

(Translated)

February 20, 2018

Ref FSS 022/2018

Subject: The Financial Performance Analysis of Year 2017

To The President

The Stock Exchange of Thailand

Dear Sirs,

Finansia Syrus Securities Public Company would like to disclose the audited separated and consolidated financial statements for the year ended 2017. The consolidated statements represent the net profit of 177.26 million baht, while the separated statements show the net profit of 88.95 million baht. Comparing to year 2016, both statements show the decrease of the net profits by 54.08 million baht or 23.38% and 178.55 million baht or 66.75%, respectively.

According to the abovementioned, the decrease of the net profits by more than 20%, comparing to year 2016, can be clarified as follows;

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	1,169.08	(266.94)	1,169.08	(266.94)
Fees and service income	148.57	20.29	148.57	20.29
Interest on margin loans	80.53	3.27	80.53	3.27
Gain and return on financial instruments	250.83	21.98	250.83	21.98
Shares of loss from investments in an associate and a joint venture	(22.25)	12.18	0.00	0.00
Gain from charge in a joint venture proportion	9.87	9.87	0.00	0.00
Other income	18.54	(1.15)	22.14	(1.13)
Total income	1,655.17	(200.50)	1,671.15	(222.53)

1. The Consolidated and the separated statements recorded Brokerage fees income earned from securities trading in 2017 was 1,169.08 million baht, which decreased by 266.94 million baht or 18.59%. This is mainly because of the decrease in the company's average daily turnover from 5,274 million baht in 2016 to 4,486 million baht in 2017, and the company's market share decreased from 5.61% to 5.00%.

- The Consolidated and the separated statements recorded 148.57 million baht as Fees and Services income for year ended 2017 which increased by 20.29 million baht or 15.81% because Research fees and Consulting service fees increase up to 17.70 million baht and 10.88 million baht, respectively.
- The Consolidated and the separated statements recorded 250.83 million baht as Gain and return on financial instruments in year 2017, which increased by 21.98 million baht or 9.61%. This was the result of rising in gains on derivatives 55.21 million baht and falling in gains on investment 35.25 million baht.
- The Consolidated statements recorded 22.25 million baht as losses from investment in an associated company and a jointly-controlled entity, which decreased by 12.18 million baht or 35.38%.

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	903.14	(91.16)	873.15	(85.11)
Fees and service expenses	146.24	(13.28)	146.18	(13.28)
Finance costs	31.14	4.02	31.14	4.02
Bad debt and doubtful accounts(reversal)	5.66	5.96	5.66	5.96
Loss from impairment on investment	0.84	0.84	47.76	47.76
Loss from disposal of investment in a joint venture proportion	0.29	0.29	45.74	45.74
Other expenses	359.59	(7.77)	404.50	(3.66)
Total expenses	1,446.90	(101.10)	1,554.13	1.43
Profit (loss) before income tax	208.27	(99.40)	117.02	(223.96)
Income tax revenue (expenses)	(31.01)	45.31	(28.07)	45.41
Profit (loss) for the period	177.26	(54.09)	88.95	(178.55)

- The Consolidated and the separated statements present the amount of employee expenses of 903.14 million baht and 873.15 million baht respectively. The expenses on both statements declined by 91.16 million baht or 9.17% and 85.11 million baht or 8.88% compare with the same period in 2016.
- The Consolidated and the separated statements recorded 5.66 million baht as Bad debt and doubtful accounts (reversal) which increased by 5.96 million baht compare with the same period in 2016.

3. The Loss of impairment on investment in the separate financial statements which was estimated by cost method at 47.76 million baht, which increased by 100 % compare with the same period in 2016. Investments in joint ventures were recognized on the basis of impairment loss on investments amounting to 46.92 million baht and valuation of impairment loss on general investments amounting to 0.84 million baht. The consolidated statement presents the impairment on investment by equity method.

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

Yours sincerely,

(Mr. Chuangchai Nawongs)
Chief Executive Officer and President