote in Board of Directors meeting in the event of equal votes.

Detail of Job Description of Chief Executive Officer

1. Formulate business plan and objectives of the organization as well as working procedures to ensure they correspond to rules, regulations and policies of the Company and relevant regulatory agencies and propose them for consideration and approval by the Board;
2. Prepare annual business budget for consideration and approval by the Board;
3. Manage the Company in accordance with business plan and objectives under annual business budget as approved by the Board as well as monitor performance of tasks as assigned by the Board;
4. Supervise subordinates to ensure they perform their tasks and duties in accordance with specified objectives and plans;
5. Coordinate in formulation of solutions to problems that may occur in the Company's operation
6. Prepare HR and training plans to ensure they conform to business plans and policies of the Company; and
7. Perform other tasks as assigned by the Board.

Scope of Duties and Responsibilities of the Corporate Secretary

1. Prepare and maintain the following documents:
 - a. Directors' Registry;
 - b. Notices for the Board of Directors' Meetings, Minutes of the Board of Directors' Meetings and Annual Report of the Board of Directors; and
 - c. Notices for the Shareholders' Meetings and Minutes of the Shareholders' Meetings.
2. Maintain the Report on Stake Holdings of Directors and Management;
3. Carry out other tasks as assigned by the Board of Directors.

Sub-Committees

The Company has established a sub-committee which has been appointed by the Board of Directors or the shareholders' meeting to assist in the management and supervision of the administration of companies, including 5 committees as follows: (1) Executive Committee (2) Audit Committee (3) Management Risk Committee (4) Nomination and Remuneration Committee and (5) Good Corporate Governance Committee . Scope of Duties and Responsibilities Authorities and responsibilities of Board of Directors and Sub-Committees shall align with its Charter of Board of Directors and Sub-Committees and review at least once a year or when change of authorities and responsibilities. The Board is to consider and delegate authority and responsibility to make clear on daily work policy, indicating the Chairman of the Board is irrelevant with daily work management of the Company and the Chairman of the Board provides regularly support and recommendation on business operation to CEO while CEO is to perform responsibility of corporate management under delegated power control from the Board of Directors and by law such as significant investment transaction, transaction with connected persons, acquisition of disposal of assets and dividend payment. To ensure that all employees understand the rules, regulations, code of business conduct, and do the right thing right. The Company had conducted to all employees to do the rules and regulations testing on company's intranet and had evaluated the level of understanding of employees from the testing results to improve the communication to employees to understand and aware of their role in promoting corporate governance . In addition to employees shall do the rules testing as a part of key performance indicators (KPIs) and the employees who had joined to work during the year, they shall do the rules testing which is considered to be a part of the performance evaluation. The Company also encourages employees to aware of the compliance culture which is the key performance indicators (KPIs).

1. The Executive Committee (EXCO)

As at December 31, 2021, the Company's Executive Committee is comprised of 7 members as follows:

	Name	Title
1.	Mr. Arapat Sangkharat	Chairman of the Executive Committee
2.	Mr. Koh Swee Ong	Member of the Executive Committee
3.	Mr. Vichet Pornsinsiruk	Member of the Executive Committee
4.	Mr. Prasert Tantayawit	Member of the Executive Committee
5.	Mr. Sittiporn Sorngarn	Member of the Executive Committee
6.	Mr. Ekachai Taraporntip	Member of the Executive Committee
7.	Mrs. Kritsanyakul Kongchai	Member of the Executive Committee

Scope of Power and Duties of the Executive Committee (EXCO)

The EXCO shall function as the highest management approving authority of Thailand's Management Committees. Its key functions, activities and authorities shall include but not be limited to the following:

1. To provide the strategic direction of critical projects and future business growth;
2. To review and endorse planning and resource allocation activities in support of critical initiatives including investment commitments and procurement activities;
3. To review and endorse business plans/proposals of the respective business units;
4. To approve the development and launch of new products and/or services;
5. All financial matters of Thailand, within its authority, including capital management;
6. To consider and/or participate in business partnerships, joint ventures, mergers and acquisitions for Thailand;
7. Procurement activities for purchases of assets, services, resources etc., in excess of delegated country and/or individual authorities;
8. Divestment of assets and investments in excess of delegated country and/or individual authorities;
9. Internal restructuring, dissolution and/or amalgamation activities of both the business and operational functions of Thailand;
10. Human resource related matters including the recruitment, removal, reassignment, etc. of senior management and office bearers in excess of delegated country and/or individual authorities;
11. To participate in setting and reviewing significant key performance indicators in order to monitor the quality and performance of Thailand's businesses and operations;
12. Remuneration and compensation packages for senior staff and office bearers in excess of delegated country and/or individual authorities;
13. Maybank Group related matters, impacting Thailand;
14. Deliberate and monitor the resolution progress and/or closure of both supervisory concerns and internal audit/review findings;
15. Organization of public relations and/or marketing campaigns in excess of delegated country and/or individual authorities;
16. Oversight of country's management committees and Terms of Reference; and
17. Any other matters as instructed by the Board.

The EXCO does not have the power to approve any transactions or matters where there is a conflict of interest with the Company or its subsidiary (if any). Disclosure of transactions with conflict of interest must be made to the Board of Directors for consideration.

Scope of Power and Duties of the EXCO is in accordance with guidelines for granting power by the Board of Directors that was authorized by the Board of Directors' meeting no. 2/2012 held on May 3, 2012.

Any matters that are beyond the scope as specified above will not be under the EXCO's responsibility unless so authorized by the Board of Directors on a case-to-case basis.

For the Year ended December 31, 2021, the EXCO held 12 meetings, and in each meeting, at least two-third of the Executive Committee members attended the meeting.

2. Audit Committee

The Audit Committee comprises of 4 directors as follows:

Name	Title
1. Ms. Sopawadee Lertmanaschai	Chairman of the Audit Committee and Independent Director
2. Mr. Hans Johan Patrik Sandin	Member of the Audit Committee and Independent Director
3. Dr. Areepong Bhoocha-oom	Member of the Audit Committee and Independent Director
4. Mr. Ricardo Nicanor Jacinto	Member of the Audit Committee and Independent Director

Scope of Duties and Responsibilities of the Audit Committee

1. Review the Company's financial reports to ensure their accuracy and sufficient disclosure of information by coordinating with external auditors and management responsible for preparing quarterly and yearly financial reports. The Audit Committee may suggest issues or matters to be included for review or audit by the external auditors while auditing of the Company is proceeding;

2. Review adequacy and effectiveness of internal control system and internal audit function, consider independence of internal audit function and approve nomination, transfer and relinquishment of position of head of internal audit function or other functions related to internal audit;

3. Review the Company's compliance with the Securities and Stock Exchange Act, rules and regulations of the Stock Exchange of Thailand or other laws relating to securities businesses;

4. Consider and advise on appointment of the external auditor of the Company, including the audit fee by considering the credibility, the adequacy of existing resources, the firm's performance and experience of its professional staff. The Audit Committee has to participate in meeting with the external auditor without management participation at least once a year;

5. Consider connected transactions or other transactions with potential conflict of interest to ensure they are conducted properly in accordance with relevant SET rules for the best interest of the Company;

6. Conduct any other matters assigned by the Board of Directors and agreed by the Audit Committee such as reviewing the Company's financial and risk management policies, reviewing compliance with the Code of Conduct by the management and reviewing all important reports in conjunction with the management to be disclosed to the public as required by law (e.g. management report and management, discussion and analysis (MD&A)); and

7. Report activities of the Audit Committee in the Company's annual report signed by the Chairman of the Audit committee. Such reports should include the following information:

- Opinion on accuracy, completeness and reliability of the Company's process of reporting and disclosing financial information;
- Opinion on sufficiency of the Company's internal control system;
- Supporting reasons whether or not the Company's external auditors should be re-appointed;
- Opinion on the Company's compliance with the Securities and Stock Exchange Act, rules and regulations of the Stock Exchange of Thailand or other laws relating to its businesses; and
- Other reports deemed appropriate to be disclosed to shareholders and general investors as assigned by the Board of Directors.

3. The Nomination and Remuneration Committee

The Nomination and Remuneration Committee is comprised of 4 directors as follows

	Name	Title
1.	Ms. Sopawadee Lertmanaschai	Chairman of the Nomination and Remuneration Committee and Independent Director
2.	Dr. Areepong Bhoocha-oom	Member of the Nomination and Remuneration and Independent Director
3.	Mrs. Hamidah Binti Moris	Member of the Nomination and Remuneration and Non Independent Director
4.	Mr. Hans Johan Patrik Sandin	Member of the Nomination and Remuneration and Independent Director

Scope of Duties and Responsibilities of Nomination

1. To nominate qualified candidates as new directors or CEO; and
2. To determine the procedures and criteria for nomination of Company's directors or CEO and ensure the procedures are made on a transparent basis.

Scope of Power and Duties of Remuneration

1. To be responsible for formulating the Company's policies with regard to employment and compensation for employment or termination of employment to be granted or awarded to the Company's employees or directors, and determining the level of compensation and other remunerations to be granted to employees and directors;
2. To determine and set fair and clear compensation of any kind to be granted or awarded to directors and employees of the Company;
3. To consider granting or awarding compensation of any kind to management as appropriate, including payment of bonus and payment in the form of securities granting;
4. To conduct any activities deemed necessary and appropriate in conforming with compensation policy regarding form, procedures and details about allocating of securities to employees;
5. The Chairman of the Nomination and Remuneration Committee would be responsible for providing any information necessary for conducting research in regard to employment to external advisors freely;
6. The Nomination and Remuneration Committee would be responsible for controlling expenses incurred to employ such independent external advisors as well as considering and reviewing appropriate compensation rate, taking into account all relevant factors;
7. The Nomination and Remuneration Committee would specify compensation base, increase in compensation and the overall compensation policy. The Nomination and Remuneration Committee will report such matters directly to the Board of Directors and provide opinion on the compensation to be made to senior management.

The Nomination and Remuneration Committee would accept and listen to opinion as provided by the CEO and the COO, and provide recommendations to the Board of Directors for approval.

4. The Good Corporate Governance Committee

The Good Corporate Governance Committee was set up in accordance with the resolution of the Board of Directors' meeting No.6/2007 held on November 18, 2007. The Good Corporate Governance Committee consists of the members as follows:

	Name	Title
1.	Dr. Areepong Bhoocha-oom	Chairman of the Good Corporate Governance Committee and Independent Director
2.	Ms. Sopawadee Lertmanaschai	Member of the Committee and Independent Director
3.	Mr. Arapat Sangkharat	Member of the Committee and Non Independent Director
4.	Mrs. Hamindah Binti Moris	Member of the Committee and Non Independent Director
5.	Mr. Hans Johan Patrik Sandin	Member of the Committee and Independent Director
6.	Mr. Ricardo Nicanor Jacinto	Member of the Committee and Independent Director

Scope of Duties and Responsibilities of the Good Corporate Governance Committee

1. Determine good corporate governance principles and business ethics & professional conducts of directors, executives and employees;
2. Monitor, evaluate the result of conformance with good corporate governance principles and business ethics & professional conduct by of directors, executives and employees and provide any suggestions regarding such matters;
3. Arrange any activities to encourage directors, executives and employees to understand more about good corporate principles and realize the necessity to conform to specified business ethics and professional conduct; and
4. To ensure full and fair disclosure of conformance with good corporate governance principles in the Company's annual report.

5. The Management Risk Committee

The Company's Management Risk Committee is comprised of 6 members as follows:

	Name	Title
1.	Mr. Arapat Sangkharat	Chairman of the Management Risk Committee
2.	Mr. Sittiporn Sorngarn	Member of the Management Risk Committee
3.	Mr. Koh Swee Ong	Member of the Management Risk Committee
4.	Mr. Vichet Pornsinsiruk	Member of the Management Risk Committee
5.	Mr. Prasert Tantayawit	Member of the Management Risk Committee
6.	Mrs. Kritsayagul Kongchai	Member of the Management Risk Committee

Scope of Duties and Responsibilities of the Management Risk Committee

1. To carry out the instructions of the Maybank Group;
2. To advise senior management on all matters relating to risk management, including regulatory risk compliance, risk governance and capital management;
3. To collaborate with senior management in establishing risk appetite (including risk monitoring and reporting mechanism) for all Maybank KE Thailand's businesses;
4. To independently assess and report to all stakeholders on the risk management activities and performance of Maybank KE Thailand and/or its related businesses;
5. To assess, comment and make necessary recommendations related to all risk initiatives from Maybank Group, which may impact Maybank KE Thailand;
6. To provide risk oversight to all the businesses of Maybank KE Thailand;
7. To assess, approve and recommend to the Group Management Risk Committee (GMRC) for approval of the development and/or launch of new products and/or services within Maybank KE Thailand; and
8. To assess, review, monitor, approve and recommend to the KE Board and/or GMRC for approval of the credit and discretionary delegated approval authorities (no financial authorities).

Management

As of December 31, 2021, the Company has 11 members of management as per the definition from Stock Exchange Commission as follows:

	Name	Title
1.	Mr. Arapat Sangkharat	Chief Executive Officer
2.	Mr. Koh Swee Ong	Chief Operating Officer
3.	Mr. Tii Charusorn	Head of Investment Banking and Capital Market
4.	Mr. Vichet Pornsinsiruk	Chief Information & Technology Officer
5.	Mr. Sittiporn Sorngarn	Managing Director, Securities Retail Business
6.	Mr. Prasert Tantayawit	Managing Director, Investment Banking
7.	Mr. Sombat Jiwariyavej	Managing Director, Debt Capital Market
8.	Mr. Panu Nivatvongs	Executive Vice President, Institutional Brokerage
9.	Ms. Netita Krabuanrat	Vice President, Institutional Brokerage
10.	Ms. Areeya Kanchanabat	Executive Vice President, Head of Finance Department
11.	Mr. Sarawoot Kittinaraporn	Vice President, Accounting

Remuneration Policy of Maybank Group

In line with Maybank Group, Maybank ("MST") Thailand's remuneration and rewards philosophy is aligned with our business strategies and values, and serves to foster a performance-oriented culture that delivers long-term sustainable returns for our stakeholders. We have in place a comprehensive Total Rewards system which forms a holistic and strategic component of our integrated Talent Management framework, guiding us to effect "Reward Right" principles to drive positive outcomes and deliver exponential business

results responsibly. The system not only supports MST Thailand’s strategy and business plan, it is also critical to improving employee productivity and engagement. By focusing on the right compensation, benefits and development support, it inspires our employees to achieve their personal and professional aspirations.

MST Thailand’s remuneration policies and practices are governed by sound principles, our remuneration policies and practices are reviewed periodically to ensure alignment with regulatory requirements and to reinforce a high-performance culture. The aim is to attract, motivate and retain talents through market competitiveness and responsible values.

Components of Remuneration

MST Thailand adopts a holistic Total Rewards Framework comprising three main elements, namely Total Compensation, Benefits & Well-Being, and Development & Career Opportunities.

1. Total Compensation

Total Compensation is based on two components, Fixed Pay and Variable Pay, with targeted Pay mix levels designed to align with the long-term performance goals and objectives of the organisation. The compensation framework provides a balanced approach between fixed and variable components that change according to the performance of the Group and Maybank GROUP business/corporate function and individual.

Fixed Pay	Variable Pay
<ul style="list-style-type: none"> Attract and retain talent by providing competitive and equitable level of pay. Reviewed annually through benchmarking externally against relevant peers and locations and internally aligned with consideration of market dynamics, differences in individual responsibilities, performance, achievements, skillset, as well as competency level. 	Short Term:
	<ul style="list-style-type: none"> Reinforce a pay-for-performance culture and adherence to the Maybank Group’s T.I.G.E.R. Core Values. Based on overall Group Performance, Business/Corporate Function and individual performance. Performance is measured via the Balanced Scorecard approach.
	Long Term:
	<p>Clawback Provision: MST Board has the right to make adjustments or clawbacks to any Variable Bonus if deemed appropriate based on risk management issues, financial misstatement, fraud, gross negligence or wilful misconduct. This provision was further strengthened in 2021 to ensure the highest level of rewards governance.</p> <p>Deferral Policy: Any Variable Bonus in excess of certain thresholds will be deferred over a period of time. A Deferred Variable Bonus will lapse immediately upon termination of employment (including resignation) except in the event of ill health, disability, redundancy, retirement or death.</p>

For the year 2021 ended December 31, 2021, the Company made compensation to 10 management (under the SEC definition) (excluding Chief Operating Officer, Executive Vice President of Financial Department and Vice President, Accounting) in the form of salary and bonus for the total amount of THB 50,222,507.86 and contribution to the provident fund for a total amount of THB 2,994,982.13 with no other kinds of benefit.

Employee Information

As at 31 December 2021, the Company has a total employee of 882 persons with the compensation of salary, overtime pay, bonus, incentive, gasoline pass and cost of living.

Total of Employee as at 31 December 2021

Level of Employee	Total
Director and above	4
MD / Associate Director	10
VP / SVP / EVP / SEVP	90
Asst. Manger / Manager / AVP	571
Staff / Officer / Senior Officer	207
Total	882

As at 31 December 2021, the Company's total employee for 2019, 2020 and 2021 are 880, 849 and 882 respectively.

Other Important Information

Head of Finance	Miss Areeya Kanchanabat
Head of Accounting	Mr. Sarawoot Kitinaraporn
Head of Internal Audit	Mrs. Variya Worawattanamateekul
Head of Compliance	Miss Vipawadee Lertsrisuriya
Head of Corporate Secretary	Miss Panut Javalkul
Investor Relation	Corporate Communication mst.corpcom@maybank.com Tel 02-658-5000 Ext. 7401-7404

Audit Fee

For the appointment of auditor, audit fee including the independence of auditor shall be given approval from the Audit Committee prior to propose to the Board of Directors and shareholders for approval.

- For the Year 2019, Company had paid the remuneration of auditor, namely: auditor, audit office which such auditor attended, person or related business with auditor and audit office which such auditor attended in the amount of 2,700,000 Baht.
- For the Year 2020, Company had paid the remuneration of auditor, namely: auditor, audit office which such auditor attended, person or related business with auditor and audit office which such auditor attended in the amount of 2,900,000 Baht.
- For the Year 2021, Company had paid the remuneration of auditor, namely: auditor, audit office which such auditor attended, person or related business with auditor and audit office which such auditor attended in the amount of 2,900,000 Baht.

Non-Audit Fee

To ensure independence of external auditors our Company has adopted policies setting maximum limit on the award of non-audit consultancy and advisory works to external auditors. In 2021, the Company did not pay any non-audit fee to Company's auditor or auditing company.

For past 2 years, the Company's director and senior management do not worked in the auditing company or had business partnership with the auditing company that the Company has appointed as the auditor.

8. Report of Corporate Governance Practice

The criteria and the process for appointing directors and senior executives.

In the case of vacancy of Directors and senior management of the company, The Company has the criteria and process for recruiting directors and senior managements with utter most transparency. The nomination committee is responsible for considering the nomination of Directors and senior management based on the knowledge, skills, qualifications, work experience; regardless of gender and fully devoted to their duties. As well as not prohibited by law, the relevant statutes and principles governing parties (Fit and Proper), which will cause the diversity in the structure of the Board. However, in cases where the Company has a new business operation strategy in addition to the in progress original business, nomination Committee shall recruit people with qualifications and experience that match the new business of the Company. In order for the Board of Directors and/or the shareholders ' meeting to consider and approve (as the case may be), which is in the process of appointing the directors of the Company.

For 2021, the Company has nominated two new directors which are Mr. Ricardo Nicanor Jacinto, Independent director and Mr. Arapat Sangkharat, Executive Director and Chief Executive Officer as Mr. Montree Sornpisarn, former Executive Director and Chief Executive Officer has retired effective 1 July 2021 and Mr. Koh Swee Ong, Director has resigned effective 1 September 2021. The two new directors are nominated by the nomination and remuneration committee after carefully considered previous educational and professional backgrounds and major achievements. In terms of independent director, the Board of Directors has stipulated the guideline and qualification as follows:-

The Board of Directors have specified qualifications of “Independent Directors” that are in line with new rules and stricter than those required by the SEC and the SET. They are as follows:

- Holding shares of not more than 0.5% of all voting rights of the Company, any companies in the Maybank Group or its associated companies;
- Not being a member of management, employee, staff member or advisor who receives a regular compensation from the Company, or controlling person of the Company, any company in the Maybank Group and its associated companies, or person with potential conflict of interest for at least one year prior to nomination;
- Having no business relationship or direct or indirect potential conflict of interest in terms of financial and general management of the Company, any company in the Maybank Group, its associated companies and other persons with potential conflict of interest that may interrupt his independent discretion or opinion on the Company’s operations;
- Not being a person who has any legal registered relationship in the form of close relatives, major shareholders or controlling person of the Company, any company in the Maybank Group, its associated companies, persons with potential conflict of interest, or persons who are nominated to take care of the interest of major shareholders.

The Meeting Attendance and Director’s Remuneration

In the year 2021, the Board of Directors held 14 meetings in line with the Company’s best practice, there must be at least two-thirds of the Board of Directors’ members attending each session to form a quorum. The average rate of all Board of Directors attending the 14 meetings was 100%.

Details of the Board of Directors’ Meeting.

	Name	No. of Meeting	No. of Attendance
1.	Dr. Areepong Bhoocha-oom	14	14 (12 meetings via con-call)
2.	Ms. Sopawadee Lertmanaschai	14	14 (12 meetings via con-call)
3.	Mr. Hans Johan Patrik Sandin	14	14 (14 meetings via con-call)
4.	Mr. Ricardo Nicanor Jacinto	5	5 (5 meetings via con-call)
5.	Mr. Arapat Sangkharat	5	5 (5 meetings via con-call)
6.	Mrs. Hamidah Binti Moris	14	14 (14 meetings via con-call)
7.	Mr. Montree Sornpisarn (Retired with effective from 1 July 2021)	1	1 (- meetings via con-call)
8.	Mr. Koh Swee Ong (Resigned with effective from 1 September 2021)	9	9 (7 meetings via con-call)

The Company has a policy that quorum for a meeting of Board of Directors shall be two third of its total company directors to pass a resolution. For the Year ended December 31, 2021, each director attended at least 75% of Board meeting held in financial year which comply with the requirement of the Company's Policy.

1. The Executive Committee (EXCO)

As at December 31, 2021, the Company's Executive Committee is comprised of 7 members as follows:

	Name	Title
1.	Mr. Arapat Sangkharat (Mr. Montree Sornpaisarn retired effective 1 July 2021)	Chairman of the Executive Committee
2.	Mr. Koh Swee Ong	Member of the Executive Committee
3.	Mr. Vichet Pornsinsiruk	Member of the Executive Committee
4.	Mr. Prasert Tantayawit	Member of the Executive Committee
5.	Mr. Sittiporn Sorngarn	Member of the Executive Committee
6.	Mr. Ekachai Taraporntip	Member of the Executive Committee
7.	Mrs. Kritsayakul Kongchai	Member of the Executive Committee

For the Year ended December 31, 2021, the EXCO held 12 meetings, and in each meeting, at least two-third of the Executive Committee members attended the meeting.

2. Audit Committee

The Audit Committee comprises of 4 directors as follows:

	Name	Title
1.	Ms. Sopawadee Lertmanaschai	Chairman of the Audit Committee and Independent Director
2.	Mr. Hans Johan Patrik Sandin	Member of the Audit Committee and Independent Director
3.	Dr. Areepong Bhoocha-oom	Member of the Audit Committee and Independent Director
4.	Mr. Ricardo Nicanor Jacinto	Member of the Audit Committee and Independent Director

In 2021, the Audit Committee held ten (12) meetings, with details as follows:

Meeting		Ms. Sopawadee Lertmanaschai	Mr. Hans Johan Patrik Sandin	Dr. Areepong Bhoocha-oom	Mr. Ricardo Nicanor Jacinto (Appointment on August 24, 2021)	Auditor
No.	Date of Meeting					
1/2021	1 Feb 2021	●	●	●	-	● (Auditing 2020 Financial Statements)
2/2021	11 Mar 2021	●	●	●	-	-
3/2021	17 Mar 2021	●	●	●	-	-
4/2021	19 Mar 2021	●	●	●	-	-
5/2021	26 Mar 2021	●	●	●	-	-
6/2021	30 Mar 2021	●	●	●	-	-
7/2021	29 Apr 2021	●	●	●	-	● (Reviewing Q1/21 Financial Statements)
8/2021	24 Jun 2021	●	-	●	-	-
9/2021	2 Aug 2021	●	-	●	-	● (Reviewing Q2/21 Financial Statements)
10/2021	30 Sep 2021	●	-	●	●	-
11/2021	27 Oct 2021	●	●	●	●	● (Reviewing Q3/21 Financial Statements)
12/2021	15 Dec 2021	●	●	●	●	-

3. The Nomination and Remuneration Committee

The Nomination and Remuneration Committee is comprised of 4 directors as follows:

	Name	Title
1.	Ms. Sopawadee Lertmanaschai	Chairman of the Nomination and Remuneration Committee and Independent Director
2.	Dr. Areepong Bhoocha-oom	Member of the Nomination and Remuneration and Independent Director
3.	Mrs. Hamidah Binti Moris	Member of the Nomination and Remuneration
4.	Mr. Hans Johan Patrik Sandin	Member of the Nomination and Remuneration

In the year 2021, the Nomination and Remuneration Committee held 6 meetings, with details as follows:

Name	No.1/2021 2 Feb 21	No.2/2021 23 Mar 21	No.3/2021 29 Apr 21	No.4/2021 7 Jul 21	No.5/2021 13 Aug 21	No.6/2021 15 Dec 21
Ms. Sopawadee Lertmanaschai	●	●	●	●	●	●
Dr. Areepong Bhoocha-oom	●	●	●	●	●	●
Mrs. Hamindah Binti Moris	●	●	●	●	●	●
Mr. Hans Johan Patrik Sandin (appointment on Jul 7, 2021)	-	-	-	-	●	●

4. The Good Corporate Governance Committee

The Good Corporate Governance Committee was set up in accordance with the resolution of the Board of Directors' meeting No.6/2007 held on November 18, 2007. The Good Corporate Governance Committee consists of the members as follows:

Name	Title
1. Dr. Areepong Bhoocha-oom	Chairman of the Good Corporate Governance Committee and Independent Director
2. Ms. Sopawadee Lertmanaschai	Member of the Committee and Independent Director
3. Mr. Arapat Sangkharat	Member of the Committee
4. Mrs. Hamindah Binti Moris	Member of the Committee
5. Mr. Hans Johan Patrik Sandin	Member of the Committee and Independent Director
6. Mr. Ricardo Nicanor Jacinto	Member of the Committee and Independent Director
7. Ms. Panut Javalkul	Secretary

In the year 2021, the Good Corporate Governance Committee held 2 meetings, with details as follows:

Name	No.1/2021 2 Feb 2021	No.2/2021 13 Dec 2021
Dr. Areepong Bhoocha-oom	●	●
Ms. Sopawadee Lertmanaschai	●	●
Mr. Arapat Sangkharat	-	●
Mrs. Hamindah Binti Moris	●	●
Mr. Hans Johan Patrik Sandin	-	●
Mr. Ricardo Nicanor Jacinto	-	●

5. The Management Risk Committee

The Company's Management Risk Committee is comprised of 6 members as follows:

	Name	Title
1.	Mr. Arapat Sangkharat	Chairman of the Management Risk Committee
2.	Mr. Sittiporn Sorngarn	Member of the Management Risk Committee
3.	Mr. Koh Swee Ong	Member of the Management Risk Committee
4.	Mr. Vichet Pornsinsiruk	Member of the Management Risk Committee
5.	Mr. Prasert Tantayawit	Member of the Management Risk Committee
6.	Mrs. Kritsayagul Kongchai	Member of the Management Risk Committee

In the year 2021, the Management Risk Committee held 12 meetings

Director's Remuneration

Director's remuneration was determined on a fair and reasonable basis. The Nomination and Remuneration Committee reviewed director's remuneration, taking into account responsibility of each director, the Company's financial condition as well as level of remuneration paid relative to those made by other companies in the same industry. Director's remuneration consists of director fee for the Board of Directors and the Sub-committees. There was no any other benefits to the directors, save for director fee. The breakdown of the director's remuneration is as follows:

	Company Director and Sub-Committee's Remuneration (Unit: Baht)	
	Chairman	Member
Board of Director	2,400,000	600,000
Audit Committee	500,000	350,000
Nomination and Remuneration Committee	500,000	350,000
Corporate Governance Committee	500,000	350,000

For the year 2021, the Company made directors' fee to 5 directors in director fee in the total amount of THB Details of director's remuneration are as follows:

	Board of Director	Audit Committee	Nomination and Remuneration Committee	Good Corporate Governance Committee	Total (Unit: Baht)
Dr. Areepong Bhoocha-oom	2,400,000	350,000	350,000	500,000	3,600,000
Ms. Sopawadee Lertmanaschai	600,000	500,000	500,000	350,000	1,950,000
Mr. Hans Johan Patrik Sandin	600,000	350,000	175,000	175,000	1,300,000
Mr. Montree Sornpaisarn*	-	-	-	-	-
Mrs. Hamidah Binti Moris	600,000	-	-	-	600,000
Mr. Koh Swee Ong*	-	-	-	-	-
Mr. Ricardo Nicanor Jacinto	300,000	175,000	-	175,000	650,000
Mr. Arapat Sangkharat	-	-	-	-	-
Total	4,200,000	1,200,000	850,000	850,000	8,100,000

* The Company does not pay Director's Remuneration to the Executive Director in any kind of remunerations except Mrs. Hamidah Binti Moris who was the executive director's nominee from major shareholder, Maybank IBG Holdings Limited.

Conflict of Interest and Preventive Policy regarding use of Confidential Information

The Board of Directors set up a clear policy and operational guideline regarding consideration and approval of matters that may cause conflict of interest. Directors shall disclose their conflict of interest prior to the meeting, if any. Directors are not allowed to attend or vote in the meeting should there be a conflict of interest. In case there may be any transactions or matters with material conflict of interest, the Board of Directors must assign the Audit Committee to consider and propose their opinion to the Board of Directors. In case the Audit Committee has no expertise in considering and providing their opinion regarding the transaction, the Audit Committee may assign an independent expert or the auditor to provide their opinions in regarding the transaction for final consideration and approval by the Board of Directors or the shareholders' meeting as the case may be.

The Company has long realized that the use of confidential information by insiders may be unfair to shareholders. Thus, the Company formulated a formal policy and asked for cooperation from its directors, management and employees that may be exposed to the Company's non-public financial information not to trade the Company's securities 30 days prior to public dissemination of the Company's quarterly financial performance. The Company has adopted a policy governing the Use of Confidential Information by directors, managements, and employees who must strictly follow. Directors, managements, and employees must not use confidential information of the Company or partner of the Company to buy, to sell or a solicitation to buy or sell, or a third party offer to purchase or sell securities of the Company or business partners for its own sake or other persons. In the Year 2021, no directors, management and employees who may be exposed to the Company's non-public financial information violated the Company's securities trading policy.

Directors and management are required to prepare disclosure reports of their securities holdings and changes in such holdings to the Office of the SEC in accordance with Section 59 of the Securities and Exchange Act. Directors and management are also required to submit such disclosure reports to the Board of Directors relating to trading of the Company's shares at least 1 day in advance of the trading date. In the Year 2021, all directors and management were in full compliance with such reporting requirements.

Any directors and management with any potential conflict of interest with the Company are required to disclose such conflicts to the Board of Directors immediately. No directors or management with potential conflict of interest are allowed to attend the meeting approving the transaction which the Company will enter into with its interested persons. In the Year 2021, none of the directors and management had any potential conflict of interest with the Company.

The Company has a policy in which Audit Committee will consider any connected transaction or conflict of interest in order to ensure that such transactions reasonably occur to the best benefit of the Company and must be approved by the Board of Directors. The company has complied with the rule of SET including disclosure of the connected transactions, fair and at arms' length, and the significant transaction that require approval from shareholder. The connected transactions for year 2021 the details on topic "connected transactions".

Anti-Corruption Policy

The Board of Directors has stipulated the Anti-Corruption Policy with an aim to counter all types of corruption including the banning of bribery for the business interests. The Company has a process to evaluate the potential risk of corruption (RCSA: Risk Control Self-Assessment) that may arise from the operation of its business as well as a guideline set for monitoring and control to prevent and pursue the risk of fraud and potential corruption risk annually and also reviews the risk measure to keep it in Zero-Tolerance level. The Company's Internal Audit Department will serve to monitor and evaluate an effectiveness of the implementation of Anti-Corruption Policy as well as to report the evaluation result to the Board of Directors. In addition, the Company has already conducted training for employees at all levels to ensure their awareness and understanding toward the policy.

Certified and awarded by Thailand's Private Sector Collective Action Coalition Against Corruption on May 21, 2019, the Company has zero tolerance policy for any corruption or bribery. The certification will be expired on 21 May 2022.

Whistle Blowing

The Company provides a channel for the stakeholders to place queries or file a complaint by appointing the department which independent in its operation to examine the adequacy and appropriateness of the facts in order to ensure that the complaints are handled with transparent and fair manner and to protect the informant or petitioner with fairness. (Please refer to the Company's Whistle Blowing Policy which is provided separately from this policy.) Channels for whistle blowing and complaints filing. The stakeholders can file a complaint against an action of direct or indirect fraudulent or corruption via channel as stated in this policy. The informant must provide the detail of complaint or trace and evidence or any support information as well as the name, address and contact number and submit all the details via following channels;

- Tel: 02-658-5155
- E-mail: MST.Whistleblowing@maybank.com
- Mailbox: Compliance Department
Maybank Securities (Thailand) Public Company Limited
The Office at Central World, 20th - 21st Floor
999/9 Rama I Rd., Pathumwan, Bangkok 10330

All stakeholders, including shareholders, clients, competitors, creditors, government agencies, community and employees of the Company have the right to file a complaint or report against an action of fraudulent or corruption via the provided channels. The information will be kept with the highest confidentiality.

In addition to the above channels, the stakeholders can also contact or file a complaint directly to the Board of Directors in written and submit the letter to the Company via mail box or Company's website.

Safeguards

Provided Company's safeguard for whistleblowers as follows:-

- (1) Committed to protect any Employee who has made a disclosure on wrongdoings involving other Employees.
- (2) in raising a concern, the Whistleblower shall not be subjected to any discrimination or unfair treatment
- (3) If the Whistleblower believes that he/she has been subjected to discrimination, retaliation, threats or harassment for making the disclosure, he/she may highlight the matter to the Designated Recipient
- (4) The Company shall ensure details of the Whistleblower and all relevant matters pertaining to the report would be kept confidential so long as permitted by the relevant laws.

Provided Company's safeguard on filing complaint as follows.

- (1) check evidence and related compliant documents from the Recipient
- (2) propose to the Audit Committee for consideration on fact
- (3) provide additional investigate on violations the rules, process, fraud or corruption or disciplinary action for employees
- (4) report to Audit Committee of Maybank Group

Efficiency of Financial reporting and disclosure of important information Process in accordance with the Rules of Listed Companies

The Board is responsible for ensuring that the preparation of financial reports and disclosure of important information is correct, sufficient and timely in accordance to the standard and guidelines as follows:

- To provide sufficient personnel associated with the preparation and disclosure of information, with the knowledge, skills and experience appropriate to the duties and responsibilities; including Chief Executives in accounting and finance division, accountants, internal audit, Corporate Secretary and investor relations officers.
- Approval of disclosure of information, such as the company's financial report, shall consider the factors as follows:
 - Assess the adequacy of the internal control system.
 - Comments of auditors on financial report and the observations of the Auditors regarding the internal control system.
 - The opinion of the Audit Committee.

- The disclosure of information in accordance with relevant rules such as financial statements, annual registration statement (Form 56-1), annual report (Form 56-2), Management Discussion and Analysis, and quarterly financial statements via the SETLink System and its website in both Thai and English languages. The Company continually updates such information.
- Monitor the adequacy of financial liquidity and ability to pay debts.

For the Year 2021, the Company strictly complied with relevant disclosure rules and was not penalized or sanctioned by relevant regulatory bodies due to improper disclosure of information.

Quality of Financial Reports

The Board of Directors prepared the Report regarding the Responsibility of the Board of Directors for Financial Reports that was accompanied by the Auditor's Report in the Annual Report. This report is signed by the Chairman, the Chief Executive Officer and the Chief Operating Officer. The Company has disclosed such information on the Company's website. In addition, the Company provided quarterly Management Discussion & Analysis (MD&A) as a purpose of giving a better understanding for investors to acknowledge the change of Company's financial position and operating results.

The Board of Directors assigned relevant departments to take of sustainability report as a part of Company's Annual Report on continuous basis while Corporate Communication Department is in charge of providing information service i.e. Company's news and activities and communicating corporate information to shareholders and investor by way of accuracy of information disclosures via various channels such as publication, company's website, newspaper, on-line medias, seminars and press conference, etc. As aforesaid corporate information will provide bilingual languages in Thai and English version thru company's website, social media such as Facebook regularly, including promoting/publicizing information by any IT application.

Investor Relations

The Board of Directors has set up an Investor Relations Unit that is under the direct control of the Corporate Communications Department. The Investor Relations Unit is responsible for disseminating accurate, complete and timely data and news regarding the Company's activities to its shareholders, investors, securities analysts and the general public via various forms of media such as brochures, newspaper, radio, television, meetings and the website. The Investor Relations Unit also assists shareholders in case they have difficulty contacting the Company. For 2021, the Company organized educational session for investors such as Opportunity Day as follows:-

1. Opportunity Day	4 times/year (Quarterly)
2. Analyst Meeting	0 time/year
3. Press Release (Print AD)	54 times/year

In addition, the Company has disseminated information and news via SET and company website regularly. The Company adhered to the principle of accuracy, transparency and benefit to all stakeholders of the Company equally.

Investors can contact the Investor Relations Unit at Phone No.0-2658-5000 ext. 5180 or;
By E-mail: mst.corpcom@maybank.com

Self-Evaluation by the Sub-Committees and Chief Executive Officer

1. Various sub-committees such as Audit Committee, Nomination Committee and Remuneration Committee also conducts its self-evaluation once a year. Such self-evaluation will be conducted on an overall basis as well as one to one session, having principles and evaluation guideline to be aligned with the evaluation of the Board of Directors in which the result of the evaluation the performance for the year 2020 has made on 8 February 2021 with the result of good to excellent while performance for the year 2021 has made on 4 January 2022 with the result of good to excellent. Both years are inclusive of self-evaluation and peer-evaluation.

2. The process of self-evaluation of the committees is as follows:

1. Continue to evaluate the effectiveness of operation of the Board of Directors of both the Board and the individual, at least 1 time per year.
2. The Corporate Secretary summarize the results of performance evaluation on the operation to the Board nomination and remuneration Committee to evaluate results and guidance on how to improve operational efficiency.
3. The Nomination and Remuneration Committee present result and the trend to improve operational performance the Board of Directors.

Annual Performance of the Sub-Committee and CEO

Sub-Committees (Audit Committee, Nomination and Remuneration Committee, Good Corporate Governance Committee)				CEO
Year of Annual Performance of the Board of Directors	Evaluation Date	Overall Performance (Committee)	Overall Performance (Individual)	Overall Performance
2020	8 February 2021	“good to excellent”	2020	“excellent”
2021	4 January 2022	“good to excellent”	2021	“excellent”

9. Internal Audit Control and Risk Management

At the Audit Committee's Meeting No. 1/2022 on February 1, 2022 with also comprised of the Audit Committees (which are Independent Directors of the Company). The Committee had evaluated the adequacy of internal system control for year 2021 following to five key issues which had been set out below:

- Control and Environment
- Risk Management
- Control Activities
- Information and Communication
- Monitoring Activities

The Audit Committee agreed that the Company has adequately in its important internal control system such as the roles and responsibilities of the Management and staffs, discipline, the operation method or Code of Conduct. The Company also recognizes and promotes to have its system support to internal control operation referring to the objection of the Company. Moreover, the Company continuously operates its consideration on type of risk, analyze the effects or opportunities that will be occurred and set up the procedure or policy to reduce the level of risk. The Company had set up the clear authority, clearly separate the duty that will be supported to misconduct, set up the process of the business operating with major shareholders, directors, management or related persons.

The Company realizes on an importance of the communication, this is for more productivity of internal control system. The decision making of the company is made base on the correct, real time and understandable information also with such good of data keeping. In addition, the Company has its audit and assessment from both internal and external organization. The Company has intention to continuously improve the procedure according to the change of situation adequately. For the others internal control system issue, The Company agreed that currently, we have the adequately internal control system.

The Company also places an importance on the internal control system, and we had appointed the expertise person, Ms. Variya Worawattanamateekul in the position of Head of Internal Audit. She has experience in the area of internal audit of financial business. She had attended many courses with respect to the internal control system (which organized by Maybank Group, Federation of Accounting Professions and ASCO Training Institute) such as (i) Audit Methodologies (ii) AMLO Training Course, (iii) Leadership Skills & Be A Coach programme for Group Audit, (iv) COSO-Internal Control Integrated Frame work, (v) Strengthening BOO @ Brokers; and etc.

However, the consideration of appointment, impeachment and rotation of the Head of Internal Audit has to be approved and agreed by the Audit Committee.

Moreover, the Company had appointed Ms. Vipawadee Lerssrisuriya as the Head of Compliance for monitoring the Company operations to ensure that every transaction of the Company comply with the rules and regulation of the Government office. The main responsibility is to be a centre of the Compliance function, monitor the operations of the Company to be in line with the laws, rules and regulations, policy and others related government offices such as Securities Exchange Commission (SEC), Stock Exchange of Thailand (SET) or others relevant governments. The Board of Directors of the Company had approved the Compliance Framework and Policy, the policy was set up to ensure that every member which comprise of the Board of Directors, Audit Committee, Management, Departments and staffs have to take their high responsibilities to comply with the laws, rules and regulation also with continuously communicate with the staffs to ensure that they have good knowledge and well understand the law, rules and regulations and completely follow such policy. (Details of Profile of Head of Internal Audit and Head of Compliance are shown in Attachment 3)

Connected Transactions

- **Necessary and Reasonably of Transactions**

Every transaction which had been made by the Company was in accordance with necessary and reasonable practice for the best benefit of the Company. The conditions of any transactions were set under a general process. The returns gained and paid were made with fair referencing the market price.

- **Policy or Trend of Connected Transaction**

For the purposes of transparency of the securities business, The Company has its policy with reference to connected transactions in present and might be made in the future under the conditions set up in accordance with normal operation and comparable market price compared to peers outside. In addition, the Company has its Audit Committee or Auditors or Independent specialist to take into their consideration aspect such as reasonable price and reasonable transactions.

For connected transactions that might be made in the future, the Committee practices is aligned with the Company's policy and the Committee will not approve any transactions individually where there might be a conflict of interest and prior to the transaction as disclosed to the Committee of the Company for consideration. The Committee ensures to practice following the law, rules and regulations of the Securities and Exchange Commission and the Stock Exchange. In addition, it also disclose the practice under conflict of interest and bought or sale assets of the Company or its Subsidiary Company (if any).

In case of connected transactions of the Company or its Subsidiary Company were made under the individuals where there might be a conflict of interest, the Audit Committee will take action to give an opinion on the price, remuneration rate and/or any necessary and suitability of that transactions. In that case, if the Audit Committee has no experience in such transactions, the Company will ask independent specialist or Auditor to give an opinion on that connected transaction for further consideration of the Committee or shareholders. In addition, the Company will also disclose the connected transactions into the notes to the financial statements to ensure these are in line with the relevant regulations.

The Company's Connected Transactions where there might be a conflict of interest in the Financial year 2021 and 2020 are as follows:-

Conflict of interest person	Relation	Value in year 2021 (Million Baht)	Value in year 2020 (Million Baht)	Description
Maybank Securities Pte. Ltd. (Formerly known Maybank Kim Eng Securities Pte. Ltd.)	Subsidiary Company of Maybank IBG Holdings Limited (Formerly known Maybank Kim Eng Holding Limited) who is a major shareholder of the Company	123	148	<p>Brokerage Fee Income: The Company received brokerage fee income from Maybank Securities Pte. Ltd. at normal rate in accordance with SET's notification.</p> <p>Remark: As at December 31, 2021, the company had its outstanding securities business receivable in the amount of THB 1,577 million, outstanding foreign securities company receivables of THB 1 THB, outstanding foreign deposits receivables of THB 358 million and outstanding securities business payable in the amount of THB 4 million.</p> <p>As at December 31, 2020, the company had its outstanding securities business receivable in the amount of THB 244 million, outstanding foreign securities company receivables of THB 16 THB, outstanding foreign deposits receivables of THB 523 million and had no outstanding securities business payable.</p>
		16	40	<p>Finance Advisory Income: In accordance with the agreement</p>
		7	4	<p>Brokerage Expenses: In accordance with the agreement</p>
		1	1	<p>Fee and Service Expenses: In accordance with the agreement</p>
		1	-	<p>Dividend Paid: The Company paid the dividend payment in the same rate as the Company paid to other shareholders</p>

Conflict of interest person	Relation	Value in year 2021 (Million Baht)	Value in year 2020 (Million Baht)	Description
MIB Securities (Hong Kong) Limited (Formerly known Kim Eng Securities (Hong Kong) Limited)	Subsidiary Company of Maybank IBG Holdings Limited (Formerly known Maybank Kim Eng Holding Limited) who is a major shareholder of the Company	2	6	<p>Brokerage Fee Income: The Company received from MIB Securities (Hong Kong) Limited at normal rate in accordance with SET's notification.</p> <p>Remark: As at December 31, 2021, the Company had no outstanding securities business receivables, had no outstanding securities business payables and had outstanding foreign deposit payables of THB 4 million.</p> <p>As at December 31, 2020, the Company had outstanding securities business receivable of THB 3 million, had no outstanding of securities business payables and had outstanding foreign deposit payables of THB 12 million.</p>

Conflict of interest person	Relation	Value in year 2021 (Million Baht)	Value in year 2020 (Million Baht)	Description
Maybank IBG Holdings Limited (Formerly known Maybank Kim Eng Holding Limited)	Major shareholder of the Company. As at August 16, 2017, Maybank IBG Holdings Limited	466 (The Company paid its dividend for January -December 2020 and interim dividend for first 6 months of year 2021 (1 January to 30 June 2021) at the rate of THB 0.50 per share and THB 0.48 per share, respectively)	133 (The Company paid its dividend for January -December 2019 and interim dividend for first 6 months of year 2020 (1 January to 30 June 2020) at the rate of THB 0.18 per share and THB 0.10 per share, respectively)	Dividend Paid: The Company paid the dividend payment in the same rate as the Company paid to other shareholders.
	(Formerly known Maybank Kim Eng Holding Limited) hold 475,182,790 shares or 83.25% equity stake in the Company's total paid up shares.	30	-	Interest Expenses: During the year 2021, the Company entered into the receipt of financial facilities from Maybank IBG Holdings Limited (Formerly Maybank Kim Eng Holdings Limited) in form of subordinated loan (no collateral). Term and interest rate will be determined at each time of drawdown. The inter-company loan will be priced at arms' length, to be near the current market rate. Remark: As at December 31, 2021, the Company had the outstanding loans of THB 4,037 million and interest payables of THB 15 million.

Conflict of interest person	Relation	Value in year 2021 (Million Baht)	Value in year 2020 (Million Baht)	Description
Maybank Securities Limited	Subsidiary Company of Maybank IBG Holding Limited (Formerly known Maybank Kim Eng Holding Limited) who is a major shareholder of the Company	1	1	<u>Brokerage Expenses:</u> In accordance with the agreement
Malayan Banking Berhad	The ultimate parent of the group	-	1	<u>Service Income:</u> In accordance with the agreement
Maybank Kim Eng Research Pte. Ltd.	Fellow subsidiary	36	33	<u>Research and Advisory Income:</u> In accordance with the agreement
		3	6	<u>Research and Advisory Expenses:</u> In accordance with the agreement
Maybank Investment Bank Berhad	Fellow subsidiary of the Group	9	-	<u>Finance Advisory Income:</u> In accordance with the agreement
				<u>Remark:</u> As at December 31, 2021, the Company had outstanding other receivables of THB 10 million and outstanding other payables of THB 1 million. As at December 31, 2020, the Company had outstanding other payables of THB 2 million.
Maybank Shared Services Sdn. Bhd.	Fellow subsidiary of the Group	11	-	<u>Other Expenses:</u> In accordance with the agreement

Report and financial statements

31 December 2021

Maybank Securities (Thailand) Public Company Limited
(Formerly known as “Maybank Kim Eng Securities (Thailand) Public Company Limited”)

Independent Auditor's Report

To the Shareholders of Maybank Securities (Thailand) Public Company Limited
(Formerly known as “Maybank Kim Eng Securities (Thailand) Public Company Limited”)

Opinion

I have audited the accompanying financial statements of Maybank Securities (Thailand) Public Company Limited (the Company), which comprise the statement of financial position as at 31 December 2021, and the related statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Maybank Securities (Thailand) Public Company Limited as at 31 December 2021, its financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Basis for Opinion

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

Key Audit Matters

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

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

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

Recognition of brokerage fees income and interest income on margin loans

The Company's income mainly consisted of brokerage fees income and interest income on margin loans, amounting to Baht 2,477 million and Baht 599 million, respectively, representing 69 percent and 17 percent of the Company's total revenues. The Company charges brokerage fees at percentages of trading volume, which are freely negotiated, and based on a sliding scale fee structure and interest is charged to clients at fixed rates that are adjusted periodically based on market conditions and the competitive environment. Because of the size and volume of transactions, the large number of customers, the fees charged to customers being dependent on various factors, and the recognition of revenue from brokerage fees income and interest income on margin loans relying primarily on data processed by information systems, I addressed the measurement and occurrence of brokerage fees and interest income on margin loans as a key audit matter.

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

Allowance for expected credit losses on securities and derivatives business receivables

As of 31 December 2021, securities and derivatives business receivables amounting to Baht 21,601 million, representing 79 percent of the Company's total assets. As discussed in Note 4.10 and 5.2 to the financial statements, the Company recognised allowance for expected credit losses on such receivables based on Thai Financial Reporting Standard No. 9. The estimation of allowance for expected credit losses on securities and derivatives business receivables is significant because management of the Company must exercise judgement to identify significant changes in credit risk and to determine assumptions used in the expected credit loss model. Moreover, the Company has a large number of customers and the balance of these receivables is significant to the financial statements. Therefore, I addressed the adequacy of allowance for expected credit losses for such receivables as a key audit matter.

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

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

Other Information

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

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

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

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

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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



Ratana Jala
 Certified Public Accountant (Thailand) No. 3734
 EY Office Limited
 Bangkok: 9 February 2022

Maybank Securities (Thailand) Public Company Limited

(Formerly known as "Maybank Kim Eng Securities (Thailand) Public Company Limited")

Statement of Financial Position

As at 31 December 2021

(Unit: Baht)

	Note	31 December 2021	31 December 2020
Assets			
Cash and cash equivalents	6	800,843,907	130,770,038
Receivables from Clearing House and brokers	7	550,049,213	1,775,774,654
Securities and derivatives business receivables	8	21,600,699,940	13,300,474,361
Derivatives assets	9	71,638,165	-
Investments	10	3,273,148,977	2,750,385,057
Loans to employees	11	198,211,439	216,840,019
Equipment	13	88,426,009	68,999,161
Right-of-use assets	14.1	267,788,634	352,469,431
Intangible assets	15	35,137,085	23,996,507
Deferred tax assets	16.1	83,291,869	-
Other assets	17	384,424,060	465,963,270
Total assets		27,353,659,298	19,085,672,498

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

Maybank Securities (Thailand) Public Company Limited

(Formerly known as "Maybank Kim Eng Securities (Thailand) Public Company Limited")

Statement of Financial Position (continued)

As at 31 December 2021

(Unit: Baht)

	Note	31 December 2021	31 December 2020
Liabilities and shareholders' equity			
Liabilities			
Borrowings from financial institutions	18	-	5,050,000,000
Payables to Clearing House and brokers	19	1,450,434,208	13,933,707
Securities and derivatives business payables	20	2,511,549,856	2,794,205,886
Derivatives liabilities	9	24,771,479	13,951,208
Income tax payable		98,282,838	-
Debt issued and other borrowings	21	17,520,271,413	5,606,449,412
Provisions	22	295,452,187	298,026,388
Lease liabilities	14.2	260,407,692	336,599,124
Deferred tax liabilities	16.1	-	46,881,331
Other liabilities	24	378,878,527	324,071,909
Total liabilities		22,540,048,200	14,484,118,965
Shareholders' equity			
Issued and paid-up share capital			
Ordinary shares	25	2,854,072,500	2,854,072,500
Share premium		523,570,729	523,570,729
Premium on treasury shares		19,218,670	19,218,670
Retained earnings			
Appropriated - statutory reserve	26	286,125,000	286,125,000
Unappropriated		1,128,453,115	916,502,081
Other components of shareholders' equity		2,171,084	2,064,553
Total shareholders' equity		4,813,611,098	4,601,553,533
Total liabilities and shareholders' equity		27,353,659,298	19,085,672,498
		-	-

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

Maybank Securities (Thailand) Public Company Limited

(Formerly known as "Maybank Kim Eng Securities (Thailand) Public Company Limited")

Statement of comprehensive income

For the year ended 31 December 2021

(Unit: Baht)

	Note	2021	2020
Profit or loss:			
Income			
Brokerage fees income	28	2,476,587,809	1,976,447,510
Fees and service income	29	210,524,662	139,088,163
Interest income	30	672,792,092	548,223,049
Gains and returns on financial instruments	31	180,593,177	101,868,069
Other income		52,023,101	52,184,197
Total income		3,592,520,841	2,817,810,988
Expenses			
Employee benefit expenses		1,512,302,946	1,334,152,213
Fees and service expenses		226,932,683	211,028,559
Interest expense	32	253,320,811	238,581,435
Expected credit losses (reversal)	33	134,319,882	(1,131,770)
Other expenses	34	515,932,583	435,098,830
Total expenses		2,642,808,905	2,217,729,267
Profit before income tax		949,711,936	600,081,721
Income tax	16.2	(188,918,013)	(115,630,815)
Profit for the year		760,793,923	484,450,906
Other comprehensive income:			
Other comprehensive income not to be reclassified			
to profit or loss in subsequent periods:			
Gain on investments in equity instruments designated at fair value			
through other comprehensive income		133,164	346,302
Income tax effect	16.2	(26,633)	(69,260)
Gain on investments in equity instruments designated at fair value			
through other comprehensive income - net of income tax effect		106,531	277,042
Actuarial gain		13,194,151	-
Income tax effect	16.2	(2,638,830)	-
Actuarial gain - net of income tax effect		10,555,321	-
Other comprehensive income not to be reclassified			
to profit or loss in subsequent periods - net of income tax effect		10,661,852	277,042
Other comprehensive income for the year		10,661,852	277,042
Total comprehensive income for the year		771,455,775	484,727,948
Earnings per share	37		
Basic earnings per share		1.33	0.85

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

Maybank Securities (Thailand) Public Company Limited
(Formerly known as "Maybank Kim Eng Securities (Thailand) Public Company Limited")
Statement of changes in shareholders' equity
For the year ended 31 December 2021

(Unit: Baht)

	Issued and paid-up capital	Share premium	Premium on treasury shares	Retained earnings		Other components of shareholders' equity	Total
				Appropriated - statutory reserve	Unappropriated		
						Other comprehensive income Gain from investments in equity instruments designated at fair value through other comprehensive income	
Balance as at 1 January 2020	2,854,072,500	523,570,729	19,218,670	286,125,000	591,879,235	1,787,511	4,276,653,645
Dividend paid (Note 27)	-	-	-	-	(159,828,060)	-	(159,828,060)
Profit for the year	-	-	-	-	484,450,906	-	484,450,906
Other comprehensive income for the year	-	-	-	-	-	277,042	277,042
Total comprehensive income for the year	-	-	-	-	484,450,906	277,042	484,727,948
Balance as at 31 December 2020	2,854,072,500	523,570,729	19,218,670	286,125,000	916,502,081	2,064,553	4,601,553,533
Balance as at 1 January 2021	2,854,072,500	523,570,729	19,218,670	286,125,000	916,502,081	2,064,553	4,601,553,533
Dividend paid (Note 27)	-	-	-	-	(559,398,210)	-	(559,398,210)
Profit for the year	-	-	-	-	760,793,923	-	760,793,923
Other comprehensive income for the year	-	-	-	-	10,555,321	106,531	10,661,852
Total comprehensive income for the year	-	-	-	-	771,349,244	106,531	771,455,775
Balance as at 31 December 2021	2,854,072,500	523,570,729	19,218,670	286,125,000	1,128,453,115	2,171,084	4,813,611,098
	-	-	-	-	-	-	-

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

Maybank Securities (Thailand) Public Company Limited

(Formerly known as "Maybank Kim Eng Securities (Thailand) Public Company Limited")

Cash flows statement

For the year ended 31 December 2021

(Unit: Baht)

	2021	2020
Cash flows from operating activities		
Profits before income tax	949,711,936	600,081,721
Adjustments to reconcile profit before income tax to net cash provided by (paid for) operating activities		
Depreciation and amortisation	131,078,583	135,227,925
(Gain) loss on modification of lease agreement	(266,922)	84,904
Expected credit losses (reversal)	134,319,882	(1,131,770)
Doubtful accounts on other assets (reversal)	-	(15,000,000)
Unrealised (gain) loss on revaluation of investments	443,025,223	(626,067,072)
Unrealised (gain) loss on revaluation of exchange rate	57,021,650	(1,274,518)
Unrealised (gain) loss on revaluation of derivatives	(70,471,114)	146,283,755
(Gain) loss on sales and written-off of equipment	(1,046,407)	6,374,330
Interest expense	253,320,811	238,581,435
Interest income	(672,792,092)	(548,223,049)
Amortisation of prepaid personal expenses	778,387	92,194,287
Provision for long-term employee benefits	29,734,567	37,468,263
Profit from operating activities before changes in operating assets and liabilities	1,254,414,504	64,600,211
(Increase) decrease in operating assets		
Receivables from Clearing House and brokers	1,254,062,920	(1,431,171,596)
Securities and derivatives business receivables	(8,409,912,676)	(460,359,365)
Investments	(966,001,092)	(481,850,218)
Loans to employees	18,605,679	20,955,796
Other assets	86,785,499	(87,275,615)

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

Maybank Securities (Thailand) Public Company Limited

(Formerly known as "Maybank Kim Eng Securities (Thailand) Public Company Limited")

Cash flows statement (continued)

For the year ended 31 December 2021

(Unit: Baht)

	2021	2020
Increase (decrease) in operating liabilities		
Payables to Clearing House and brokers	1,436,499,996	(494,269,245)
Securities and derivatives business payables	(282,306,272)	1,547,112,170
Derivative liabilities	(19,783,484)	2,140,066
Provisions	(18,772,877)	(12,094,108)
Other liabilities	61,046,195	175,574,873
Cash paid from operating activities	(5,585,361,608)	(1,156,637,031)
Cash paid for interest	(145,819,256)	(158,128,459)
Cash received from interest	642,588,612	562,998,821
Cash paid for income tax	(223,473,838)	(129,778,786)
Net cash flows used in operating activities	(5,312,066,090)	(881,545,455)
Cash flows from investing activities		
Cash received (paid) from investing activities		
Cash paid for purchases of equipment	(45,904,283)	(23,227,023)
Proceeds from disposals of equipment	1,114,212	270,827
Cash paid for purchases of intangible assets	(21,470,581)	(5,328,641)
Net cash flows used in investing activities	(66,260,652)	(28,284,837)
Cash flows from financing activities		
Cash received (paid) from financing activities		
Cash received from borrowings from financial institutions	92,605,000,000	103,463,000,000
Cash paid for borrowings from financial institutions	(97,655,000,000)	(99,713,000,000)
Cash received from debt issued and other borrowings	36,619,901,644	30,720,699,351
Cash paid for debt issued and other borrowings	(24,868,000,000)	(33,546,000,000)
Cash paid for lease liabilities	(93,667,097)	(87,220,218)
Dividend paid	(559,398,210)	(159,828,060)
Net cash flows from financing activities	6,048,836,337	677,651,073
Net increase (decrease) in cash and cash equivalents	670,509,595	(232,179,219)
Increase in allowance for expected credit losses on cash at banks	(435,726)	(385,734)
Cash and cash equivalents at the beginning of the year	130,770,038	363,334,991
Cash and cash equivalents at the ending of the year (Note 6)	800,843,907	130,770,038

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

Maybank Securities (Thailand) Public Company Limited
(Formerly known as “Maybank Kim Eng Securities (Thailand) Public Company Limited”)
Notes to financial statements
For the year ended 31 December 2021

1. General information

Maybank Securities (Thailand) Public Company Limited (“the Company”) (Formerly known as “Maybank Kim Eng Securities (Thailand) Public Company Limited”) is a public company incorporated and domiciled in Thailand. Its parent company is Maybank Kim Eng Holdings Limited, which is incorporated in Singapore. The ultimate parent company of the Group is Malayan Banking Berhad, which is incorporated in Malaysia. The Company has licenses for securities business, which are securities brokerage, securities trading, underwriting, investment advisory, corporate finance advisory, securities registrar, derivatives brokerage and securities borrowing and lending.

The Company's registered office is located at No. 999/9 The Offices at Central World Building, 20th - 21st Floor, Rama 1 Road, Pathumwan, Bangkok. As at 31 December 2021, the Company has 28 branches in Bangkok and upcountry (31 December 2020: 30 branches).

2. Basis for the preparation of financial statements

The financial statements for the year ended 31 December 2021 have been prepared in accordance with Thai Financial Reporting Standards enunciated under the Accounting Professions Act B.E. 2547 and their presentation has been made in compliance with the requirement of the Notification of the Office of the Securities and Exchange Commission relating to the format of the financial statements of securities companies (version 3) No. SorThor 6/2562 dated 8 January 2019.

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

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

3. New financial reporting standards

3.1 Financial reporting standards that became effective in the current year

During the year, the Company has adopted the revised reporting standards and interpretations which are effective for fiscal year beginning on or after 1 January 2021. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

The adoption of these financial reporting standard does not have any significant impact on the Company's financial statements.

3.2 Financial reporting standards that will become effective for fiscal years beginning on or after 1 January 2022

The Federation of Accounting Professions issued a number of revised financial reporting standards, which are effective for fiscal years beginning on or after 1 January 2022. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and, for some standards, providing temporary reliefs or temporary exemptions for users.

The management of the Company believes that adoption of these amendments will not have any significant impact on the Company's financial statements.

4. Significant accounting policies

4.1 Revenue recognition

- a) Brokerage fees income
Brokerage fees income on securities and derivatives business are recognised as income on the transaction date.
- b) Fees and service income
Fees and service income are recognised when services have been rendered, taken into account the stage of completion.
- c) Interest income
The Company recognises interest income using the effective interest rate method and recognised on an accrual basis.
The Company calculates interest income by applying the effective interest rate to the gross book value of financial assets. When financial assets are impaired, the Company calculates interest income using the effective interest rate, based on the net book value (gross book value less expected credit losses) of the financial assets. If the financial assets are not credit impaired, the Company will calculate interest income based on the original gross book value.
- d) Gains and returns on financial instruments
Gain (loss) on investments and derivatives
Gain (loss) on investments and derivatives are recognised as income/expense on the transaction date.
Dividend
Dividend is recognised when the right to receive the dividend is established.

4.2 Expense recognition

Expenses are recognised on an accrual basis.

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

4.3 Financial Instruments

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

Classification and measurement of financial assets and financial liabilities

Financial asset - debt instruments

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

- A financial asset measured at amortised cost only if both following conditions are met: the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. These financial assets are subsequently measured at amortised cost and presented net of allowance for expected credit losses (if any). Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.
- A financial asset measured at fair value through other comprehensive income only if both following conditions are met: the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets as well as and the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. These financial assets are subsequently measured at fair value. The unrealised gains or losses from changes in their fair value are reported as a component of shareholders' equity through other comprehensive income until realised, after which such gains or losses on disposal of the instruments will be recognised as gain or losses in income statement. The gains or losses on foreign exchange, expected credit losses, and interest income which calculated using the effective interest rate method are recognised in profit or loss.
- A financial asset measured at fair value through profit or loss unless the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows or the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. These financial assets are subsequently measured at fair value. Unrealised gains and losses from change in fair value, and gains and losses on disposal of instruments are recognised as gains (losses) on financial instruments measured at fair value through profit or loss.

Financial asset - equity instruments

The Company has classified investment in equity securities that held for trading as the financial asset measured at fair value through profit or loss which are carried in the statement of financial position at fair value with net changes in fair value recognised in profit or loss. Dividends on these investments are recognised in profit or loss.

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

Financial liabilities

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

Offsetting

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

Recognition and derecognition of financial instruments

Financial assets are recognised or derecognised on the trade date, i.e., the date on which the Company becomes a party to contractual provisions of the instrument/the settlement date, i.e., the date on which an asset is delivered to or by the Company. This includes regular way trades.

The Company derecognises a financial asset when the contractual cash flows from the asset expire or it transfers its rights to receive contractual cash flows on the financial asset in a transaction in which all or substantially all the risks and rewards of ownership are transferred. Any interest from transferred financial assets, which is created or retained by the Company, are still recognised as financial assets.

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

Write-off

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

4.4 Cash and cash equivalents

Cash and cash equivalents include cash on hand and all bank deposit accounts maturing within 3 months from the date of acquisition, and including certificate of deposit maturing within 3 months or less from the date of acquisition and not subject to withdrawal restrictions.

4.5 Recognition and derecognition of customers' assets

Cash which customers have placed with the Company for securities trading, in term of cash accounts and credit balance accounts, including amounts which customers have placed as collateral for derivative trading, are recorded as assets and liabilities of the Company for internal control purpose. At the financial position date, the Company excludes those amounts from both assets and liabilities and presents only assets which belong to the Company.

4.6 Receivables from/payables to Clearing House and brokers

Receivables from/payables to Clearing House and brokers comprise the net balance of receivables from/payables to Thailand Clearing House in respect of settlements for securities trades and derivative instruments. They include cash pledged with Thailand Clearing House as collateral for derivatives trading, cash pledged with foreign securities companies as collateral for securities trading, and the net balance of amounts receivable from/payable to foreign securities companies in respect of securities trades settled overseas through foreign securities companies.

4.7 Securities and derivatives business receivables

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

4.8 Securities borrowing and lending

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

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

4.9 Derivatives

Derivative warrants

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

Futures

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

Forward contracts

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

4.10 Allowance for expected credit losses on financial assets

The Company applies the General Approach under TFRS 9 for recognition of expected credit losses of financial assets - debt instruments which are deposit at financial institutions, receivables from Clearing House and brokers, cash accounts, credit balance accounts, derivatives business receivables, other securities and derivatives business receivables, investments in debt instruments, loans to employees and other assets that are measured at amortised cost or fair value through other comprehensive income. The Company recognises allowance for expected credit losses at an amount equal to the lifetime expected credit losses in cases where there has been a significant increase in credit risk compared to initial recognition, but the assets are not credit impaired, or where the assets are credit impaired. However, in cases where there has not been a significant increase in credit risk compared to initial recognition, the Company recognises allowance for expected credit losses at an amount equal to the expected credit losses of the next 12 months.

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

Measurement of expected credit losses involves calculation of the probability of default, the possible loss given default and the amount of exposure at the time of default. Assessment of the probability of default and loss given default is made on the basis of historical loss experience, with adjustments to reflect current observable data as well as reasonable and supportable forecasts of future economic conditions. The amount of exposure at default is the gross book value of the assets at the reporting date. The Company has established a process to review and monitor methodologies, assumptions and forward-looking macroeconomic scenarios on a regular basis.

The allowance for expected credit losses under the General Approach on credit balance accounts is based on historical loss experience, adjusted to reflect specific factors and forecasts of future economic conditions. In determining whether credit risk has increased significantly since initial recognition, the Company mainly takes into account the status of outstanding receivables and maintenance of required collateral values in the contract.

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

The Company assesses whether the credit risk has increased significantly from the date of initial recognition on an individual or collective basis. In order to perform collective evaluation of impairment, the Company classifies financial assets on the basis of shared credit risk characteristics, such as the type of instrument, overdue status, and other relevant factors. Financial assets are assessed to be credit-impaired when one or more events that have a

detrimental impact on the estimated future cash flows of the counterparties have occurred, there are indications that the borrower is experiencing significant financial difficulties, or there is a breach of contract, as well as delinquency.

For accrued service income, the Company has decided to use a simplified approach, based on overdue status, to determine expected credit losses over the expected lifetime of the asset. Increase (decrease) in an allowance for expected credit losses is recognised as expenses during the year in profit or loss. In the case the Company receives money from its receivables which are written-off, the Company will credit against expected credit losses in profit or loss.

4.11 Equipment and depreciation

Equipment are stated at cost less accumulated depreciation and allowance for impairment loss (if any). Depreciation of equipment is calculated by reference to their cost on a straight-line basis over the following estimated useful lives:

Building improvement	5 years
Furniture, fixtures and equipment	5 years

Depreciation is included in determining income.

No depreciation is provided on assets under installation.

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

4.12 Leases

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

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

Right-of-use assets

Right-of-use assets are measured at cost, less accumulated depreciation, any accumulated impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities initially recognised, initial direct costs incurred, and lease payments made at or before the commencement date of the lease, and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located less any lease incentives received.

Depreciation of right-of-use assets are calculated by reference to their costs, on the straight-line basis over the shorter of their estimated useful lives and the lease term.

Buildings	2 - 6 years
Motor vehicles	5 years

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

Lease liabilities

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

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

Short-term leases and leases of low-value assets

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

4.13 Intangible assets and amortisation

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

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

A summary of the intangible assets with finite useful lives is as follows:

Computer software	5 years
-------------------	---------

No amortisation is provided on TFEX membership fees and software under installation. Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually either individually or at the cash generating unit level. The assessment of indefinite useful lives of the intangible assets is reviewed annually.

4.14 Property foreclosed

Property foreclosed consists of immovable properties, and is stated at the lower of cost or net realisable value. Loss on impairment is included in determining income. Gains or losses on disposals of such properties are recognised in the statement of comprehensive income at the date of disposal.

4.15 Impairment of non-financial assets

At the end of each reporting period, the Company performs impairment reviews in respect of the property, plant and equipment right-of-use asset and other intangible assets whenever events or changes in circumstances indicate that an asset may be impaired. The Company also carries out annual impairment reviews in respect of intangible assets with indefinite useful lives. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount.

An impairment loss is recognised in profit or loss.

4.16 Securities and derivatives business payables

Securities and derivatives business payables are the obligations of the Company in respect of its securities and derivatives business with outside parties, such as the net payable balances of cash accounts, securities delivery obligations as a result of short sales and obligations to return assets held by the Company as collateral for securities lending.

4.17 Income tax

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

Current tax

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

Deferred tax

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

The Company recognises deferred tax liabilities for all taxable temporary differences while it recognises deferred tax assets for all deductible temporary differences to the extent that it is probable that future taxable profit will be available against which such deductible temporary differences can be utilised.

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

The Company records deferred tax directly to shareholders' equity if the tax relates to items that are recorded directly to shareholders' equity.

4.18 Debt issued and other borrowings

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

4.19 Provisions

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

4.20 Employee benefits

a) Short-term employee benefits

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

b) Post-employment benefits (Defined contribution plans)

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

c) Post-employment benefits (Defined benefit plans)

The Company has obligations in respect of the severance payments it must make to employees upon retirement under labor law. The Company treats these severance payment obligations as a defined benefit plan.

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

Actuarial gains and losses arising from defined benefit plans are recognised immediately in other comprehensive income.

4.21 Treasury stocks

The consideration paid which is directly related with buying back ordinary share of the Company, including any attributable incremental external costs net of income taxes, is deducted from total shareholders' equity as treasury shares until the treasury shares are cancelled. If such shares are subsequently sold or reissued, any consideration received is included in shareholders' equity.

4.22 Related party transactions

Related parties comprise individuals or enterprises that control, or are controlled by, the Company, whether directly or indirectly, or which are under common control with the Company. They also include individuals or enterprises which directly or indirectly own a voting interest in the Company that gives them significant influence over the Company, management personnel, directors and officers with authority in the planning and direction of the operations of the Company.

4.23 Foreign currencies

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

Transactions in foreign currencies are translated into Baht at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into Baht at the exchange rate ruling at the end of reporting period. Gains and losses on exchange are included in determining income.

4.24 Fair value measurement

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

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

- | | |
|---------|---|
| Level 1 | Use of quoted market prices in an observable active market for such assets or liabilities |
| Level 2 | Use of other observable inputs for such assets or liabilities, whether directly or indirectly |
| Level 3 | Use of unobservable inputs such as estimates of future cash flows |

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

5. Significant accounting judgements and estimates

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

5.1 Recognition and derecognition of assets and liabilities

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

5.2 Allowances for expected credit losses of financial assets

The management is required to use judgement in estimating allowance for expected credit losses for financial assets. The Company's calculation of allowance for expected credit losses depends on the criteria used for assessment of a significant increase in credit risk, the development of a model, the risk that collateral value cannot be realised, collective and individual analyses of the status of receivables, the probability of debt collection and the selection of the forecasted macroeconomic data inputs used in the model. The use of different estimates and assumptions could affect the amount of the allowance for credit losses and, therefore, the allowance may need to be adjusted in the future.

5.3 Equipment and depreciation

In determining depreciation of equipment, the management is required to make estimates of the useful lives and salvage values of the Company's equipment and to review estimate useful lives and salvage values when there are any changes.

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

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

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

5.5 Estimating the incremental borrowing rate

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

5.6 Intangible assets

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

5.7 Deferred tax asset

Deferred tax assets are recognised in respect of temporary differences only to the extent that it is highly probable that taxable profit will be available against which these differences can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of estimate future taxable profits.

5.8 Post-employment benefits under defined benefit plans

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

5.9 Fair value of financial instruments

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

6. Cash and cash equivalents

	(Unit: Thousand Baht)	
	31 December 2021	31 December 2020
Cash, short-term fixed deposits and short-term certificates of deposit maturing within 3 months from date of acquisition	4,102,517	5,704,402
Less: Cash deposits held for customers	(3,300,852)	(5,573,246)
	801,665	131,156
Less: Allowance for expected credit losses	(821)	(386)
Cash and cash equivalents	800,844	130,770

Supplemental cash flows information

	(Unit: Thousand Baht)	
	31 December 2021	31 December 2020
Non-cash items:		
Purchase of equipment and intangible asset on credit	2,118	4,104
Increase in right-of-use assets and lease liabilities	13,502	9,659

7. Receivables from Clearing House and brokers

	(Unit: Thousand Baht)	
	31 December 2021	31 December 2020
Receivables from Clearing House	1,676,455	3,561,368
Receivables from foreign brokers	358,178	530,704
Less: Receivables from Clearing House held for customers	(1,156,757)	(1,807,079)
Less: Receivables from foreign brokers held for customers	(327,827)	(509,218)
Receivables from Clearing House and brokers	550,049	1,775,775

8. Securities and derivatives business receivables

	(Unit: Thousand Baht)	
	31 December 2021	31 December 2020
Securities business receivables		
Cash accounts receivables	4,098,003	2,124,906
Credit balance accounts receivables	17,357,725	10,992,252
Receivables under securities borrowing and lending business	31,768	93,345
Other receivables	263,656	264,302
Total securities business receivables	21,751,152	13,474,805
Add: Accrued interest receivables	60,212	36,031
Less: Allowance for expected credit losses	(252,648)	(252,191)
Securities business receivables	21,558,716	13,258,645
Derivatives business receivables		
Derivatives business receivables	41,861	41,706
Other receivables	134,020	609
Less: Allowance for expected credit losses	(133,897)	(486)
Derivatives business receivables	41,984	41,829
Securities and derivatives business receivables	21,600,700	13,300,474

8.1 Classification of securities and derivatives business receivables

As at 31 December 2021 and 2020, classification are as follows:

(Unit: Thousand Baht)

	31 December 2021		
	Securities business receivables and accrued interest	Exposure at Default	Allowance for expected credit losses
Securities business receivables			
Performing (12-month ECL)	21,547,708	21,547,708	(1,306)
Under-performing (Lifetime ECL - not credit impaired)	-	-	-
Non-performing (Lifetime ECL - credit impaired)	263,656	263,656	(251,342)
Total securities business receivables	21,811,364	21,811,364	(252,648)
Derivative business receivables			
12-month ECL	41,861	41,861	-
Lifetime ECL - not credit impaired	-	-	-
Lifetime ECL - credit impaired	134,020	134,020	(133,897)
Total derivative business receivables	175,881	175,881	(133,897)
Total securities and derivative business receivables	21,987,245	21,987,245	(386,545)

(Unit: Thousand Baht)

	31 December 2020		
	Securities business receivables and accrued interest	Exposure at Default	Allowance for expected credit losses
Securities business receivables			
12-month ECL	13,246,534	13,246,534	(783)
Lifetime ECL - not credit impaired	-	-	-
Lifetime ECL - credit impaired	264,302	264,302	(251,408)
Total securities business receivables	13,510,836	13,510,836	(252,191)
Derivative business receivables			
12-month ECL	41,706	41,706	-
Lifetime ECL - not credit impaired	-	-	-
Lifetime ECL - credit impaired	609	609	(486)
Total derivative business receivables	42,315	42,315	(486)
Total securities and derivative business receivables	13,553,151	13,553,151	(252,677)

As at 31 December 2021 and 2020, credit impaired loans (including accrued interest) totaling Baht 254 million is the Company's receivables before Kim Eng Holdings Limited (Current name is Maybank Kim Eng Holdings Limited) became a shareholders and management of the Company in 1998.

9. Derivatives assets and derivatives liabilities

(Unit: Thousand Baht)

	31 December 2021			
	Assets		Liabilities	
	Fair value	Notional amount	Fair value	Notional amount
Type of risk				
Equity price				
- Futures ⁽¹⁾	-	833,270	-	2,499,065
Exchange rate				
- Forward contract	71,638	1,599,633	24,771	2,390,348
Total	71,638	2,432,903	24,771	4,889,413

⁽¹⁾ The futures are cash settlement. Real exposure is a difference between cost of such contracts and underlying assets level. Net fair value of outstanding futures as at 31 December 2021, fair value of derivative liabilities - futures is Baht 98 million included in "Receivables from Clearing House and brokers".

(Unit: Thousand Baht)

	31 December 2020			
	Assets		Liabilities	
	Fair value	Notional amount	Fair value	Notional amount
Type of risk				
Equity price				
- Derivatives warrants	-	-	13,951	13,818,355
- Futures ⁽¹⁾	-	863,894	-	2,064,476
Total	-	863,894	13,951	15,882,831

⁽¹⁾ The futures are cash settlement. Real exposure is a difference between cost of such contracts and underlying assets level. Net fair value of outstanding futures as at 31 December 2020, fair value of derivative assets - futures is Baht 127 million included in "Receivables from Clearing House and brokers".

Derivatives warrants are cash settlement between the closing price of underlying equities as at last trading day and the exercise price.

9.1 Proportion of the derivatives classified by type of contractual parties by notional amount

(Unit: Thousand Baht)

Type of parties	31 December 2021		31 December 2020	
	Proportion based on contract amount		Proportion based on contract amount	
	Assets	Liabilities	Assets	Liabilities
	(percent)	(percent)	(percent)	(percent)
Financial institution	66	49	-	-
Third parties	34	51	100	100
Total	100	100	100	100

10. Investments

10.1 Cost and fair value

(Unit: Thousand Baht)

	31 December 2021			31 December 2020		
	Fair value/Amortised cost			Fair value/Amortised cost		
	Non-collateralised investments	Collateralised investments	Total	Non-collateralised investments	Collateralised investments	Total
Fair value						
Investments measured at fair value through profit or loss						
Trading securities						
Marketable equity instruments						
in domestic market	3,254,565	2,585	3,257,150	2,734,520	-	2,734,520
Total	3,254,565	2,585	3,257,150	2,734,520	-	2,734,520
Investments designated at fair value through other comprehensive income						
Non-marketable equity instruments in domestic market	12,471	-	12,471	12,338	-	12,338
Total	12,471	-	12,471	12,338	-	12,338
Amortised cost						
Investments measured at amortised cost						
Fixed deposits	3,000,000	-	3,000,000	3,000,004	-	3,000,004
Deposits with restriction	-	3,531	3,531	-	3,530	3,530
Government bonds	9,435,304	-	9,435,304	5,658,509	-	5,658,509
Less: Investments held for customers	(12,435,304)	-	(12,435,304)	(8,658,509)	-	(8,658,509)
Less: Allowance for expected credit losses	-	(3)	(3)	-	(7)	(7)
Total	-	3,528	3,528	4	3,523	3,527
Total investments	3,267,036	6,113	3,273,149	2,746,862	3,523	2,750,385

	(Unit: Thousand Baht)	
	31 December 2021	31 December 2020
<u>Restricted investments in equity instruments in domestic market</u>		
Fair value of securities lending	2,585	-

10.2 Investments in deposits at financial institutions and investments in debt instruments classified by remaining year of contracts

	(Unit: Thousand Baht)			
	31 December 2021			
	Within 1 year	1 - 5 years	No maturity	Total
Investments measured at amortised cost				
Fixed deposits	3,000,000	-	-	3,000,000
Deposits with restriction	-	-	3,531	3,531
Government bonds	9,435,304	-	-	9,435,304
Less: Investments held for customers	(12,435,304)	-	-	(12,435,304)
Less: Allowance for expected credit losses	-	-	(3)	(3)
Total	-	-	3,528	3,528

	(Unit: Thousand Baht)			
	31 December 2020			
	Within 1 year	1 - 5 years	No maturity	Total
Investments measured at amortised cost				
Fixed deposits	3,000,004	-	-	3,000,004
Deposits with restriction	-	-	3,530	3,530
Government bonds	5,658,509	-	-	5,658,509
Less: Investments held for customers	(8,658,509)	-	-	(8,658,509)
Less: Allowance for expected credit losses	-	-	(7)	(7)
Total	4	-	3,523	3,527

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

(Unit: Thousand Baht)

31 December 2021					
Investment	Reason for using option in presentations as mentioned	Fair value	Dividend received	Retained earnings or retained losses transferred in owner's equity	Reason to transfer
TSFC Securities Public Company Limited	Intend to hold for long-term	10,225	193	-	-
Others	Intend to hold for long-term	2,246	106	-	-
Total		12,471	299	-	

(Unit: Thousand Baht)

31 December 2020					
Investment	Reason for using option in presentations as mentioned	Fair value	Dividend received	Retained earnings or retained losses transferred in owner's equity	Reason to transfer
TSFC Securities Public Company Limited	Intend to hold for long-term	10,167	281	-	-
Others	Intend to hold for long-term	2,171	88	-	-
Total		12,338	369	-	

11. Loans to employees

	(Unit: Thousand Baht)	
	31 December 2021	31 December 2020
Loan that the credit risk has not increased significantly		
Not over 1 year	32,149	31,175
Over 1 year	166,098	185,678
Less: Allowance for expected credit losses	(36)	(13)
Total	198,211	216,840

12. Allowance for expected credit losses

	(Unit: Thousand Baht)	
	31 December 2021	31 December 2020
Cash and cash equivalents	821	386
Securities and derivatives business receivables	386,545	252,677
Investments	3	7
Loans to employees	36	13
Other assets - accrued interest	8	10
Total	387,413	253,093

As at 31 December 2021 and 2020, allowance for expected credit losses of securities and derivatives business receivables are as follows:

	(Unit: Thousand Baht)			
	31 December 2021			
	Allowance for expected credit losses			
	12-month ECL	Lifetime ECL - not credit impaired	Lifetime ECL - credit impaired	Total
Beginning balance	783	-	251,894	252,677
Changes due to staging	(2)	-	2	-
Changes due to revaluation of allowance for credit losses	(781)	-	(554)	(1,335)
New financial assets purchased or acquired	1,306	-	133,897	135,203
Ending balance	1,306	-	385,239	386,545

(Unit: Thousand Baht)

	31 December 2020				
	Allowance for expected credit losses			Allowance for doubtful accounts	Total
	12-month ECL	Lifetime ECL - not credit impaired	Lifetime ECL - credit impaired		
Beginning balance	-	-	-	251,621	251,621
Changes due to adoption of new financial reporting standards	2,247	14	251,685	(251,621)	2,325
	2,247	14	251,685	-	253,946
Changes due to staging	30	(10)	(20)	-	-
Changes due to revaluation of allowance for credit losses	(1,594)	(4)	95	-	(1,503)
New financial assets purchased or acquired	101	-	134	-	235
Derecognition of financial assets	(1)	-	-	-	(1)
Ending balance	783	-	251,894	-	252,677

13. Equipment

(Unit: Thousand Baht)

	Building improvement	Furniture Fixtures and equipment	Assets under installation	Total
Cost				
1 January 2020	202,907	597,218	8	800,133
Additions	2,257	8,733	11,406	22,396
Transfer in (out)	6,982	1,502	(8,484)	-
Disposals/written-off	(14,214)	(71,077)	-	(85,291)
31 December 2020	197,932	536,376	2,930	737,238
Additions	1,083	38,326	8,613	48,022
Transfer in (out)	5,870	5,496	(11,366)	-
Disposals/written-off	(17,897)	(13,983)	-	(31,880)
31 December 2021	186,988	566,215	177	753,380
Accumulated depreciation				
1 January 2020	186,383	536,131	-	722,514
Depreciation for the year	5,595	23,645	-	29,240
Disposals/written-off	(12,713)	(70,802)	-	(83,515)
31 December 2020	179,265	488,974	-	668,239
Depreciation for the year	6,279	22,248	-	28,527
Disposals/written-off	(17,897)	(13,915)	-	(31,812)
31 December 2021	167,647	497,307	-	664,954
Net book value				
31 December 2020	18,667	47,402	2,930	68,999
31 December 2021	19,341	68,908	177	88,426
Depreciation charge for the years ended 31 December				
2020				29,240
2021				28,527

As at 31 December 2021 and 2020, certain equipment items have been fully depreciated but are still in use. The gross carrying amount (before deducting accumulated depreciation and allowance for impairment) of those assets amounted to approximately Baht 624 million and Baht 636 million, respectively.

14. Leases

The Company has lease contracts used in its operations. Leases generally have lease terms between 1 - 3 years.

14.1 Right-of-use assets

Movement of right-of-use assets for the years ended 31 December 2021 and 2020 are summarised below:

(Unit: Thousand Baht)

	Buildings	Motor vehicles	Total
Cost			
1 January 2020	440,887	34,241	475,128
Additions	9,659	-	9,659
31 December 2020	450,546	34,241	484,787
Additions	13,502	-	13,502
Written-off	(720)	(3,417)	(4,137)
31 December 2021	463,328	30,824	494,152
Accumulated depreciation			
1 January 2020	-	31,666	31,666
Depreciation for the year	99,027	1,625	100,652
31 December 2020	99,027	33,291	132,318
Depreciation for the year	97,104	950	98,054
Written-off	(592)	(3,417)	(4,009)
31 December 2021	195,539	30,824	226,363
Net book value			
31 December 2020	351,519	950	352,469
31 December 2021	267,789	-	267,789

14.2 Lease liabilities

(Unit: Thousand Baht)

	31 December 2021	31 December 2020
Lease payments	269,250	351,296
Less: Deferred interest expenses	(8,842)	(14,697)
Total	260,408	336,599

A maturity analysis of lease payments is disclosed in Note 40 under the liquidity risk.

14.3 Expenses related leases that are recognised in profit or loss.

(Unit: Thousand Baht)

	For the years ended 31 December	
	2021	2020
Depreciation of right-of-use assets	98,054	100,652
Interest expense on lease liabilities	5,756	7,537
Expense relating to short-term lease	3,017	2,885
Total	106,827	111,074

The Company had total cash outflows for lease for the years ended 31 December 2021 and 2020 of Baht 97 million and Baht 90 million, respectively (included short-term leases and leases of low - value assets).

15. Intangible assets

(Unit: Thousand Baht)

For the year ended 31 December 2021										
	Useful lives	Cost				Accumulated amortisation				Net intangible assets
		1 January 2021	Increase	Transfer in (transfer out)	Written-off	31 December 2021	1 January 2021	Increase	Written-off	31 December 2021
Computer software	5 years	164,641	9,355	4,086	-	178,082	153,431	6,227	-	159,658
Software under installation	-	9,466	8,012	(4,086)	-	13,392	-	-	-	-
Membership fee - Thailand										
Futures Exchanges	-	5,000	-	-	-	5,000	1,679	-	-	1,679
Total		179,107	17,367	-	-	196,474	155,110	6,227	-	161,337

(Unit: Thousand Baht)

For the year ended 31 December 2020										
	Useful lives	Cost				Accumulated amortisation				Net intangible assets
		1 January 2020	Increase	Transfer in (transfer out)	Written-off	31 December 2020	1 January 2020	Increase	Written-off	31 December 2020
Computer software	5 years	167,771	2,156	693	(5,979)	164,641	147,802	6,740	(1,111)	153,431
Software under installation	-	2,882	7,277	(693)	-	9,466	-	-	-	-
Membership fee - Thailand										
Futures Exchanges	-	5,000	-	-	-	5,000	1,679	-	-	1,679
Total		175,653	9,433	-	(5,979)	179,107	149,481	6,740	(1,111)	155,110

As at 31 December 2021 and 2020, certain computer software items have been fully amortised but are still in use. The gross carrying amount (before deducting accumulated amortisation) of those intangible assets amounted to approximately Baht 148 million and Baht 138 million, respectively.

16. Deferred tax assets/liabilities and income tax

16.1 Deferred tax assets/liabilities

The component of deferred tax assets and deferred tax liabilities are as follows:

	(Unit: Thousand Baht)	
	31 December 2021	31 December 2020
Deferred tax assets		
Allowance for impairment losses - other assets	3,191	3,191
Allowance for expected credit losses	28,293	1,274
Provisions for long-term employee benefits	52,428	52,875
Unrealised loss on revaluation of derivatives	9,526	24,305
Leases	2,625	2,359
Others	1,944	778
Total	98,007	84,782
Deferred tax liabilities		
Unrealised gain on exchange rate	(7,074)	(3,729)
Unrealised gain on revaluation of investments	(6,977)	(127,827)
Others	(664)	(107)
Total	(14,715)	(131,663)
Deferred tax assets (liabilities) - net	83,292	(46,881)

16.2 Income tax

Income tax for the years ended 31 December 2021 and 2020 are made up as follows:

	(Unit: Thousand Baht)	
	For the years ended 31 December	
	2021	2020
Current income tax:		
Corporate income tax for the year	223,776	21,111
Adjustment of corporate income tax expenses of previous year	(76)	895
Deferred tax:		
Transfer of deferred tax liabilities and corporate income tax payable of previous year		
Decrease in deferred tax liabilities	(98,057)	-
Increase in income tax payable	98,057	-
Relating to origination and reversal of temporary differences	(34,782)	93,625
Income tax reported in profit or loss	188,918	115,631

The amounts of income tax relating to each component of other comprehensive income for the years ended 31 December 2021 and 2020 are as follows:

(Unit: Thousand Baht)

	For the years ended 31 December	
	2021	2020
Deferred tax relating to gain on investments in equity instruments designated at fair value through other comprehensive income	27	69
Deferred tax relating to actuarial gains	2,639	-

The reconciliation between accounting profit and income tax is shown below.

(Unit: Thousand Baht)

	For the years ended 31 December	
	2021	2020
Accounting profits before tax	949,712	600,082
Applicable tax rate	20%	20%
Accounting profit before tax multiplied by income tax rate	189,942	120,016
Adjustment of income tax of previous year	(76)	895
Tax effect of non-deductible/taxable revenue or expenses	(948)	(5,280)
Income tax reported in profit or loss	188,918	115,631

17. Other assets

(Unit: Thousand Baht)

	31 December 2021	31 December 2020
Prepaid expenses	32,091	21,891
Clearing fund and security deposits	242,539	213,923
Accrued service and interest income	34,417	68,953
Deposits	40,305	39,926
Property foreclosed	15,887	15,887
Income tax receivables	-	62,518
Others	35,150	58,832
Total	400,389	481,930
Less: Allowance for impairment loss	(15,957)	(15,957)
Less: Allowance for expected credit losses	(8)	(10)
Other assets	384,424	465,963

18. Borrowings from financial institutions

As at 31 December 2020, borrowings from financial institutions comprise only domestic borrowings in Baht currency which are classified as follows:

(Unit: Thousand Baht)

	31 December 2020		
	Interest rate per annum (percent)	Remaining years to maturity	
		At call	Within 1 year
Promissory notes	0.85 - 1.95	5,050,000	-
Borrowings from financial institutions		5,050,000	-
			Total
			5,050,000

19. Payables to Clearing House and brokers

(Unit: Thousand Baht)

	31 December 2021	31 December 2020
Payables to Clearing House	1,446,481	-
Payables to foreign brokers	3,953	13,934
Payables to Clearing House and brokers	1,450,434	13,934

20. Securities and derivatives business payables

(Unit: Thousand Baht)

	31 December 2021	31 December 2020
Cash accounts payables	2,452,857	2,628,464
Guaranteed deposit payables	-	9,212
Payables under securities borrowings and lending business	58,693	156,530
Securities and derivatives business payables	2,511,550	2,794,206

21. Debt issued and other borrowings

As at 31 December 2021 and 2020, debt issued and borrowings are classified as follows:

(Unit: Thousand Baht)

	31 December 2021			
	Interest rate per annum (percent)	Remaining years to maturity		Total
		Within 1 year	1 - 5 years	
Bills of exchange	0.95 - 1.05	13,483,147	-	13,483,147
Subordinated loan (USD 121 million, mature within 5 October 2022)	1.90 - 2.00	4,037,124	-	4,037,124
Debt issued and other borrowings		<u>17,520,271</u>	<u>-</u>	<u>17,520,271</u>

(Unit: Thousand Baht)

	31 December 2020			
	Interest rate per annum (percent)	Remaining years to maturity		Total
		Within 1 year	1 - 5 years	
Bills of exchange	1.00 - 1.30	4,266,449	-	4,266,449
Debenture	1.10 - 2.25	1,340,000	-	1,340,000
Debt issued and other borrowings		<u>5,606,449</u>	<u>-</u>	<u>5,606,449</u>

22. Provisions

(Unit: Thousand Baht)

	Provisions for			
	long-term			Total
	employee benefits	Decommissioning cost	Others	
Balance at 1 January 2020	237,519	33,233	1,480	272,232
Increase (decrease) during the year	26,854	420	(1,480)	25,794
Balance at 31 December 2020	264,373	33,653	-	298,026
Decrease during the year	(2,232)	(342)	-	(2,574)
Balance at 31 December 2021	<u>262,141</u>	<u>33,311</u>	<u>-</u>	<u>295,452</u>

23. Provisions for long-term employee benefits

As at 31 December 2021 and 2020, provision for long-term employee benefits are as follows:

	(Unit: Thousand Baht)	
	31 December 2021	31 December 2020
Defined benefit obligation at beginning of year	264,373	237,519
Current service cost	33,941	33,652
Interest cost	3,722	3,816
Gain on settlement	(7,928)	-
Actuarial gains		
Demographic assumption changes	(2,740)	-
Financial assumption changes	(858)	-
Experience adjustments	(9,596)	-
Benefits paid during the year	(18,773)	(10,614)
Defined benefit obligation at ending of year	262,141	264,373

The Company expects to pay Baht 6 million in long-term employee benefits during the next year. As at 31 December 2021, the weighted average duration of the liabilities for long-term employee benefit is about 16 years (31 December 2020: 10 years)

Significant actuarial assumptions are summarised below:

	31 December 2021	31 December 2020
	(% per annum)	(% per annum)
Discount rate	1.66	1.62
Salary increase rate	5.00	5.00
Turnover rate	0.00 - 17.00	0.00 - 22.00

The result of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligation as at 31 December 2021 and 2020 are summarised below:

	(Unit: Million Baht)			
	31 December 2021		31 December 2020	
	Increase 1%	Decrease 1%	Increase 1%	Decrease 1%
Discount rate	(20)	23	(21)	24
Salary increase rate	23	(20)	27	(24)
Turnover rate	(21)	14	(22)	15

24. Other liabilities

	(Unit: Thousand Baht)	
	31 December 2021	31 December 2020
Accrued expenses	319,967	262,169
Dividend payable	916	916
Others	57,996	60,987
Other liabilities	378,879	324,072

25. Share capital

	31 December 2021		31 December 2020	
	Number of share	Amount	Number of share	Amount
	(Thousand share)	(Thousand Baht)	(Thousand share)	(Thousand Baht)
Issued share capital				
(Par value at Baht 5 each)	572,250	2,861,250	572,250	2,861,250
Paid-up share capital				
(Par value at Baht 5 each)	570,815	2,854,073	570,815	2,854,073

26. Statutory reserve

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

27. Dividends

Dividends	Approved by	Dividend paid (Million Baht)	Dividend per share (Baht)
Interim dividends for the operating result as from 1 January 2020 to 31 December 2020	Annual General Meeting of the shareholders on 8 April 2021	285	0.50
Interim dividends for the operating result as from 1 January 2021 to 30 June 2021	Board of Directors' meeting on 13 August 2021	274	0.48
Dividend paid during the year ended 31 December 2021		559	0.98
Interim dividends for the operating result as from 1 January 2019 to 31 December 2019	Board of Directors' meeting on 27 March 2020	103	0.18
Interim dividends for the operating result as from 1 January 2020 to 30 June 2020	Board of Directors' meeting on 14 August 2020	57	0.10
Dividend paid during the year ended 31 December 2020		160	0.28

28. Brokerage fees income

	(Unit: Thousand Baht)	
	For the years ended 31 December	
	2021	2020
Brokerage fees income from securities business	2,318,095	1,792,756
Brokerage fees income from derivatives business	157,699	183,692
Other brokerage fees	794	-
Brokerage fees income	2,476,588	1,976,448

29. Fees and service income

(Unit: Thousand Baht)

	For the years ended 31 December	
	2021	2020
Underwriting fee	83,088	46,980
Financial advisory	68,584	59,246
Selling agent fee income	37,874	4,512
Securities borrowing and lending	4,969	4,723
Others	16,010	23,627
Fees and service income	210,525	139,088

30. Interest income

(Unit: Thousand Baht)

	For the years ended 31 December	
	2021	2020
Interest income on margin loans	599,236	426,683
Interest income on bank deposits and government bonds	69,783	117,014
Interest income on staff loans	3,773	4,526
Interest income	672,792	548,223

31. Gain and returns on financial instruments

(Unit: Thousand Baht)

	For the years ended 31 December	
	2021	2020
Gain on trading investments	254,793	293,921
Loss on trading derivatives	(149,631)	(271,284)
Dividend income	75,431	79,231
Gain and returns on financial instruments	180,593	101,868

32. Interest expenses

(Unit: Thousand Baht)

	For the years ended 31 December	
	2021	2020
Interest expenses on customer's deposit	65,000	111,761
Interest expenses on debt issued and other borrowings	153,263	92,173
Interest expenses on borrowing from financial institutions	29,302	27,110
Interest expenses on lease liabilities	5,756	7,537
Interest expense	253,321	238,581

33. Expected credit losses (reversal)

(Unit: Thousand Baht)

	For the years ended 31 December	
	2021	2020
Cash and cash equivalents	435	133
Securities and derivative business receivables (reversal)	133,868	(1,269)
Investments (reversal)	(4)	-
Loans to employees (reversal)	23	(6)
Other assets - accrued interest (reversal)	(2)	10
Expected credit losses (reversal)	134,320	(1,132)

34. Other expenses

(Unit: Thousand Baht)

	For the years ended 31 December	
	2021	2020
Depreciation and amortisation	131,079	135,228
Rental and service expenses	8,226	7,767
Utility expenses	11,066	12,174
Maintenance expenses	101,649	83,545
Taxes and duties	21,373	16,694
Travelling expenses	24,035	21,651
Telephone and information service expenses	44,332	43,910
Others	174,173	114,130
Other expenses	515,933	435,099

35. Directors' remuneration

Directors' remuneration represents the benefits (exclusive of salaries, bonus, and related benefits payable to executive directors) paid to directors of the Company in accordance with Section 90 of the Public Limited Companies Act.

36. Provident fund

The Company and its employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. Employees contributed to the fund monthly at the rate of 3 - 15 percent of basic salary and the Company contributed to the fund monthly at the rate of 5 - 10 percent. The funds of the Company are managed by TMB Asset Management Company Limited and Aberdeen Standard Asset Management (Thailand) Company Limited. The funds will be paid to employees upon termination in accordance with the fund rules. During the years ended 31 December 2021 and 2020 amounting to approximately Baht 50 million and Baht 44 million, respectively, were recognised as expenses.

37. Earnings per share

Basic earnings per share is calculated by dividing the net profit for the year (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the year.

38. Related party transactions

During the years, the Company had significant business transactions with the following related parties.

Related parties	Relationship
Malayan Banking Berhad	The ultimate parent company
Maybank Kim Eng Holdings Limited	Parent company
Maybank Securities Pte. Ltd. (Formerly known as "Maybank Kim Eng Securities Pte. Ltd.")	Fellow subsidiary
MIB Securities (Hong Kong) Limited (Formerly known as "Kim Eng Securities (Hong Kong) Limited")	Fellow subsidiary
Maybank Kim Eng Research Pte. Ltd.	Fellow subsidiary
Maybank Kim Eng Securities Limited	Fellow subsidiary
Maybank Investment Bank Berhad	Fellow subsidiary of the Group
Maybank Shared Services Sdn. Bhd.	Fellow subsidiary of the Group

Such related parties transactions have been concluded on commercial terms and base agreed upon the ordinary course of businesses between the Company and those related parties. Below is a summary of those transactions.

(Unit: Million Baht)

	For the years ended 31 December		Pricing policies
	2021	2020	
Transactions with related parties			
<u>Brokerage fees income</u>			At normal rate charged to other clients
Maybank Securities Pte. Ltd. ⁽¹⁾	123	148	which is in accordance with SET's and
MIB Securities (Hong Kong) Limited ⁽²⁾	2	6	SEC's notification
<u>Research and advisory service income</u>			In accordance with the agreement
Maybank Kim Eng Research Pte. Ltd.	36	33	
<u>Financial advisory income</u>			In accordance with the agreement
Maybank Securities Pte. Ltd. ⁽¹⁾	16	40	
Maybank Investment Bank Berhad	9	-	
<u>Other service income</u>			In accordance with the agreement
Malayan Banking Berhad	-	1	
<u>Fees and service expenses</u>			In accordance with the agreement
Maybank Securities Pte. Ltd. ⁽¹⁾	1	1	
<u>Brokerage fees expenses</u>			In accordance with the agreement
Maybank Securities Pte. Ltd. ⁽¹⁾	7	4	
Maybank Kim Eng Securities Limited	1	1	
<u>Research and advisory service expenses</u>			In accordance with the agreement
Maybank Kim Eng Research Pte. Ltd.	3	6	
<u>Interest expenses</u>			In accordance with the agreement
Maybank Kim Eng Holdings Limited	30	-	
<u>Other expenses</u>			In accordance with the agreement
Maybank Shared Services Sdn. Bhd.	11	-	
<u>Dividend paid</u>			As declared
Maybank Kim Eng Holdings Limited	466	133	
Maybank Securities Pte. Ltd.	1	-	

⁽¹⁾ Formerly known as "Maybank Kim Eng Securities Pte. Ltd."

⁽²⁾ Formerly known as "Kim Eng Securities (Hong Kong) Limited"

As at 31 December 2021 and 2020, the outstanding balances of the above transactions, as presented in the statements of financial position are as follows:

(Unit: Million Baht)

	31 December 2021	31 December 2020	Pricing Policies
<u>Securities business receivables</u>			No interest charged
Maybank Securities Pte. Ltd. ⁽¹⁾	1,577	224	
MIB Securities (Hong Kong) Limited ⁽²⁾	-	3	
<u>Foreign securities company receivables</u>			No interest charged
Maybank Securities Pte. Ltd. ⁽¹⁾	1	16	
<u>Foreign deposits receivables</u>			As determined by Maybank
Maybank Securities Pte. Ltd. ⁽¹⁾	358	523	Securities Pte. Ltd.
<u>Accrued research and advisory fee income</u>			In accordance with the agreement
Maybank Securities Pte. Ltd. ⁽¹⁾	-	40	
<u>Other receivables</u>			In accordance with the agreement
Maybank Investment Bank Berhad	10	-	
<u>Foreign securities company payables</u>			No interest charged
Maybank Securities Pte. Ltd. ⁽¹⁾	4	22	
<u>Foreign deposit payables</u>			No interest charged
MIB Securities (Hong Kong) Limited ⁽²⁾	4	12	
<u>Subordinated loan</u>			In accordance with the agreement
Maybank Kim Eng Holding Limited	4,037	-	
<u>Interest payables</u>			In accordance with the agreement
Maybank Kim Eng Holding Limited	15	-	
<u>Other payables</u>			In accordance with the agreement
Maybank Investment Bank Berhad	1	2	

⁽¹⁾ Formerly known as “Maybank Kim Eng Securities Pte. Ltd.”

⁽²⁾ Formerly known as “Kim Eng Securities (Hong Kong) Limited”

As at 31 December 2021, Maybank Kim Eng Holdings Limited guaranteed the overdraft facilities of the Company amounting to Baht 30 million (31 December 2020: Baht 30 million). There is no overdraft outstanding balance as at 31 December 2021 (31 December 2020: none).

38.1 Loans to employees

As at 31 December 2021, the Company has loans to employees under welfare program amounting to Baht 198 million. The loans charged interest at rate of 0.43 and 1.68 percent per annum (31 December 2020: Baht 217 million, interest at rate 0.48 and 2.00 percent per annum).

38.2 Loans from related parties

As at 31 December 2021, the loans from related parties between the Company and the related company and the movement of loans are as follows:

		(Unit: Million Baht)			
Subordinated loan	Relationship	Balance as at 1 January 2021	Increase during the year	Loss on exchange rate	Balance as at 31 December 2021
Maybank Kim Eng Holdings Limited	Parent company	-	3,981	56	4,037
Total		-	3,981	56	4,037

38.3 Management's remuneration

During the years ended 31 December 2021 and 2020, benefits paid to management of the Company, which presented as part of "Employee benefit expenses" are as follows:

		(Unit: Million Baht)	
		For the years ended 31 December	
		2021	2020
Management's remuneration			
Short-term employee benefits		111	95
Post-employment benefits		15	16
Total		126	111

39. Segment information

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

For management purposes, the Company is organised into business units based on its products and services and have two reportable segments as follows:

- Securities business segment, which provide service according to securities brokering and derivative brokering, securities trading of the Company and securities borrowing and lending.
- Investment banking segment, which provide service according to underwriting, investment advisory and corporate finance advisory.

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

The following tables present revenue and profit information regarding the Company's operating segments for the years ended 31 December 2021 and 2020, respectively.

(Unit: Million Baht)

	Securities business segment	Investment banking segment	Total segments
For the year ended 31 December 2021			
Income			
Revenue from external customers			
Brokerage fees income	2,477	-	2,477
Fees and service income	58	152	210
Interest income	673	-	673
Gains and returns on financial instruments	181	-	181
Other income	52	-	52
Total income	3,441	152	3,593
Expenses			
Employee benefit expenses			1,513
Fees and service expenses			227
Interest expenses			253
Expected credit losses			134
Other expenses			516
Total expenses			2,643
Profit before income tax			950
Income tax			(189)
Profit for the year			761

	(Unit: Million Baht)		
	Securities business segment	Investment banking segment	Total segments
For the year ended 31 December 2020			
Income			
Revenue from external customers			
Brokerage fees income	1,977	-	1,977
Fees and service income	15	124	139
Interest income	548	-	548
Gains and returns on financial instruments	102	-	102
Other income	52	-	52
Total income	2,694	124	2,818
Expenses			
Employee benefit expenses			1,334
Fees and service expenses			211
Interest expenses			239
Reversal of expected credit losses			(1)
Other expenses			435
Total expenses			2,218
Profit before income tax			600
Income tax			(116)
Profit for the year			484

The following table presents segment assets of the Company's operating segments as at 31 December 2021 and 2020.

	(Unit: Million Baht)				
	Securities business segment	Investment banking segment	Total Segments	Unallocated assets	Total
Segment assets					
As at 31 December 2021	20,404	5	20,409	6,945	27,354
As at 31 December 2020	13,653	2	13,655	5,431	19,086

Geographic information

The Company operates only in Thailand. As a result, all the revenues and assets as reflected in these financial statements pertain exclusive to this geographical reportable segment.

Major customers

For the years ended 31 December 2021 and 2020, the Company has no major customer with revenue of 10 percent or more of an entity's revenues.

40. Risk management

Financial risk management objectives and policies

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

40.1 Credit risk

The Company is exposed to credit risk primarily with respect to securities and derivatives business receivables, loans to employees, deposits with banks and financial institutions and other financial instruments. The maximum exposure to credit risk is limited to the carrying amounts as stated in the statement of financial position.

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

Securities and derivatives business receivables

The Company manages the risk by establishing trading limit and credit limit for client, performing regular credit review, requiring collateral placement and setting credit limit authorities at both committee level and individual level, dependent on to credit risk level. The Company also assigns credit committee to control and monitor the credit risk on a regular basis. In addition, the Company has a large number of customer base. Therefore, the Company does not expect to incur material credit losses.

Loans to employees

The credit risk on loans is limited because this account represents loans to employees under welfare program, with full collateral. In case of default, the Company has a right to proceed legal actions to foreclose the collateral to repay the loans.

Deposits with banks and financial institutions and other financial instruments.

The credit risk on deposits with banks and financial institutions and investment in debt instruments is limited because the Company deposits with only banks and financial institutions having high credit-ratings assigned by credit-rating agencies. For investment in debt instruments, the Company invests in government bonds which have low credit risk.

40.2 Market risk

The Company has market risk relating to interest rate risk, currency risk and equity price risk. The Company manage its risk exposure as follows.

40.2.1 Interest rate risk

The Company's exposure to interest rate risk relates primarily to its cash and cash equivalents, securities and derivatives business receivables, investments in debt instrument, loans to employees, borrowings from financial institutions, and debt issued and other borrowings. Most of the Company's financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate because of its short-term in nature. Therefore, net interest rate risk of the Company is limited.

As at 31 December 2021 and 2020, significant financial assets and liabilities classified by type of interest rate are summarised in the table below, with those financial assets and liabilities that carry fixed interest rates further classified based on the maturity date, or the repricing date if this occurs before the maturity date.

(Unit: Million Baht)

Outstanding balance of financial instruments as at 31 December 2021

	Floating interest rate	Fixed interest rates		Without interest	Non- performing debts	Total	Interest rate (% p.a.)	
		Remaining year to the contractual repricing date or maturity date					Floating interest rate	Fixed interest rate
		Within 1 year	1 - 5 years					
Financial assets								
Cash and cash equivalents	713	-	-	88	-	801	0.05 - 0.40	-
Receivables from Clearing House and brokers	-	-	-	550	-	550	-	-
Securities and derivatives								
business receivables	17,418	-	-	4,172	397	21,987	4.10 - 4.95	-
Derivative assets	-	-	-	72	-	72	-	-
Investments in debt instruments	-	4	-	-	-	4	-	0.15 - 0.50
Loans to employees	198	-	-	-	-	198	0.43 - 1.68	-
Financial liabilities								
Payables to Clearing House and brokers	-	-	-	1,450	-	1,450	-	-
Securities and derivatives								
business payables	-	-	-	2,512	-	2,512	-	-
Derivative liabilities	-	-	-	25	-	25	-	-
Debt issued and other borrowings	4,037	13,483	-	-	-	17,520	1.90 - 2.00	0.95 - 1.05

(Unit: Million Baht)

Outstanding balance of financial instruments as at 31 December 2020

	Floating interest rate	Fixed interest rates		Without interest	Non- performing debts	Total	Interest rate (% p.a.)	
		Remaining year to the contractual repricing date or maturity date					Floating interest rate	Fixed interest rate
		Within 1 year	1 - 5 years					
Financial assets								
Cash and cash equivalents	98	-	-	33	-	131	0.05 - 0.61	-
Receivables from Clearing House and brokers	-	-	-	1,776	-	1,776	-	-
Securities and derivatives business receivables	11,028	-	-	2,261	264	13,553	4.10 - 4.95	-
Investments in debt instruments	-	4	-	-	-	4	-	0.15 - 0.50
Loans to employees	217	-	-	-	-	217	0.48 - 2.00	-
Financial liabilities								
Borrowings from financial institutions	-	5,050	-	-	-	5,050	-	0.85 - 1.95
Payables to Clearing House and brokers	-	-	-	14	-	14	-	-
Securities and derivatives business payables	-	-	-	2,794	-	2,794	-	-
Derivative liabilities	-	-	-	14	-	14	-	-
Debt issued and other borrowings	-	5,606	-	-	-	5,606	-	1.00 - 2.25

40.2.2 Foreign exchange risk

In addition to the brokerage services Stock Exchange in Thailand, the Company also has brokerage service for Stock Exchange in overseas. However, foreign exchange risk of the Company is limited because majority of financial assets and financial liabilities denominated in foreign currency belong to clients. In addition, the Company places foreign currency deposit with foreign brokers to manage risk of foreign exchange fluctuation.

The significant balances of financial assets and liabilities denominated in foreign currencies as at 31 December 2021 and 2020 are summarised below.

Foreign currency	Financial assets		Financial liabilities		Exchange rate		Exchange rate	
	as at		as at		as at 31 December 2021		as at 31 December 2020	
	31 December	31 December	31 December	31 December				
	2021	2020	2021	2020	Buying	Selling	Buying	Selling
	(Million Baht)	(Million Baht)	(Million Baht)	(Million Baht)	(Baht per 1 foreign currency unit)		(Baht per 1 foreign currency unit)	
US dollar	279	289	4,319	279	33.2469	33.5929	29.8674	31.0658

As of 31 December 2021, a portion of the above mentioned financial liabilities denominated in foreign currencies was Baht 4,037 million foreign currency loan (USD 121 million), with the maturity date in 2022. The Company purchased forward contract in the same amount to manage risk of foreign exchange fluctuation, whereby the agreed foreign exchange rates are 31.293 - 33.753 Baht per US dollar, with the maturity date in 2022 as well.

40.2.3 Equity price risk

The Company has equity price risk of investment in securities measured at fair value and derivatives with equity stock underlying which may substantially impact the value of its investments and derivatives. However, net equity price risk is limited because those trading-equity investments measured at fair value are listed equities held to hedge equity-price risk exposure of the same stocks underlying of derivatives. Both investments and derivatives are measured at fair value through profit or loss.

The Company manages the market risk by compiling software to monitor market price fluctuation of securities and derivatives in order to determine risk management strategy. The Company also manages risk by buying and selling underlying assets. In addition, the Company sets limit to manage such risk, assigns risk department to monitor market risk, and regularly report to the Company's management.

40.3 Liquidity risk

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

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

As at 31 December 2021 and 2020, remaining years to maturity of financial instrument, counted from the end of the reporting period, are follows:

(Unit: Million Baht)

	31 December 2021						
	At call	Within 1 year	1 - 5 years	Over 5 years	No maturity	Non- performin g debts	Total
Financial assets							
Cash and cash equivalents	801	-	-	-	-	-	801
Receivables from Clearing House and brokers	-	550	-	-	-	-	550
Securities and derivatives business receivables	32	4,140	-	-	17,418	397	21,987
Derivatives assets	-	72	-	-	-	-	72
Investments in debt instruments	-	-	-	-	4	-	4
Loans to employees	-	32	90	76	-	-	198
Financial liabilities							
Borrowings from financial institutions	-	1,450	-	-	-	-	1,450
Payables to Clearing House and brokers	59	2,453	-	-	-	-	2,512
Securities and derivatives business payables	-	25	-	-	-	-	25
Debt issued and other borrowings	-	17,520	-	-	-	-	17,520
Lease liabilities	-	84	176	-	-	-	260

(Unit: Million Baht)

	31 December 2020						
	At call	Within 1 year	1 - 5 years	Over 5 years	No maturity	Non- performin g debts	Total
Financial assets							
Cash and cash equivalents	131	-	-	-	-	-	131
Receivables from Clearing House and brokers	-	1,776	-	-	-	-	1,776
Securities and derivatives business receivables	94	2,167	-	-	11,028	264	13,553
Investments in debt instruments	-	-	-	-	4	-	4
Loans to employees	-	31	98	88	-	-	217
Financial liabilities							
Borrowings from financial institutions	5,050	-	-	-	-	-	5,050
Payables to Clearing House and brokers	-	14	-	-	-	-	14
Securities and derivatives business payables	166	2,628	-	-	-	-	2,794
Derivatives liabilities	-	14	-	-	-	-	14
Debt issued and other borrowings	-	5,606	-	-	-	-	5,606
Lease liabilities	-	86	251	-	-	-	337

41. Fair value measurement of financial instruments

The Company applies the market approach in measuring the fair value of assets and liabilities that are required to be measured at fair value by relevant financial reporting standards. Except in the case where there is no active market or a quoted price in active market is not available, the Company is to measure the fair value using assumptions e.g. net book value, the cost method or income approach to measure the assets and liabilities.

41.1 Fair value of financial instruments

As of 31 December 2021 and 2020, the Company had the following financial assets and financial liabilities that were measured at fair value using different levels of inputs as follows:

(Unit: Million Baht)					
31 December 2021					
	Book	Fair Value			
	value	Level 1	Level 2	Level 3	Total
Financial assets					
Financial assets measured at fair value					
Securities and derivatives business receivables					
Receivables under securities borrowing and lending business	32	32	-	-	32
Derivatives assets	72	-	72	-	72
Investments					
Marketable equity instruments in domestic market	3,257	3,257	-	-	3,257
Non-marketable equity instruments in domestic market	12	-	-	12	12
Financial liabilities					
Financial liabilities measured at fair value					
Securities and derivatives business payables					
Payables under securities borrowing and lending business	59	59	-	-	59
Derivatives liabilities ⁽¹⁾	25	25	-	-	25

⁽¹⁾ Fair value of derivatives liabilities - futures (net) as at 31 December 2021 amounting to Baht 98 million, included in "Receivables from Clearing House and brokers", were measured at fair value by using Level 1 of input.

(Unit: Million Baht)

31 December 2020					
	Book value	Fair Value			Total
		Level 1	Level 2	Level 3	
Financial assets					
Financial assets measured at fair value					
Securities and derivatives business receivables					
Receivables under securities borrowing and lending business	93	93	-	-	93
Investments					
Marketable equity instruments in domestic market	2,735	2,735	-	-	2,735
Non-marketable equity instruments in domestic market	12	-	-	12	12
Financial liabilities					
Financial liabilities measured at fair value					
Securities and derivatives business payables					
Payables under securities borrowing and lending business	157	157	-	-	157
Derivatives liabilities ⁽¹⁾					
Derivatives warrants	14	14	-	-	14

⁽¹⁾ Fair value of derivatives liabilities - futures (net) as at 31 December 2020 amounting to Baht 127 million, included in “Receivables from Clearing House and brokers”, were measured at fair value by using Level 1 of input.

Major of the Company’s financial assets and financial liabilities is classified as short term or bear floating interest rates or fixed interest rates which are close to the market rate. Therefore, the Company estimated the fair value approximate to their carrying amounts in the statement of financial position.

The Company estimated the fair value of financial instruments as follow:

a) For financial assets and liabilities which have short-term maturity, including cash and cash equivalents, receivables from/payables to Clearing House and brokers, securities and derivatives business receivables/payables, derivatives assets, investments measured at amortised cost, debt issued and short-term loans, their carrying amounts in the statement of financial position approximate their fair value.

b) Fair value of receivable and payables under securities borrowing and lending business is calculated using the latest offer price quoted on the Stock Exchange of Thailand of the last working day.

c) Fair value of marketable-equity instruments in the domestic market is determined using the latest bid price of the last working day. Fair value of non-marketable equity instruments in the domestic market is determined using current book value of investee.

d) Fair value of derivative warrants is calculated using to the last offer price quoted on the Stock Exchange of Thailand on the last working day.

e) Fair value of marketable futures is calculated using the settlement prices quoted on Thailand Futures Exchange Public Company Limited on the last working day.

f) The fair value of forward contract has been determined using a valuation model technique. Most of the inputs used for the valuation are observable in the relevant market, such as spot rates of foreign currencies, forward exchange rates. The Company considers to counterparty credit risk when determining the fair value of forward contract.

g) Fair value of loans to employees is estimated by discounting expected future cash flow by the current market interest rate of the loans with similar terms and conditions.

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

During the current year, there is no transfers within the fair value hierarchy.

42. Capital management

The primary objectives of the Company's capital management are to maintain the Company's ability to continue as a going concern and to maintain net capital in accordance with the rules laid down by the Office of the Securities and Exchange Commission. The Company specifies the scope of transactions. Thus, the risk management is assigned to be responsible for closely monitoring NCR figures. During the year, the Company can maintain net capital ratio in accordance with the rules.

43. Approval of financial statements

These financial statements were authorised for issue by the Company's Board of Directors on 9 February 2022.

Personal Data of the Company's Directors, Executives and Corporate Secretary
Board of Directors

Name and Position at the Company	Age	Education	% of Share Holding as of Dec 31, 2021* (Change in No. of Shares Held during the Year)**	Family Relationship among management	Work Experiences (last 5 years)	
					Period	Position and Company
1. Dr. Areepong Bhoocha-oom Independent Director (Approved by Stock Exchange Commission and held the position on October 22, 2018)	64	Ph.D. in Finance University of Mississippi, USA Master of Finance Marshall University, USA Bachelor of International Management Boston University, USA The Thai Institute of Directors Association : DCP3/2000	None of Direct or Indirect shareholding	None	Aug 19 - Present Dec 15 - Present Oct 18 - Aug 19 Sep 19 - Dec 21 Oct 15- Sep 17 Jun 14 - May 15 Jul 15 - Aug 15 May 15 - Jul 15 Oct 13 - Jun 14 Oct 10 - Jun 13	Chairman, Independent Director, and Member of the Audit Committee, Maybank Securities (Thailand) Plc. Director, Section 5 (Industrial Law and Energy), Office of the Council of State Vice Chairman, Independent Director and Member of the Audit Committee, Maybank Securities (Thailand) Plc. Chairman, Digital Government Development Agency (Public Organization) Permanent Secretary, Ministry of Energy Permanent Secretary, Ministry of Energy Permanent Secretary, Ministry of Tourism and Sport Secretary-General, Office of Public Sector Public Development Commission Secretary-General, Office of Public Sector Public Development Commission Permanent Secretary, Ministry of Finance

Name and Position at the Company	Age	Education	% of Share Holding as of Dec 31, 2021* (Change in No. of Shares Held during the Year)**	Family Relationship among management	Work Experiences (last 5 years)	
					Period	Position and Company
2. Ms. Sopawadee Lertmanaschai Independent Director (Approved by Stock Exchange Commission and held the position on October 5, 2015)	68	Master of Science (Accounting), Thammasat University Bachelor of Law, Thammasat University Bachelor of Science (Accounting), Thammasat University The Wharton Advanced Management Program, University of Pennsylvania, USA The Thai Institute of Directors Association : DCP2/2000 , ACP27/2009, SFE6/2010	None of Direct or Indirect shareholding	None	Oct 15 - Present	Independent Director and the Chairman of Audit Committee, Maybank Securities (Thailand) Plc.
					Apr 18- Present	Independent Director and Chairman of the Audit Committee, Central Plaza Hotel Plc
					Mar 22 - Present	Independent Director, JSP Public Company Limited
					May 18 - Present	Chairman and Independent Director, KTBST REIT Management Co., Ltd.
					Apr 14 - Present	Advisor to Chairman of the Board and Member of the Investment Committee, Dhipaya Insurance Plc
					Dec 17 - Dec 21	Director, General Hospital Product Public Co., Ltd.
					Jul 19 - Feb 21	Director and Independent Director, DoHome Plc.
					Mar 14 - Sep 21	Independent Director and Audit Committee, Intouch Holdings Plc
					Aug 14 - Nov 18	Director, The Government Pharmaceutical Organization
					Jun 15- Nov 18	Qualified Director National Savings Fund
					Apr 15- Mar 18	Director Metropolitan Electricity Authority
					Aug 13- Sep 16	Commissioner, The Securities and Exchange Commission

Name and Position at the Company	Age	Education	% of Share Holding as of Dec 31, 2021* (Change in No. of Shares Held during the Year)**	Family Relationship among management	Work Experiences (last 5 years)	
					Period	Position and Company
3. Mr. Hans Johan Patrik Sandin Independent Director (Approved by Stock Exchange Commission and held the position on May 14, 2018)	55	Master of Philosophy (Economic) University of Cambridge Bachelor of Commerce (Economics) University of Cape Town Bachelor of Business Science (Finance) University of Cape Town	None of Direct or Indirect shareholding	None	May 18 - Present Dec 19 - Present Aug 19 - Present May 15 - Present Nov 13 - Apr 14 Apr 00 - Oct 13	A member of the Audit Committee, Independent Director, Maybank Securities (Thailand) Plc. Independent Director and Chairman of Kim Eng Securities (Hong Kong) Ltd. Independent Director, Maybank IBG Holding Ltd., Singapore Independent Director, Maybank Investment Bank Berhad Head, Strategic Hedging Advisory, Investment Banking Asia Pacific Head of Fixed Income Distribution & Origination, Asia Pacific (ex-Japan), BNP Paribas,
4. Mr. Ricardo Nicanor Jacinto (Approved by Stock Exchange Commission and held the position on August 31, 2021)	61	Master of Business Administration Harvard University Bachelor of Business Administration University of Philippines	None of Direct or Indirect shareholding	None	Aug 21 - Present Jan 13 - Present	A member of the Audit Committee, Independent Director, Maybank Securities (Thailand) Plc. Chief Executive Officer The Institute of Corporate Directors (ICD)
5. Mr. Arapat Sangkharat Authorized Director (Approved by Stock Exchange Commission and held the position on August 31, 2021)	50	Master of Business Administration, University of Southern California The Thai Institute of Directors Association: DAP #187/2021	None of Direct or Indirect shareholding	None	Aug 21 - Present Aug 20 - Aug 21 Sep 17 - Aug 20 Dec 16 - Jul 18	Executive Director Maybank Securities (Thailand) Plc. Deputy Chief Executive Officer Maybank Securities (Thailand) Plc. Krungthai PLC. Executive Vice President Siam Commercial Bank PLC. Executive Vice President

Name and Position at the Company	Age	Education	% of Share Holding as of Dec 31, 2021* (Change in No. of Shares Held during the Year)**	Family Relationship among management	Work Experiences (last 5 years)	
					Period	Position and Company
6. Mrs. Hamidah Binti Moris Authorized Director (Approved by Stock Exchange Commission and held the position on December 1, 2018)	60	Master of Political Science University of Essex, UK Bachelor of Mathematics & Politics University of Essex, UK The Thai Institute of Directors Association: DAP #166/2019	None of Direct or Indirect shareholding	None	Dec 18 - Present	Executive Director Maybank Securities (Thailand) Plc.
					Oct 18 - Present	Chief Executive Officer Maybank Investment Banking Group
					May 16 - Sep 18	Chief Operating Officer Maybank Investment Bank Berhad Maybank Investment Banking Group
7. Mr. Montree Sornpaisarn Chief Executive Officer and Authorized Director (Retired effective 1 July 2021)	56	Chartered Financial Analyst (CFA) MBA (Finance), Thammasat University Bachelor Degree in Engineering, Chulalongkorn University The Thai Institute of Directors Association: DAP #21/2004 The Thai Institute of Directors Association: CGI #6/2015	None of Direct or Indirect shareholding	None	Oct 01 - June 21	Executive Director and Chief Executive Officer Maybank Securities (Thailand) Plc.
					Apr 07 - Apr 11	Director and Member of Audit Committee, WAVE Entertainment Plc.
					May 05 - Jan 10	Director, Thailand Listed Companies Association
					Feb 00 - Sep 01	Executive Director, Association of Securities Companies Managing Director (Investment Banking), Vickers Ballas (Thailand) Ltd.
8. Mr. Koh Swee Ong Chief Operating Officer and Authorized Director (Resigned from Company's Director effective 1 September 2021)	52	Master of Business Administration Charles Sturt University The Thai Institute of Directors Association: DAP #166/2019	None of Direct or Indirect shareholding	None	Oct 19- Aug 21	Director and Chief Operating Officer, Maybank Securities (Thailand) Plc
					Mar 17- Present	Chief Operating Officer Maybank Securities (Thailand) Plc.
					Apr 18 -Oct 18	Director Maybank Securities (Thailand) Plc.
					Apr 13 - Mar 17	Regional Head, Operations Maybank Investment Bank Berhad

Name and Position at the Company	Age	Education	% of Share Holding as of Dec 31, 2021* (Change in No. of Shares Held during the Year)**	Family Relationship among management	Work Experiences (last 5 years)	
					Period	Position and Company
9. Mr. Tii Charusorn Managing Director, Investment Banking and Capital Market	44	Master Degree, Business Administration Babson College	None of Direct or Indirect shareholding	None	Oct 21 - Present Jan 19 - Oct 21 Jan 12- Dec 19	Managing Director and Head of Investment Banking and Capital Market Maybank Securities (Thailand) PLC. Managing Director, Investment Banking Polygon Prime Vice President, Investment Banking Nomura Pattanasin Securities
10. Mr. Vichet Pornsinsiruk Chief Information Officer	58	Master Degree, Business Administration, Thammasat University	None of Direct or Indirect shareholding	None	Jul 12 - Present	Chief Information Officer Maybank Securities (Thailand) PLC.
11. Mr. Sittiporn Sorngarn Managing Director, Retail Brokerage	58	Bachelor Degree, Business Administration, Ramkhamhaeng University	None of Direct or Indirect shareholding	None	Oct 16 - Present 2013-2019 2013	Managing Director, Retail Brokerage Maybank Securities (Thailand) PLC. Acting Managing Director Infinity Wealth Future Securities Deputy Managing Director, Sales and Marketing Classic Gold Future Company Limited
12. Mr. Sombat Jiwariyavej Managing Director, Debt Capital Market	50	Master Degree, Finance and Investment Zicklin School of Business, Baruch College, The City University of New York Bachelor Degree, Science and Computer, Thammasat University	None of Direct or Indirect shareholding	None	Mar 19 - Present Apr 17 - Nov 18 Feb 13 - Mar 15	Managing Director, Head of Debt Capital Market Maybank Securities (Thailand) PLC. Head of Equities Standard Chartered (Thailand) Senior Vice President, Head of Debt Capital Market Nomura Pattanasin Securities

Name and Position at the Company	Age	Education	% of Share Holding as of Dec 31, 2021* (Change in No. of Shares Held during the Year)**	Family Relationship among management	Work Experiences (last 5 years)	
					Period	Position and Company
13. Mr. Prasert Tantayawit Managing Director, IB&A	50	Master Degree, Business Administration University of Texas at Arlington Bachelor Degree, Engineering, Chulalongkorn University	None of Direct or Indirect shareholding	None	Jul 05 - Present	Managing Director, Investment Banking and Acquisition Maybank Securities (Thailand) PLC
					May 13 - Jun 16	FSVP Investment Banking Siam Commercial Bank PLC.
					Sep 01 - Apr 13	Senior Vice President and Head of Investment Banking, TISCO Securities PLC.
					1997 - 2001	Assistant Manager, JP Morgan Securities
14. Mr. Panu Nivatvongs Managing Director, Institutional Brokerage	53	Master Degree, Business Administration University of San Francisco	None of Direct or Indirect shareholding	None	2021 - Present	Managing Director, Maybank Securities (Thailand) PLC.
					2020 - 2021	Senior Executive Vice President, Maybank Securities (Thailand) PLC.
					2017 - 2021	Executive Vice President, Maybank Securities (Thailand) PLC.
15. Ms. Netita Krabuanrat Managing Director, Institutional Brokerage	43	Master Degrees (MBA-International Business and MSC-International Finance)	None of Direct or Indirect shareholding	None	Apr 16 - Present	Managing Director, Maybank Securities (Thailand) PLC.
16. Ms. Areeva Kanchanabat Executive Vice President, Finance	40	Master Degree, Finance Thammasat University (International Program) Bachelor Degree, Accounting Thammasat University	None of Direct or Indirect shareholding	None	Apr 18 - Present	Executive Vice President, Finance Maybank Securities (Thailand) PLC.
					May 13 - Mar 18	Officer In Charge, Head of Finance Maybank Securities (Thailand) PLC.

Name and Position at the Company	Age	Education	% of Share Holding as of Dec 31, 2021* (Change in No. of Shares Held during the Year)**	Family Relationship among management	Work Experiences (last 5 years)	
					Period	Position and Company
17. Mr. Sarawoot Kitinaporn Vice President, Accounting	39	Bachelor Degree, Accounting Mahidol University	None of Direct or Indirect shareholding	None	Apr 18 - Present	Vice President, Maybank Securities (Thailand) PLC.
					Apr 17 - Mar 18	Assistant Vice President, Maybank Securities (Thailand) PLC.
18. Ms. Panut Javalkul Assistant Vice President, Corporate Secretarial Services	43	Master Degree, Linguistics Michigan State University -Attended CSP 97/2019 Institute of Thai Directors	None of Direct or Indirect shareholding	None	Sept 20 - Present	Corporate Secretary Maybank Securities (Thailand) PLC.
					Jan 19 - Jan 20	Corporate Secretary Srinanaporn Marketing PLC.

* Determined based on the no. of shares outstanding after taking into account the no. of repurchase shares.

** Change in no. of shares outstanding during the year does not include new shares from exercising share warrants.

Details of Head of Internal Audit and Head of Compliance

- Head of Internal Audit

Name-Surname Position	Age (year)	Educational Background	Work Experience (In 5 years)	
			Period	Position and Company
1. Mrs. Variya Worawattanamateekul	39	Master degree in MBA program, Major Finance National Institute of Development Administration (NIDA) Bachelor degree in Accounting Thammasat University <u>Related Training Courses</u> <ul style="list-style-type: none">• Audit Methodologies: conducted by Maybank• Effective Internal Auditing: conducted by Maybank• COSO-Internal Control Integrated Framework: conducted by FAP• Internal Control-Thailand 4.0: conducted by FAP• Leadership Skills & Be A Coach programme for Group Audit	April 2017 - Present	Vice President, Head of Internal Audit Department Maybank Securities (Thailand) Pcl.
			May 2013 - March 2017	Vice President, Internal Audit Department Maybank Securities (Thailand) Pcl.
			April 2004 - April 2013	Manager, Assurance EY Office Limited

• Head of Compliance

Name-Surname Position	Age (year)	Educational Background	Work Experience (In 5 years)	
			Period	Position and Company
2. Mrs. Vipawadee Lerssrisuriya	52	Master Degree Fairleigh Dickinson University, New Jersey USA (MBA, Finance) Bachelor Degree Rutgers University, New Jersey USA (Bachelor of Science in Accounting) Related Trainings <ul style="list-style-type: none">• Executive Leadership Program, ILR School, Cornell University (2019)• Digital Transformation and Change Management in Banking Industry (2018)• Personal Data Protection Act (PDPA)• Knowledge Training for Head of Compliance by SEC• Compliance Officer Training for Banking Sector by Faculty of Law, Chulalongkorn University	15 Nov 2021 - Present	SEVP, Compliance Department Maybank Securities (Thailand) Public Company Limited
			15 Aug 2017 - Dec 2020	EVP, Sector Head, Head, Compliance and Procedural Sector Compliance and Legal Management Group Krung Thai Bank Public Company Limited
			2015- Aug 2017	SVP, Compliance Department Sumitomo Mitsui Banking Corporation
			2013- 2015	SVP, Retail Banking Compliance Department Standard Chartered (Thai)
			2008-2013	VP, Retail Banking Compliance Department Standard Chartered (Thai)

Audit Committee's Report

The Audit Committee of Maybank Securities (Thailand) Public Company Limited currently comprises of 4 independent directors, all of whom have possessed qualifications in line with the requirements of the Securities and Exchange Commission of Thailand (SEC) and the Stock Exchange of Thailand (SET). The members are as follows:

	Name	Title
1.	Ms. Sopawadee Lertmanaschai	Chairman of the Audit Committee and Independent Director
2.	Mr. Hans Johan Patrik Sandin	Member of the Audit Committee and Independent Director
3.	Dr. Areepong Bhoocha-Oom	Member of the Audit Committee and Independent Director
4.	Mr. Ricardo Nicanor Jacinto ⁽¹⁾	Member of the Audit Committee and Independent Director

⁽¹⁾ Appointed wef. 24 August 2021

For the Year 2021, the Audit Committee held 12 meetings (See details of meetings in “Report of Corporate Governance Practice”) to review the Company’s operating performance and other activities as designated by the Board of Directors. All of members attended the meeting completely as designated period.

In particular meetings of the Audit Committee, the Management and/or external auditors were invited to attend such meetings. In addition, the results from the meetings were reported to the Board of Directors. Major activities of the Audit Committee in the year 2021 were as follows:

1. The Audit Committee reviewed 2020 financial statements and Q1/2021, Q2/2021 and Q3/2021 financial statements. The Audit Committee and the Company’s external auditor (EY Office Limited) held meetings to review the audit results. The audit result indicates that the Company’s financial statements were prepared in accordance with Thai Financial Reporting Standards. The Company’s financial statements have also provided adequate disclosures i.e. changing in significant accounting policies and sustainability of the Company. The external auditor has been providing suggestions regarding problems or limitations that may arise from reviewing the financial statements which the Company has been taken into consideration. In addition, the Committee held a meeting with the external auditors without the presence of the Management so as to freely discuss important matters in the preparation of the financial statements and the disclosure of information in accordance with financial reporting standards and to be beneficial to users of these financial statements. Furthermore, based on the suggestions provided by the external auditor, the Company has enhanced its internal control plan relating to operational processes, information processing systems, and information security. This is to mitigate the likelihood of fraudulent activities that may be occurred by unauthorized or inappropriate use of the Company’s information processing systems by both internal and external parties.
2. The Audit Committee reviewed and approved the internal audit plan for the Year 2021. The Audit Committee also gave suggestions and comments on the audit performance. Practically, the Audit Committee would inquire about the planned audit scope to ensure that the established audit plan will assist in detecting fraudulent activities and deficient internal controls. In addition, the Audit Committee has also supported guidelines for good corporate governance practices. In case that there are additional topics that should be further reviewed, the Audit Committee would assign the Internal Audit department to perform an additional review and report the review result to the Audit Committee accordingly.

3. The Audit Committee evaluated an adequacy of the Company's internal control system for the Year 2021 by closely monitored audit performance, audit results and risk management results. The overall result was satisfactory. All departments gave full cooperation to the auditor. The Board of Directors and the Top Management recognized the importance of adequate internal controls and fully supported the audit activities. They urged all of the Company's departments and personnel to rectify deficiencies and enhance controls as per recommended and reported by the internal audit. As a result, the Company's operational effectiveness has been improved.
4. The Audit Committee reviewed the Company's compliance with the requirements of the SEC and the SET. The Audit Committee also reviewed the Company's compliance with related business law, as well as the Company's operating policies, ethics, morality, and other matters that have been assigned by the Board of Directors. From the review, the Audit Committee noted that the Company has appropriately complied with the governance bodies' requirements and guidelines. However, for material deficiencies in relation to compliance with applicable regulations, the Audit Committee has reiterated related departments to improve processes and resolved the deficiencies to be in line with the regulations.
5. The Audit Committee selected and appointed an independent external auditor that has no business relationship or interests with the Company, its management, its major shareholder or any of their related persons. The Audit Committee proposed the external auditor for consideration by the Board of Directors prior to being nominated by the meeting of shareholders for the Year 2021. The Audit Committee has always asked for an independent opinion from the external auditor.
6. The Audit Committee reviewed and provided opinion on related party transactions and transactions with potential conflict of interest in accordance with the requirement of the SEC and the SET. It is of the opinion of the Audit Committee that those transactions are rationale, fairly valued and conducted on an arm's length basis, as well as sufficient disclosure was provided in the Company's notes to financial statements.
7. The Audit Committee managed information disclosure about the Company, the Management and major events via the Company's website (www.maybank-ke.co.th) for investors and interested general public to acknowledge and/or be able to verify. The Audit Committee also supports good corporate governance principles, Anti-Bribery and Corruption (ABC) Policy and Procedures, and Whistle Blowing policy and procedures which are major policies of the Company.
8. The Audit Committee inspected potential fraudulent activities or actions in accordance with Section 89/25 of the Securities and Exchange Act (No.5), B.E.2559 that requires the financial auditor report directly to the Audit Committee in case any potential fraudulent activities or actions exist. The Audit Committee is required to provide initial investigation result to the SEC and the financial auditor within 30 days from the date the financial auditor reports potential fraudulent activities or actions to the Audit Committee. For the Year 2021, the financial auditor found no potential fraudulent activities or actions.

It is of the opinion of the Audit Committee that the Company complied with the accounting standards and Thai Financial Reporting Standards as prescribed by the Federation of Accounting Professions and regulations of the SET and the SEC. The Audit Committee has closely monitored the Company's operation to ensure transparency, which is consistent with good corporate governance practices. The Audit Committee ensured that the Company has built and maintained internal control systems appropriate to business circumstance, and this is consistent with the external auditor's opinion. If there are any transactions or matters that should be informed shareholders and interested persons, the Audit Committee would report such information based on the authority delegated by the Board of Directors. The Company provided sufficient information to all shareholders and interested persons and emphasized on enhancing the Company's internal control system and audit activities. This includes a consistent practice in controls implementation to ensure appropriate benefits to Maybank Securities (Thailand) Plc. shareholders and stakeholders, under good corporate governance principles.

A handwritten signature in black ink, appearing to read 'Sopawadee L.', with a stylized flourish at the end.

(Ms.Sopawadee Lertmanaschai)
Chairman of the Audit Committee



Maybank

Securities

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