

(Translation)

February 28, 2024

Ref FSX. 001/2024

Subject: Management's discussion and analysis  
Operating Results for the year ended December 31, 2023

To: President  
The Stock Exchange of Thailand

Dear Sirs,

Finansia X Public Company would like to report the audited, consolidated and separated financial statements for the year ended December 31, 2023. The consolidated statement represents a net loss of Baht 195.49 million, which profit decreased by Baht 398.96 million, or 196.08%. The separate statement represents a net loss of Baht 21.08 million, which loss increased by Baht 17.09 million, or 427.68%.

According to the above, net operating results have changed compared to the same period in 2022, which clarified below.

Income :	(Unit: Million Baht)			
	<u>Consolidated</u>		<u>Separate</u>	
	<u>2023</u>	<u>+ Increased</u> <u>/- Decreased</u>	<u>2023</u>	<u>+ Increased</u> <u>/-Decreased</u>
Brokerage fees income	980.16	(583.54)	-	-
Fees and service income	278.98	(207.14)	-	-
Interest income	248.23	62.59	0.22	0.22
Gain (loss) and return on financial instruments	82.63	(14.36)	-	-
Shares of gain (loss) from investments in an associate	2.06	(2.04)	-	-
Other income	54.11	(9.72)	33.00	33.00
Total income	<u>1,646.17</u>	<u>(754.21)</u>	<u>33.22</u>	<u>33.22</u>

1. The consolidated statement recorded brokerage fees income earned from securities trading in 2023 was Baht 980.16 million, which decreased from the year 2022 by Baht 583.54 million, or 37.32%. This is because SET's average daily turnover decreased from Baht 70,658 million in 2022 to Baht 49,409 million, or 30.07% compared with the same period in 2022. The company has a market share of 4.59% and turnover was rank eighth in the industry.
2. Fee and service income under the consolidated statement, was Baht 278.98 million, which decreased by Baht 207.14 million, or 42.61%. This is because of underwriting income decreased of Baht 189.69 million and an advisory service fee decreased of Baht 13.65 million.

- The consolidated statement recorded Baht 248.23 million as interest income, which increased by Baht 62.59 million, or 33.72%. This includes the interest income at financial institutions and Government Bonds increased by Baht 58.44 million, compared with the same period in 2022. Moreover, interest income on margin loans increased by Baht 4.19 million, Credit Balance recorded as of 31 December 2023 was Baht 1,875.87 million, and the customer collateral was higher than 2.61 times of the loan amount.
- The consolidated statement recorded Baht 82.63 million as gain and return on financial instruments, which decreased by Baht 14.36 million, or 14.81% compared with the same period in 2022. In terms of investment loss, it decreased by Baht 1.48 million, gain on derivative decreased by Baht 27.89 million, while dividend income increased by Baht 12.05 million.

**Expenses :**

(Unit: Million Baht)

	<u>Consolidated</u>		<u>Separate</u>	
	<u>2023</u>	<u>+Increased</u> <u>/-Decreased</u>	<u>2023</u>	<u>+ Increased</u> <u>/ -Decreased</u>
Employee benefits expenses	1,001.27	(253.43)	33.34	32.80
Fees and service expenses	229.22	(43.64)	-	-
Finance costs	66.05	4.25	6.59	6.59
Expected credit losses (reversal)	0.04	2.56	-	-
Other expenses	540.22	(12.19)	14.37	10.92
<b>Total expenses</b>	<b>1,836.80</b>	<b>(302.45)</b>	<b>54.30</b>	<b>50.31</b>
Profit before income tax	(190.63)	(451.76)	(21.08)	(17.09)
Income tax	(4.86)	52.80	-	-
<b>Loss for the period</b>	<b>(195.49)</b>	<b>(398.96)</b>	<b>(21.08)</b>	<b>(17.09)</b>

- The consolidated statement present the amount of employee benefits expenses of Baht 1,001.27 million, which decreased by Baht 253.43 million, or 20.20%, compared with the same period in 2022. This was because of the decreasing in payout to sales staff which trading volume decreases, while the separate statement was Baht 33.34 million, which increased by Baht 32.80 million compared with the same period in 2022 according to the business restructuring plan of the group of companies in Q3/2023.
- The consolidated statement present fees and service expenses as Baht 229.22 million, which decreased by Baht 43.64 million or 15.99%, compared with the same period in 2022. This was because of the decreasing in trading fee, clearing fee and warrant issuance fee, which fluctuates as trading volume decreases.

3. The consolidated statement recorded other expenses of Baht 540.22 million, which decreased by Baht 12.19 million, or 2.21%, compared with the same period in 2022. While the separate statement recorded Baht 14.37 million, which increased by Baht 10.92 million, or 315.90%.

In 2023, the company has additional other expenses compared with the same period in 2022 from restructuring expense and strategy plan by the group of companies.

Yours sincerely,



(Ms. Chorpetch Riamdee)

Chief Finance Officer