

Ref: FIN. 005/2022

February 23, 2022

Subject: Report of the Company's operating result for the year ended December 31, 2021 (Audited)

To: Managing Director
The Stock Exchange of Thailand

With respect to the operating results of Kiatnakin Phatra Securities Public Company Limited ("the Company") for the year ended December 31, 2021 was compared with the operating results of the Company for the prior year. Details were as below:

1. The Company's revenues in 2021 were Baht 5,366.93 million, increased by Baht 1,413.00 million or 35.74% from Baht 3,953.93 million in 2020.
2. The Company's net earnings in 2021 were Baht 1,772.44 million, increased by Baht 555.18 million, or 45.61%, from Baht 1,217.26 million in 2020. Together with other comprehensive income which was changes in fair value of equity investments of Baht 10.34 million, gain on disposal of equity investments of Baht 0.18 million, actuarial gain on define benefits plan of baht 10.96 million and income taxes through other comprehensive income of Baht 4.29 million. Total comprehensive income in 2021 was reported at Baht 1,789.63 million.

Operating result

Revenues

(million baht)	<u>2021</u>	<u>2020</u>
Revenues from Agency Business		
Brokerage fees from securities business	1,692.91	1,421.51
Brokerage fees from derivatives business	171.91	225.82
Other brokerage fees	76.68	10.55
Fees and services income	2,113.83	1,003.32
Total revenues from Agency Business	4,055.33	2,661.20
Revenues from Investment Business		
Gain (loss) on investment	2,142.20	(2,461.37)
Gain (loss) on derivatives	(1,540.00)	2,430.29
Gain (loss) on financial liabilities designated at fair value	(140.97)	794.59
Interest and dividend income	387.47	318.25
Total revenues from Investment Business	848.70	1,081.76
Other income	462.90	210.97
Total revenues	5,366.93	3,953.93

Revenues from Agency Business

1. Brokerage fees from securities business

In 2021, average daily trading value on the SET & MAI were Baht 93,846 million, increased from Baht 68,607 million in 2020.

Our average daily trading value (excluded securities trading of proprietary account) increased by 79.28% from Baht 13,323 million in 2020 to Baht 23,885 million in 2021. Brokerage fees from securities business in 2021 were Baht 1,692.91 million. Market share of the Company (excluded securities trading of proprietary account) in 2021 was 14.04%, ranked 1st from total 38 brokers.

2. Brokerage fees from derivatives business

Brokerage fees from derivatives business were Baht 171.91 million in 2021, decreased from Baht 225.82 million in 2020. Market share of the Company, measured by number of contracts in derivatives market, in 2021 was 9.17%.

In 2021, proportion of the brokerage fees from derivatives business from foreign institutional investors, local institutional investors and high net worth individuals were 72.80%, 0.55% and 26.65% respectively.

3. Other brokerage fees

Other brokerage fees in 2021 were Baht 76.68 million, mainly from tender offer agent fees Baht 15.15 million and others Baht 61.53 million.

4. Fees and services income

Fees and services income in 2021 was Baht 2,113.83 million, increased from Baht 1,003.32 million in 2020. Total fees and services income in 2021 consist of Baht 1,160.97 million from selling agent fees, Baht 261.04 million from financial advisory fees, Baht 574.55 million from underwriting fees, Baht 27.99 million from investment advisory fees, Baht 88.88 million from stock borrowing and lending fees and Baht 0.40 million from others.

Revenues from Investment Business

Revenues comparison by department between 2021 and 2020 were as follows:

(million baht)	<u>2021</u>	<u>2020</u>
Investment & Trading Group	780.55	1,004.02
Others	68.15	77.74
Total Revenues from Investment Business	848.70	1,081.76

1. Investment & Trading Group

Details of investment return from Investment & Trading Group were as follows:

(million baht)	<u>2021</u>	<u>2020</u>
Gain (loss) on investments	2,116.96	(2,472.74)
Gain (loss) on derivatives	(1,539.99)	2,432.42
Gain (loss) on financial liabilities designated at fair value	(140.97)	794.59
Interest and Dividend Income	344.55	249.75
Total Revenues from Investment & Trading Group	780.55	1,004.02

2. Others

In addition to return from Investment & Trading Group, the Company also had return from Others, amounted Baht 68.15 million in 2021.

Expenses

(million baht)	<u>2021</u>	<u>2020</u>
Personnel expenses	2,013.34	1,375.49
Fee and service expenses	662.81	546.19
Financial costs	57.28	52.12
Other expenses	415.93	456.37
Total expenses	3,149.36	2,430.17

The Company's total expenses in 2021 were Baht 3,149.36 million, increased by Baht 719.19 million or 29.59% from Baht 2,430.17 million in 2020 due to an increase in personnel expenses.

Net Earnings

Due to the reasons discussed above, The Company's net earnings in 2021 were Baht 1,772.44 million, increased by Baht 555.18 million, or 45.61%, from Baht 1,217.26 million in 2020. Together with other comprehensive income which was changes in fair value of equity investments of Baht 10.34 million, gain on disposal of equity investments of Baht 0.18 million, actuarial gain on define benefits plan of baht 10.96 million and income taxes through other comprehensive income of Baht 4.29 million. Total comprehensive income in 2021 was reported at Baht 1,789.63 million.

Yours Faithfully,

Mr. Supachoke Supabundit
President