

(Translation)

August 23, 2022

Ref FSS 169/2022

Subject: Management's discussion and analysis
Operating Results for the six-month period ended June 30, 2022

To President
The Stock Exchange of Thailand

Dear Sirs,

Finasia Syrus Securities Public Company would like to report the audited separated and consolidated financial statements for the six-month period ended June 30, 2022. The consolidated statement represents net gain of Baht 100.24 million, which decreased by Baht 53.78 million or 34.92%. The separated statement represents net gain of Baht 112.61 million which decreased by Baht 36.65 million or 24.55%.

According to the above mentioned, the net profit has changed comparing to the same period of 2021 which is clarified as below

| Income : | (Unit: Million Baht) | | | |
|--|----------------------|---|-----------------|--|
| | <u>Consolidated</u> | | <u>Separate</u> | |
| | <u>2022</u> | <u>+ Increased</u> <u>/- Decreased</u> | <u>2022</u> | <u>+ Increased</u> <u>/-Decreased</u> |
| Brokerage fees income | 899.69 | (74.73) | 899.69 | (74.73) |
| Fees and service income | 52.89 | 7.17 | 44.39 | (1.33) |
| Interest income | 84.05 | 32.53 | 86.87 | 35.36 |
| Gain (loss) and return on financial instruments | 53.63 | (59.51) | 53.36 | (59.78) |
| Shares of gain (loss) from investments in an associate | 0.94 | 1.36 | - | - |
| Other income | 32.29 | 2.52 | 33.79 | 2.22 |
| Total income | <u>1,123.49</u> | <u>(90.66)</u> | <u>1,118.10</u> | <u>(98.26)</u> |

1. The consolidated and the separated statements recorded brokerage fees income earned from securities trading in the six-month period 2022 was Baht 899.69 million, which decreased from the same period of 2021 by Baht 74.73 million or 7.67%. This is because of the Company's average daily turnover decreased from Baht 10,056 million in 2021 to Baht 9,016 million in 2022 and the Company's market share decreased from 5.65% to 5.60%. The Company's ranking in the co-relating period.
2. The consolidated and the separated statements recorded Baht 84.05 million and Baht 86.87 million as interest income, which increased by Baht 32.53 million and Baht 35.36 million or 63.13% and 68.65% respectively compare with the same period of 2021. This includes the increase in interest income from

Credit Balance by Baht 23.14 million and the increase from cash deposit at financial institutions and Government Bond by Baht 9.41 million.

- The consolidated and the separated statements recorded Baht 53.63 million and Baht 53.36 million as gain and return on financial instruments, which decreased by Baht 59.51 million and Baht 59.78 million or 52.60% and 52.83% compare with the same period of 2021.

Expenses :

| | (Unit: Million Baht) | | | |
|-----------------------------------|----------------------|---|-----------------|--|
| | <u>Consolidated</u> | | <u>Separate</u> | |
| | <u>2022</u> | <u>+Increased</u> <u>/-Decreased</u> | <u>2022</u> | <u>+ Increased</u> <u> / -Decreased</u> |
| Employee benefits expenses | 567.58 | (61.44) | 529.40 | (79.78) |
| Fees and service expenses | 155.21 | 11.85 | 155.13 | 11.79 |
| Finance costs | 28.02 | 5.18 | 27.98 | 5.16 |
| Expected credit losses (reversal) | 0.47 | (0.36) | 0.47 | (0.36) |
| Other expenses | 247.19 | 23.20 | 263.45 | 12.74 |
| Total expenses | <u>998.47</u> | <u>(21.57)</u> | <u>976.43</u> | <u>(50.45)</u> |
| Profit before income tax | 125.02 | (69.09) | 141.67 | (47.81) |
| Income tax | (24.78) | 15.31 | (29.06) | 11.16 |
| Profit for the period | <u>100.24</u> | <u>(53.78)</u> | <u>112.61</u> | <u>(36.65)</u> |

- The consolidated and the separated statements present the amount of employee benefits expenses of Baht 567.58 million and Baht 529.40 million which decreased by Baht 61.44 million and 79.78 million or 9.77% and 13.10% respectively. This is because of the decrease in payout to sales staff.
- The consolidated and the separated statements recorded fees and services expenses of Baht 155.21 million and Baht 155.13 million which increased by Baht 11.85 million and 11.79 million or 8.27% and 8.22% respectively because of the increased in Derivative Warrant issued by the Company.
- The consolidated and the separated statements recorded finance costs of Baht 28.02 million and Baht 27.98 million which increased by Baht 5.18 million and Baht 5.16 million or 22.67% and 22.59% respectively because of the increased in issued bond to acquire ordinary shares in Finansia Securities Limited and to maintain working capital.
- The consolidated and the separated statements recorded other expenses of Baht 247.19 million and Baht 263.45 million which increased by Baht 23.20 million and Baht 12.74 million or 10.36% and 5.08% respectively. This is because of the financial advisory fee and legal fee for our restructuring plan.

Yours sincerely,

(Mr. Chuangchai Nawongs)

Chief Executive Officer