

(Translated)

Ref FSS 192/2017

November 13, 2017

Subject : The Explanation of operating results of the nine-month period ending September 30, 2017

To The President  
The Stock Exchange of Thailand

Dear Sir,

With reference to the Minutes 11/2017 of the Company Directors' meeting dated November 13, 2017, the Board resolved to approve the reviewed financial statements of Finansia Syrus Securities Public Company Limited (the "Company") and its subsidiary for the nine months period ended September 30, 2017. The Consolidated net profit of the Company was Baht 107.48 million whereas the net profit Company Only was Baht 19.74 million. Compared with the same period last year, the net profit decreased by Baht 51.13 million or 32.24 % and decreased by Baht 175.37 million or 89.88 % ,respectively.

As the net profit of the Company and its subsidiary in the nine months period of 2017 ended September 30, 2017 changed by more than 20% as compared with those of the same period of 2016.

**Income:**

	(Unit: Million Baht)			
	<u>Consolidated</u>		<u>Separate</u>	
	<u>Y2017</u>	<u>+ Increased /-Decreased</u>	<u>Y2017</u>	<u>+ Increased /-Decreased</u>
Brokerage fees income	866.54	(183.65)	866.54	(183.65)
Fees and service income	65.60	(44.66)	65.60	(44.66)
Interest on margin loans	60.89	4.11	60.89	4.11
Gain and return on financial instruments	172.82	7.55	172.82	7.55
Shares of loss from investments in an associate and a joint venture	(19.59)	15.23	0.00	0.00
Gain from change in a joint venture proportion	9.87	9.87	0.00	0.00
Other income	12.47	(1.28)	15.17	(1.25)
<b>Total income</b>	<b>1,168.60</b>	<b>(192.83)</b>	<b>1,181.02</b>	<b>(217.90)</b>

The Company wish to explain the main reasons change of income as follows.

1. The Consolidated and the Company only accounts for the nine months period Y2017 recorded Baht 866.54 million as brokerage revenues from securities trading commission, which decreased by Baht 183.65 million or 17.49 % compare with the same period of 2016. The main reason was due to the decrease in Company's average daily turnover value from Baht 5,184 million to Baht 4,372 million,

2. The Consolidated and the Company only accounts recorded Baht 65.60 million as fees and service income, which decreased by Baht 44.66 million or 40.51% compare with the same period of 2016. The main reason was due to reduced income from underwriting fees during the period.

3. The Consolidated account recorded Baht 19.59 million as losses from investments in an associated company and a jointly-controlled entity, which decreased by Baht 15.23 million or 43.74%.

The Company wish to explain the main reasons change of Expenses as follows.

**Expenses:**

(Unit: Million Baht)

	<u>Consolidated</u>		<u>Separate</u>	
	<u>Y2017</u>	<u>+ Increased /-Decreased</u>	<u>Y2017</u>	<u>+ Increased /-Decreased</u>
Employee benefits expenses	646.41	(91.38)	623.77	(85.56)
Fees and service expenses	110.08	(9.25)	110.04	(9.25)
Finance costs	23.18	3.86	23.18	3.86
Bad debt and doubtful accounts(reversal)	5.74	5.96	5.74	5.96
Loss from impairment on investment	1.14	1.14	47.76	47.76
Loss on sale of investment in a joint venture	0.29	0.29	45.74	45.74
Other expenses	262.61	(10.28)	296.17	(6.80)
<b>Total expenses</b>	<b>1,049.45</b>	<b>(99.66)</b>	<b>1,152.40</b>	<b>1.71</b>
<b>Profit (loss) before income tax</b>	<b>119.15</b>	<b>(93.17)</b>	<b>28.62</b>	<b>(219.61)</b>
Income tax revenue (expenses)	(11.67)	42.04	(8.88)	44.24
<b>Profit (loss) for the period</b>	<b>107.48</b>	<b>(51.13)</b>	<b>19.74</b>	<b>(175.37)</b>

1. The Consolidated and the Company only accounts recorded Baht 5.74 million as Bad debt and doubtful accounts(reversal) which increased by Baht 5.96 million compare with the same period of 2016

2. The Loss from impairment on investment in the separate financial statements by cost method Baht 47.76 million, which increased 100 % compare with the same period 2016. The estimated loss that may incur on the sale of this Investment was recognized as loss on impairment of the investment in the current period's Financial statements of Baht 46.91 million in the separate financial statements. As the consolidated present the impairment on investment by equity method.

3. The Loss on sale of investment in a joint venture in the separate financial statements by cost method of Baht 45.74 million, which increased 100 % compare with the same period 2016. The main reason was due to losses from partial disposal of investments in SBI Thai Online Securities Co.,Ltd.

Yours sincerely,

( Mr. Chuangchai Nawongs)  
Chief Executive Officer and President