



**ALWAYS  
A STEP  
AHEAD**

**Annual Report 2021**  
56-1 ONE REPORT

# Trade confidently with FINANSIA HERO

Leading trading system, perfect for investors, was developed by Finansia Syrus PLC, together with no. 1 online securities company in Korea, combining state-of-the-art technology and design to meet the needs of Thai stock traders. Help solve problems and meet the needs of Thai investors most.

Help your online stock trading become easier, more convenient, faster, and more efficient than ever. Make profit from every opportunity.



## The end of trading problem!

### What stocks to trade today?

HERO Real-time Pick tells stocks to trade quickly with buy point, profit point, and sell point to cut loss automatically in real-time.

### Dissatisfied with the stocks you have?

Manually scan featured stocks to meet your needs in real-time with DIY Conditional Search

### Buy stocks and afraid of loss!

Increase confidence in trading by retrospectively testing the accuracy of the instrument using a backtest

### Not good at reading graph but want to find buy/sell point!

Viewing other investors' stock prices as well as support and resistance automatically with Volume by Price

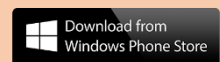
### Want to make profit but have no time to watch the screen!

Place up to 20 orders simultaneously with Multi Order and buy cheap, sell high, and make more profit with Auto Order

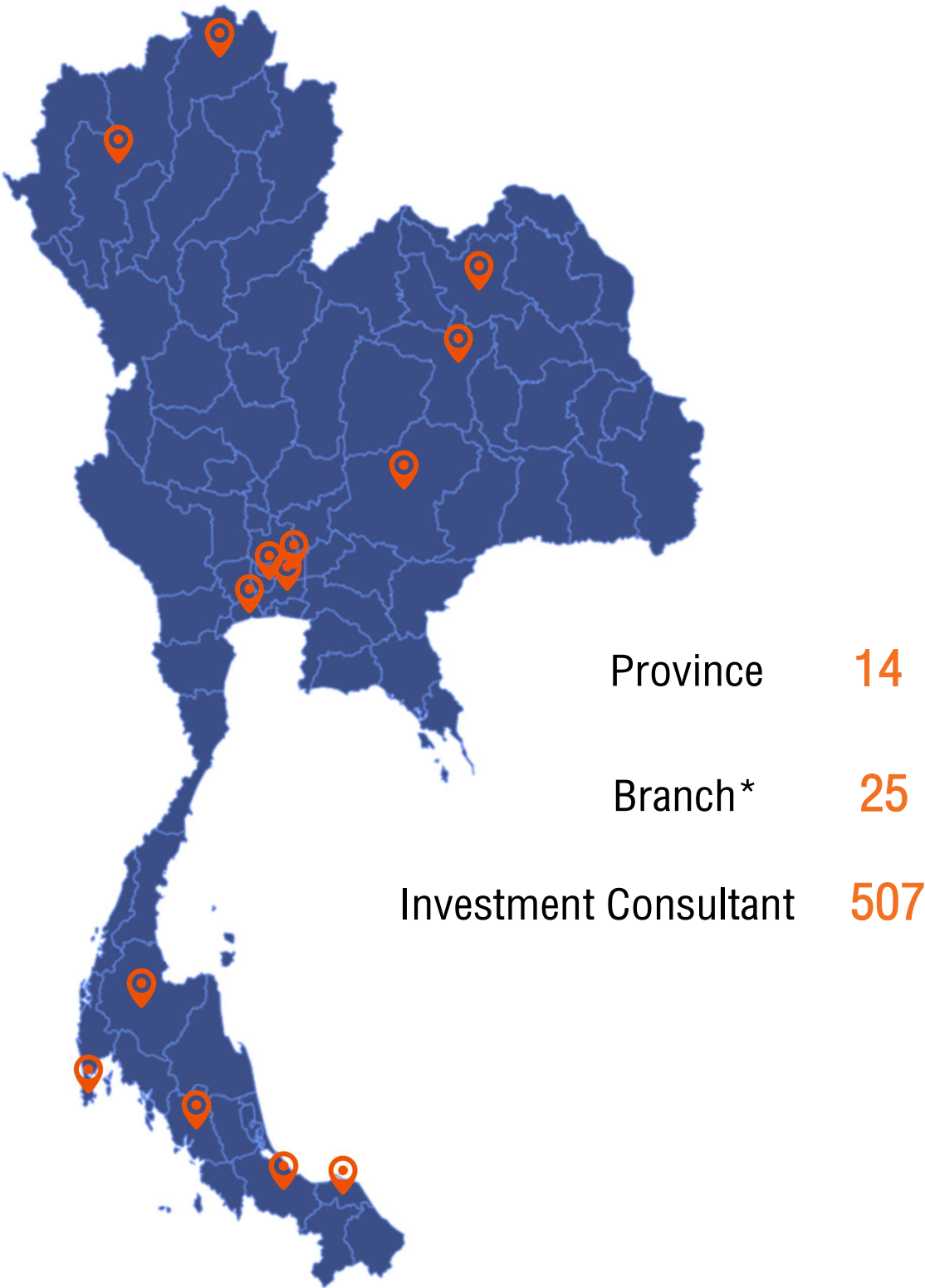
### Be careful! Do not trade according to market sentiment

Tell the strength of Trend and Momentum with HERO Strong Trend and can also see stock weaknesses (up and down) with HERO Sequential

Download application



# Our Footprint



\* 24 Branches  
1 Head office

Elevate investment in online securities trading by bringing  
smart technology to open up experiences for Thai investors

**FINANSIA**  
ALWAYS A STEP AHEAD

**KIWOOM**   
PT KIWOOM SEKURITAS INDONESIA



“Finansia HERO, collaborating with Kiwoom Securities, Korea's No. 1 online securities  
company, brings you a smart, profitable investment platform.”

# 2021 milestones

1

March



The Company signed a Memorandum of Understanding (MOU) on the Internship Program (Cooperative Education) to promote cooperation in the production of graduates and promote cooperation in organizing academic activities with Srinakharinwirot University at Prasarnmit Building, Srinakharinwirot University.

The Company participated in the seminar "Looking at the best stocks. Get the stock market to recover in year 21, organized by Mr. Sunan Srichantra, Executive and MC of Daily Stock Analysis Money Club, honored to be the Chairman of the opening ceremony by Mr. Paiboon Nalinthrangkun, Chairman of the Federation of Thai Capital Market Business Councils and gave a speech "Interest in the Thai stock market of foreign investors" for a special highlight session with the forum "Overview of the Thai stock market - the foreign stock market in 2021" by Mr. Weerawat Wirotphoka, Senior Director, Securities Analysis Department of the Company with the country's leading securities analysts joining the discussion on the stage at the Seminar Room, 6th Floor, True Digital Park Building, Sukhumvit 101 Road.

12

March



The Company offered an online award with a big project of the year "HERO Stock U-Challenge", a challenging stock trading competition with friends from 9 universities through a smart stock trading application, Finansia HERO, to win over THB 100,000 scholarships organized from 15 Feb – 15 Apr 2021 with more than 1,500 participants.

27

April



## 2021 milestones

30

April

The 2021 Annual General Meeting of Shareholders resolved by a majority vote to approve the allocation of net profit to the Company's legal reserve at 5% of the net profit of the year in the separate financial statements, totaling THB 4,378,291 and approve the payment of dividends from the Company's 2020 business operating results to shareholders who are entitled to receive dividends according to the names listed in the share register book on the Record Date to determine the right to receive dividends on 29 March 2021 at the rate of THB 0.06 per share, totaling THB 34,884,181.50 and paid on 17 May 2021.



Mrs. Nusara Rooncharoen, Executive Director of the Company Receive an award with a shield of honor "Person of Business Sector of the Year 2021" from the Finance and Securities Business Sector from His Excellency Mr. Kasem Chankaew (Privy Councilor) at the project honoring ceremony "Quality persons of the year 2021" organized by the Foundation of Science and Technology Council of Thailand (STI) to honor and praise the success in life, work, and dedication to activities for the benefit of society and the nation in various fields at the

9

December



The Company received the "**Most Innovative New Trading Application Thailand 2021**" award from the International Finance magazine, England, in honoring the persons and organizations in the international financial industry which operates outstandingly in various fields and is valuable to the global financial sector.

## 2021 milestones

14

December



Chief Executive Officer of the Company chaired the award in the project "Finansia HERO Academy". This project is a big project of the year aiming to build quality traders, teaching how to learn and develop how to trade stocks with the smart application "Finansia HERO" as well as giving knowledge and trading techniques tips from a team of invited influencers and leading investment experts in Thailand to train investors for free in July, which is considered the success of the project from Finansia HERO again from the investors who participated in the project from more than 18,000 persons.

The Company has been notified by Finansia Public Company Limited ("FNS"), a major shareholder of the Company's major shareholder, Finansia Fund Management Company Limited, via electronic media of the Stock Exchange of Thailand ("SET") that all ordinary shares of the Company have been sold to PILGRIM FINANSIA INVESTMENT HOLDING PTE. LTD ("PFIH"), a company incorporated under the laws of Singapore, amounting to 170,269,978 shares, representing 29.29 percent of the paid-up registered capital.

16

December

31

December

The Company has a registered and paid-up capital of THB 930,244,840, divided into 581,403,025 ordinary shares with a par value of THB 1.60 per share.

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## 2021 Important information



Total assets

**7,047**

THB million



Total revenues

**2,397**

THB million



Ratio of retail customers

**68%**



Net capital ratio

**36.86%**

Net profit

**300**

THB million



Operating income growth

**+37%**



Operating income growth

**+47%**



EBITDA Margin

**24%**



Finansia HERO download

**610,085**

times



Customers

**215,075**

persons



## Message from the Chairman

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### DEAR SHAREHOLDERS,

The year 2021 was both turbulent and transformative. On the disruptive side, COVID-19 continued to exact human costs and disrupts our normal daily lives. We all have acquaintances who have lost loved ones and wish to offer our condolences to everyone affected. As a firm, we have rapidly adjusted to the New Normal and took measures to alleviate the crisis. Over 80 percent of our staff are still WFH. On the other hand, the outbreak has also transformed people's investment behavior and enhanced overall interests in investments. As people were locked down and their normal source of earnings disrupted, they turned to their devices and as a result, a lot of new investors began to emerge in the capital market.

The increase in the number of new investors (600,000) was not the only surprise factor but in the generation shift as well. As investment becomes more accessible to younger people through digital channels, we observed that the next generation of investors is both younger and more diverse than ever before. Investment is no longer an activity reserved for aged and wealthy people, as the new investors breed seeks to learn from a younger age and with less capital. They are also eager to explore digital assets products.

Finansia, as a leading broker in online services, has received an overwhelming response from both young and old investors and on-boarded over 130,000 new accounts during the year most of which were through our HERO trading platform. This marked another important milestone in the execution of our transformation strategy to a digital “Hybrid Broker” i.e. providing an advanced trading platform to younger investors while at the same time servicing older and larger portfolio clients through Investment Consultants. Our seasoned IC teams comprise over 507 consultants, the largest in the industry, spanning over 24 branches and a head office locating in a central business district.

In addition to our brokerage services, during 2021, we lead underwritten 3 IPO issues and have enabled retail investors to access the subscription of these issues through a first come first serve as well as random bases. Subscription criteria required minimal trading and were met with overwhelming interests from investors.

For the year 2022, we will continue to implement significant changes in our organization and business as we continue our transformation process and to fulfill our aim of being a leading online multi-asset broker spanning both digital and traditional investment products. We hope to achieve this through the tireless dedication of our staff as well as our capable business partners. We also thank you our shareholders for their continual support in our journey to success.

**Mr. Chatchaval Jiaravanon**  
**Chairman**

## Board of Directors



(5)

(4)

(2)

(3)

(1)

(6)

(7)

(8)

(9)

**(1) Mr. Chatchaval Jiaravanon**  
Chairman

**(6) Mrs. Pornpring Suksantisuwan**  
Director

**(2) Mr. Vorapak Tanyawong**  
Vice Chairman

**(7) Pol. Gen. Visanu Prasattongsoth**  
Chairman of the Audit Committee / Chairman of the  
Nomination, Remuneration, and Corporate  
Governance Committee / Independent Director

**(3) Ms. Kanchana Vongratanakulthorn**  
Director

**(8) Mr. Phaiboon Siripanoosatien**  
Member of the Audit Committee /  
Independent Director

**(4) Mr. Chuangchai Nawongs**  
Chief Executive Officer

**(9) Mr. Kittisak Bencharit**  
Member of the Audit Committee /  
Independent Director

**(5) Mr. Somphop Keerasuntonpong**  
President

# Financial Highlights

		<u>2021</u>	<u>2020</u>	<u>2019</u>
<b>Statement of Income</b>				
Total revenues	(THB million)	2,397	1,747	1,295
Total expenses	(THB million)	2,021	1,643	1,465
Net profit	(THB million)	300	82	(138)
<b>Statement of Financial Position</b>				
Total assets	(THB million)	7,047	5,947	4,277
Total liabilities	(THB million)	4,356	3,516	1,928
Total shareholders' equity	(THB million)	2,691	2,431	2,349
<b>Shares Information</b>				
Registered and paid-up ordinary shares	(Million shares)	581	581	581
Par value	(THB)	1.60	1.60	1.60
Book value per share	(THB)	4.63	4.18	4.04
Earnings per share	(THB)	0.52	0.14	(0.24)
Dividend payout ratio	(%)	19.23	42.86	N. A. <sup>(1)</sup>
Dividend per share	(THB)	0.10	0.06	0.06
Share price at the end of year	(THB)	4.78	1.82	1.59
<b>Financial Ratios</b>				
Net profit margin	(%)	12.53	4.70	(10.66)
Return on assets	(%)	4.62	1.61	(3.06)
Return on equity	(%)	11.72	3.43	(5.66)
Debt to equity	(Times)	1.62	1.45	0.82
Net capital ratio (NCR)	(%)	36.86	41.31	79.26

Remark: <sup>(1)</sup> The Company incurred net loss of THB 35,789,842, since the Company still had unappropriated retained profit from past business operation, the Meeting approved dividend payment from unappropriated retained profit at THB 0.06 per share totaling THB 34,884,181.50 to shareholders whose names are included in shareholder registrar on the record date on 28 February 2019. Dividend payment date was on 3 May 2019.

# Financial Status

Unit: THB million

## Cash Flow Statements

for the year ended 31 December 2021

Net cash provided by (used in) operating activities	258.7
Net cash provided by (used in) investing activities	(48.4)
Net cash provided by (used in) financing activities	(245.9)
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(35.6)</b>
Cash and cash equivalents as of 31 December 2020	221.6
Cash and cash equivalents as of 31 December 2021	186.0

## Financial Position

as of 31 December 2020

### Assets

Cash and cash equivalents	221.6
Receivables from securities and derivatives business	3,759.5
Other assets	1,965.8

**Total assets 5,946.9**

### Liabilities

Payables from securities and derivatives business	1,928.4
Other liabilities	1,587.3

### Equity

Share capital, premium, and reserves	1,627.3
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Unappropriated retained profit	803.5
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Non-controlling interests	0.4
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**Total liabilities and equity 5,946.9**

## Comprehensive Income

for the year ended 31 December 2021

Total revenues	2,396.6
Total expenses	2,020.6
Profit before income tax	376.0
Income tax	(75.9)

**Total comprehensive income (loss) for the year 300.1**

## Financial Position

as of 31 December 2021

### Assets

Cash and cash equivalents	186.0
Receivables from securities and derivatives business	4,339.9
Other assets	2,521.3

**Total assets 7,047.2**

### Liabilities

Payables from securities and derivatives business	3,023.0
Other liabilities	1,332.7

### Equity

Share capital, premium, and reserves	1,645.9
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Unappropriated retained profit	1,045.1
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Non-controlling interests	0.5
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**Total liabilities and equity 7,047.2**

## Retained Earnings

for the year ended 31 December 2021

Balance as of 31 December 2020	803.5
Legal reserve	(10.0)
Profit for the year	300.1
Other comprehensive income (loss)	(13.6)
Dividend payout <sup>(1)</sup>	(34.9)
<b>Balance as of 31 December 2021</b>	<b>1,045.1</b>

Remark: <sup>(1)</sup> The Company paid a dividend at the rate of THB 0.06 per share on 17 May 2021.



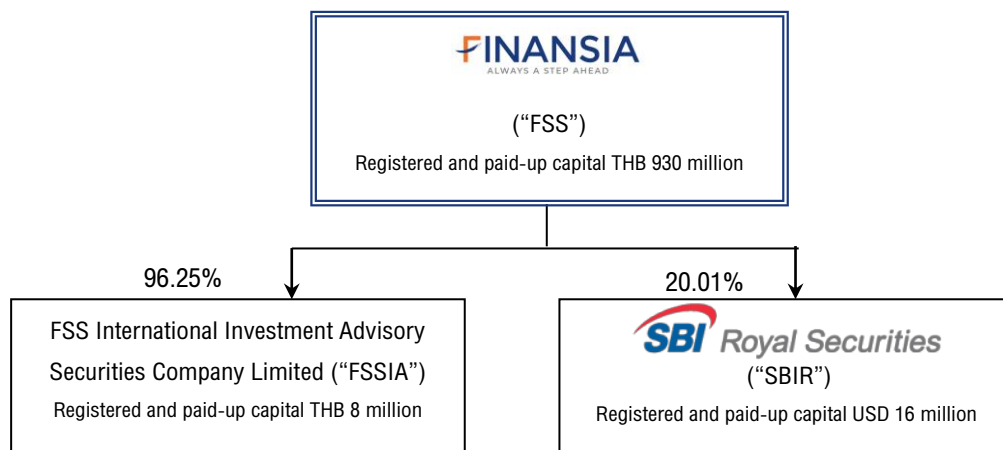
# Part 1: Business Operation and Operating Results

## 1. Organizational structure and operation of the group of companies

### 1.1 Policy and business overview

#### Corporate information

Finansia Syrus Securities Public Company Limited (“Company”) reviewed the vision, mission, core values, and operational strategies at least once a year to adapt to the changing business environment. The group of companies are as follows:



#### Operational strategy

The quality of the personnel is one of the important things that the Company pays attention to. To provide our investment consultants with rich experience, expertise in transactional consulting services whether domestic or international investment channels, and innovative financial initiatives to meet the needs of customers, the Company sends investment consultants to attend trainings and seminars both held within the Company and by the relevant organizations. This is to enhance the investment consultants’ skills and knowledge to provide effective and helpful advice to clients, enabling them to maximize their returns within an acceptable level of risk. In addition, the Company focuses on securities analysis, developing both qualitative and presentation formats, to provide clients with the tools to make informed investment decisions. This portfolio of securities analysis is another factor in the Company’s success.

Under the current situation where technology plays an important role in daily life, the behavior of investors is increasingly turning to online securities trading. Therefore, the Company has invested and developed an online securities trading system named “Finansia HERO” to support changes and meet the needs of all target investors, which can be used via many types of device such as smart phone or PC and also supports various operating systems whether it’s windows, android, or iOS. The Company hopes that it will increase efficiency and create a better experience for our clients in every investment opportunity.

The Company has adhered to the good corporate governance policy and Code of Conduct as a guideline for performing duties honestly, transparently, with integrity, and is committed to developing excellent and diversified services to meet the needs of customers and being responsible to all stakeholders, whether shareholders, customers, business partners, creditors, employees, and other groups, which will bring trust and give the Company a solid foundation and sustainable growth.

### 1.1.1 Vision, Mission, Core Value, and Logo

#### Vision

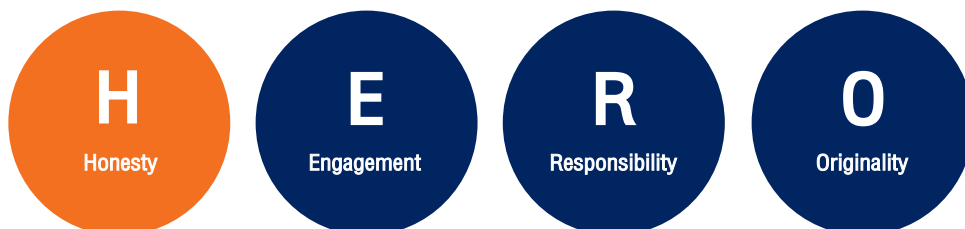
“Building wealth by upgrading the investment “

#### Mission

Providing services which are accessible to individual investors and offering investment advice to produce attractive returns; develop integrated products; pay attention to provide services with ethics and good corporate governance; and also develop its staff and technology to deliver the excellent services.

#### Core Value

The Company is aware of the characteristics and norms that will guide the behavior of the organization. Therefore, “HERO” has been designated as the core value.



H-Honesty

Be honest and dare to do the right things and be trustworthy

E-Engagement

Participate and be responsible for driving the organization forward to achieve its goals

R-Responsibility

Have self-responsibility, responsibility towards duties, and responsibility towards others for both words and deeds

O-Originality

Contribute original ideas, embrace new things, and adapt to changing situations

## Logo



The Company's logo under the concept of **"ALWAYS A STEP AHEAD"** consists of

- 1) The first letter of the Company is orange, showing commitment to innovation.
- 2) Chinese brush strokes represent the use of science and art to move forward with grace.
- 3) Other characters are dark blue, representing stable growth together
- 4) The Company's concept is in gray letters, showing its adherence to ideals, no matter what difficulties or obstacles the Company will always be ahead of its competitors.

### 1.1.2 Material changes and developments

Vachira Dhanadhun Securities Company Limited was established on 11 January 11 1994, changed its name to Vachira Securities Company Limited in May 1996 and Syrus Securities Company Limited in July 2002. It was registered as a public limited company on 11 February 2004 and was listed on the Stock Exchange of Thailand on 27 October of the same year with the securities abbreviation "SYRUS". Later, the Company's name was changed to Finansia Syrus Securities Public Company Limited on 22 June 2009 after merging with Finansia Securities Company Limited and changed its symbol from SYRUS to FSS on 8 July 2009. Later, on 15 September 2009, it invested in a subsidiary, ACL Securities Company Limited, the investment of which was sold to a group of new investors in September 2013.

On 16 December 2021, the Company was notified by Finansia Public Company Limited ("FNS"), the major shareholder of the Company's major shareholder, Finansia Fund Management Company, which has disclosed the news via electronic media of the Stock Exchange of Thailand. ("SET") that it has sold all ordinary shares of the Company to PILGRIM FINANSA INVESTMENT HOLDING PTE. LTD ("PFIH"), a company incorporated under the laws of Singapore, amounting to 170,269,978 shares, representing 29.29% of the paid-up registered capital. As a result, the shareholding structure of the Company has changed as follows:

No.	Name	Before the transaction		After the transaction	
		Number of shares (Shares)	Ratio of shareholding (%)	Number of shares (Shares)	Ratio of shareholding (%)
1	Finansa Fund Management Company Limited	170,269,978	29.29	-	0.00
2	PILGRIM FINANSA INVESTMENT HOLDING PTE. LTD	-	0.00	170,269,978	29.29

## 1.2 Nature of Business

### Business Overview

Finansia Syrus Securities Public Company Limited is the nation's leading comprehensive financial services brokerage, offering a wide range of products and services to meet the needs of all customer segments. The Company has an extensive network of financial services in the country. For retail clients, the Company offers securities trading, derivatives, fixed income, and investment fund products. For large enterprise clients and small and medium enterprise clients, in addition to the services the Company provides to retail clients, the Company offers financial advisory services, investment banking, and other financial services. The Company has a subsidiary that provides analytical services to meet the specific needs of institutional clients and an associated company which is a securities company operating in Cambodia.

The Company's revenue structure comes primarily from commission fees, accounting for more than 80% of the Company's total revenue in 2021, followed by profits and returns on financial instruments. The table below shows the Company's revenue structure classified by revenue type.

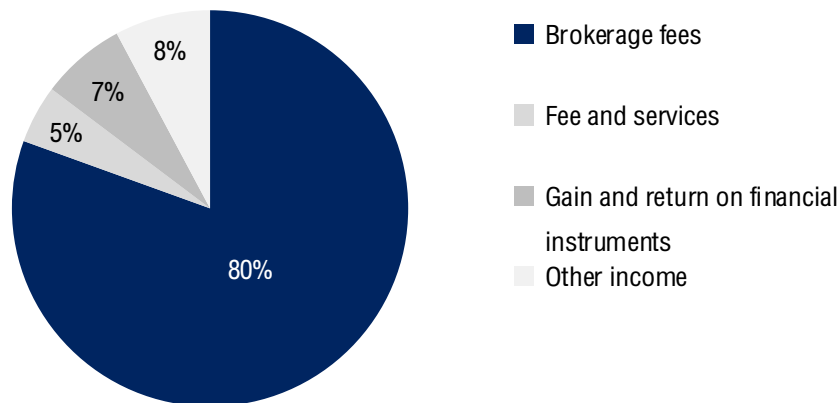
### 1.2.1 Income structure

In 2021, the Company has total revenue from the consolidated financial statements of THB 2,397 million, an increase of THB 650 million from 2020 with total revenue of THB 1,747 million, representing 37.20%. The Company's main income is commission fees which are THB 1,930 million or 80.53% of total revenue. However, the revenue structure of the Company according to the consolidated financial statements for the year 2019-2021 can be classified as follows:

**Table showing revenue structure**

Revenue type	2019		2020		2021	
	THB million	%	THB million	%	THB million	%
Brokerage fees	914	70.58	1,315	75.25	1,930	80.53
Fees and service	81	6.28	123	7.03	114	4.76
Interest	113	8.74	85	4.85	130	5.43
Gain and return on financial instruments	141	10.85	169	9.66	166	6.91
Shares of gain (loss) from investments in an associate	4	0.31	5	0.30	3	0.13
Other income	42	3.24	50	2.91	54	2.24
<b>Total income</b>	<b>1,295</b>	<b>100</b>	<b>1,747</b>	<b>100</b>	<b>2,397</b>	<b>100</b>

## 2021 Income Proportion Chart



The Company is committed providing services which are accessible to individual investors and offering investment advice to produce attractive returns; develop integrated products; pay attention to provide services with ethics and good corporate governance; and also develop its staff and technology to deliver the excellent services.

### Operations in 2021

The Company's business in 2021 still faced all-round challenges. Whether it was the economic situation that had been hit hard by the COVID-19 epidemic situation or the prevailing factors such as rapid change in technology, customer behavior, competition in the industry, and various regulatory changes have made doing business even more challenging.

The COVID-19 outbreak since the beginning of 2020 has had an unprecedented impact on the economy, leading to a major economic crisis in many countries, including Thailand. However, the Company attaches great importance to the management of the Company's financial position, whether it is liquidity capital level, customers' credit balance port quality, and operational cost management. All of this ensures that the Company remains vigilant in managing its finances, especially during difficult times.

COVID-19 epidemic situation resulted in an acceleration in the adoption of technology to adjust the working style, provision of service, and reduction of dependency on branches, resulting in efficiency and cost savings. The Company continues to close branches and has adjusted the skills and potential of employees to suit the work-from-home style of work in all departments, which has become a new norm in the Company's work.

In addition to the changing work style, the increase of online order delivery required the Company to maintain stability, sustainability, and safety on the Company's technology system. This required the Company to continue to invest in enhancing its technological capabilities at the corporate level and has increased our ability to cope with sudden changes in technology and investor behavior. The Company benefited from the investment through providing solutions that are responsive and fast and at lower costs in many areas.

In 2021, the Company had a net profit of THB 300 million, an increase of 265.82% from the previous year. The increase was mainly due to a 46.8% increase in commission fees, driven by daily trading volume of the Stock Exchange of Thailand that increased from THB 61,376 million per day in 2020 to THB 85,057 million per day in 2021, or an increase of 38.6%. Although the Company's market share at the end of 2021 at 5.58% is reduced by 0.48% from the previous year, but the Company's average commission rate rose to 0.07%, representing a 0.01% increase from the previous year. In addition, interest income from equity loans increased more than 2 times from the previous year.

The Company's equity lending increased by 69.3% from the previous year, above the Company's previously set limits, prompting a reconsideration of the Company's credit line in 2021. This was due to the increase, more than expected, of the individual customer's equity loan demand. However, the Company takes into account its risk management, the collateral ratio to its margin loans remained high at 551% at the end of 2021. In addition, the Company's net liquidity ratio at the end of 2021 was 36.86%.

The Company maintained a leadership position in financial products and services for all types of investors and is one of the leaders in its network of services across the country. At the end of 2021, the Company had a head office and 1 support unit, 23 branches, and new service channels such as Finansia Hero and Fund Online applications.

#### Strategic Plan

The securities business continues to face challenges that are becoming more and more intense. Technological advances resulting in disruption from all sides have changed the context of securities business operations, which is the new normal that today's entrepreneurs need to adapt. The competitive environment and the revenue structure of the Company's business have changed a lot. The Company fee income tends to decrease due to competition.

Under transformation, the Company is poised to move forward with its commitment to be a technology company that provides financial services, offering a platform that caters to the needs of its clients. Therefore, the Company needs to develop new capabilities by using technology to create the best customer experience, which will make the customer feel more engaged with the Company's services, see that the Company's platform is convenient, beneficial, and is an integral part of our customers' daily lives, which will enable the Company to grow sustainably and create opportunities for future growth.

However, the emergence of digital technology allows the Company to immediately identify customer needs and deliver products that meet their specific needs. As more customers transact through electronic platforms, especially through mobile applications, the Company can access more information, understand their customers' behaviors and preferences better, and serve customers better. This massive amount of transactional data has become a continuation factor in helping artificial intelligence and machine learning to greatly increase the potential, understand and engage with investors, and influence business models and services. The Company will be able to anticipate customer needs, enhancing the customer experience, becoming a financial partner for customers, which means the Company will need to invest in continuous technology development and adaptation to keep up with rapidly changing customer behavior.

The Company remains committed to operating to achieve the goal of becoming the **"Most Innovation New Trading Application"** and creating balanced value for all stakeholders, whether customers, employees, shareholders, regulators, and society. The Company wishes to be a good partner for its clients, caring employers, attractive investments for shareholders, transparent corporate investors working closely with regulators, and a company with social and environmental responsibility.



The Company's 2022 strategy will focus on the following areas:

**1. Digital and Technology:** The Company will continue to enhance its technological capabilities and drive new ways of working, including digital assets and business ecosystem development, to attract and grow more customer relationships.

**2. More efficient management of operating costs:** The Company will continue to manage its costs from the previous year but will not overlook the cost necessary to invest in capacity building.

**3. Strict risk management:** The Company will carefully manage all business units that are at risk, consider the risks carefully, and will leverage the Company's experience and capabilities, particularly in the areas of technology and data use, to create a better risk management culture.

**4. Business growth:** The Company will continue to look for ways to grow its existing business while driving new business growth at the same time.

**4.1 Inorganic growth with strong financial profile:** The Company is actively exploring opportunities for inorganic growth, including acquisitions and partnerships. This may cover related businesses in the country and acquisitions or regional alliances to bring new capabilities and create sustainable growth and returns for the Company's stakeholders.

**4.2 Growth from wealth management business:** As wealth management business in Thailand continues to grow as a business, the Company has set up a strategy to enhance its service capabilities and experience that is convenient and responsive to customers through wealth management, which provides private fund services to provide customers with access to a wide variety of investment products and advisory services that better meet the needs of specific customers.

**4.3 Investing for the future to create exponential growth:** A strategy towards facilitating the change of technology is the business plan that the Company has continuously embarked on through the Finansia HERO Platform. The Company must continuously and rapidly build new capabilities using digital technology to keep up with market changes and customer behavior. The Company will use the information obtained to understand the needs of the customers and create more interactions. However, the Company is focused on investing in the future to support digital innovation in a new way of corporate culture. In addition, the focus is on building a new foundation and corporate culture suitable for business operations in the digital era, to attract talented people who are ready to try and wrong to create unprecedented innovations, leading to the development of the Company.

**4.4 Securities loan growth:** The Company sees a gradual recovery in the economy this year, and expects margin loan growth to remain at a slower pace. However, with the exponential increase in average daily trading volume, investors have increased demand for margin loans, leading to an increase in margin loans by considering the increase in return versus risk. In addition, the Company has upgraded its accountability in securities lending, by improving its credit line policy with international best practice, making it easier to access financial services for all groups of investors, and have a better interest rate

In addition to the above strategies, the Company remains committed to continuously enhancing its personnel and corporate culture, along with adhering to appropriate risk management practices. The Company focuses on agility by building a team of diverse expertise, fostering a customer-centric mindset, and fostering innovation to expand the Company's capabilities.

### Trends and goals for 2022

Considering the uncertain economic situation at present, the Office of the National Economic and Social Development Board or the NESDB revealed that the overall Thai economy in 2021 increased by 1.6%, an improvement from -6.2% in 2020. Key factors in boosting the Thai economy last year came from spending, which consisted of 18.8% increase in merchandise exports, 0.3% increase in private consumption, and 3.4% increase in total investment. But the hotel sector and food service and transportation sector decreased by 14.4% and 2.9% respectively. For the Thai economy in 2022, important factors that will boost the economy come from exports expected to grow by 4.9%, consumption to grow by 4.5%, private investment to grow by 3.8%, and public investment to grow by 4.6%. Average headline inflation is in the range of 1.5 - 2.5% and the current account will be in a surplus of 1.5% of GDP. However, the forecast of the aforementioned economic conditions, the NESDB states that the data and assumptions are based on the epidemic situation of the Omicron strain of COVID-19 with the number of new infections increasing, but the number of severe cases and death toll remained stable at low levels and did not exceed the potential of the public health system, and there were no new outbreaks from viruses with more severe mutations than current levels, and the distribution of vaccines, especially boosters, continues and covers a proportion of the population, which the government has ordered at least 90 million doses of vaccines this year. Even though expected to have good prospects, there are still risk factors that are expected to affect growth and hinder Thailand's recovery. Summary of 5 limitations and risk factors as follows.

1. The uncertainty of the COVID-19 outbreak situation amid viral mutations that will affect vaccine efficacy.
2. An increase in inflationary follows an increase in energy prices and global commodity prices.
3. A high level of household and business debt will hinder a recovery in domestic demand and the ability to pay debt, the uptrend interest rate, and the labor market which has not fully recovered.
4. The protracted production chain disruption, in particular, the container management problem which has not improved from 2021, causing the cost of shipping by sea to remain high.
5. ความผันผวนของเศรษฐกิจโลกและเงินตราจากโควิด-19 สายพันธุ์ใหม่ นโยบายการเงินของตลาดหลักของประเทศไทย และความขัดแย้งระหว่างมหาอำนาจ.

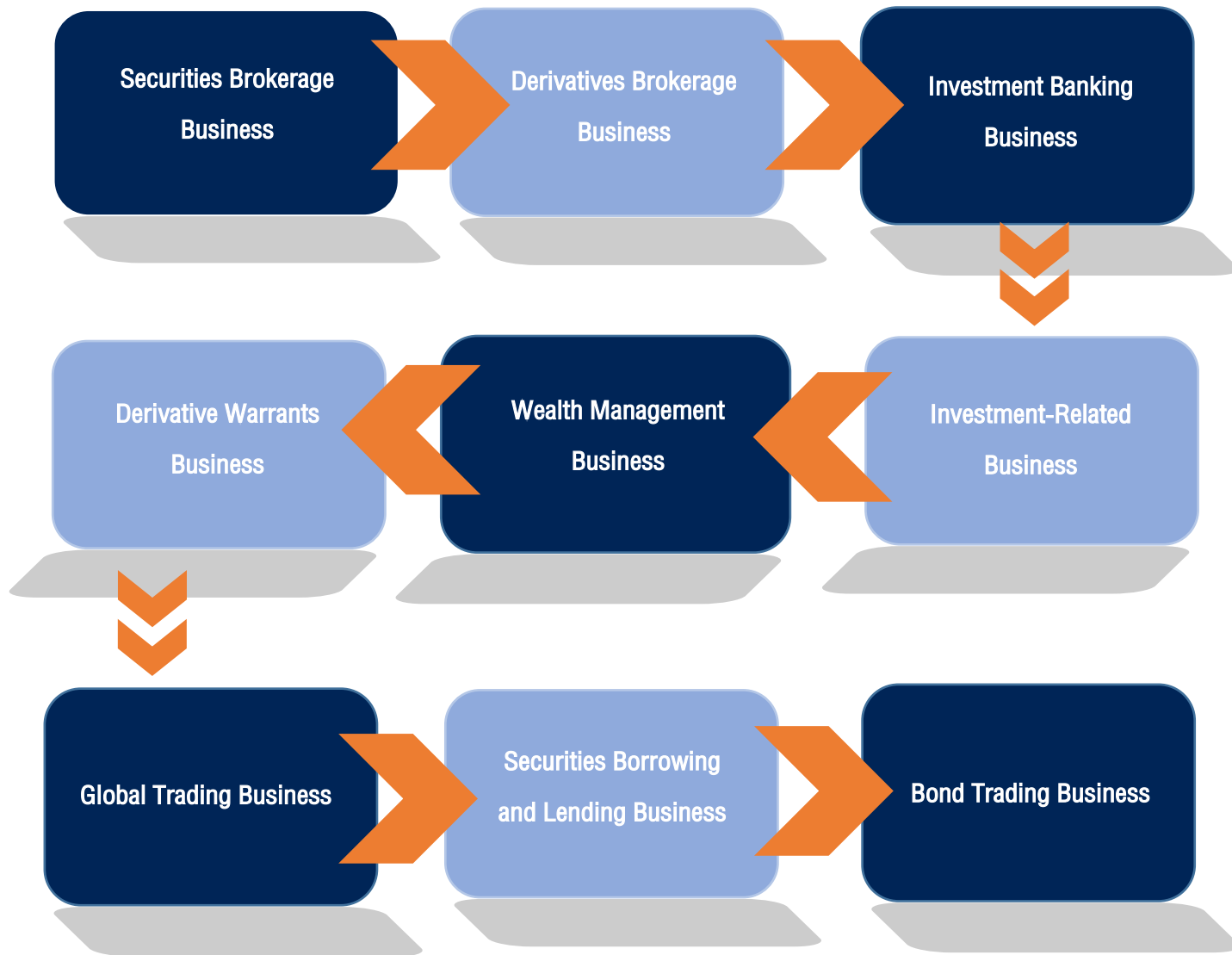
In 2021, the number of brokerage accounts has continued to record highs from the previous year. The total number of trading accounts at the end of 2021 was 215,075 accounts, an increase of 218% from the end of 2020. Active accounts accounted for an average of 51% of the total number of accounts. The turnover of retail investors via internet trading increased by 138,508 persons from the end of 2020. In addition, internet turnover stood at 55% of the Company's total turnover and accounted for 81% of the turnover of individual investors.

As for the quality of margin loans, the Company has a prudent approach to managing and recognizing allowances for expected credit losses, along with its margin loan collateral policy. Therefore, the Company expects the expected credit loss allowance to remain at the same level. This is because the Company's expected credit loss tolerance level has passed its peak. The actual expected credit loss allowance level may be adjusted according to the volatility of market conditions. In addition, the Company will maintain its collateral asset to margin lending ratio at 551% at the end of 2021 to accommodate the increased risk appetite.

### 1.2.2 Product information

#### (1) Characteristics of products or services and development of business innovation

##### Business structure



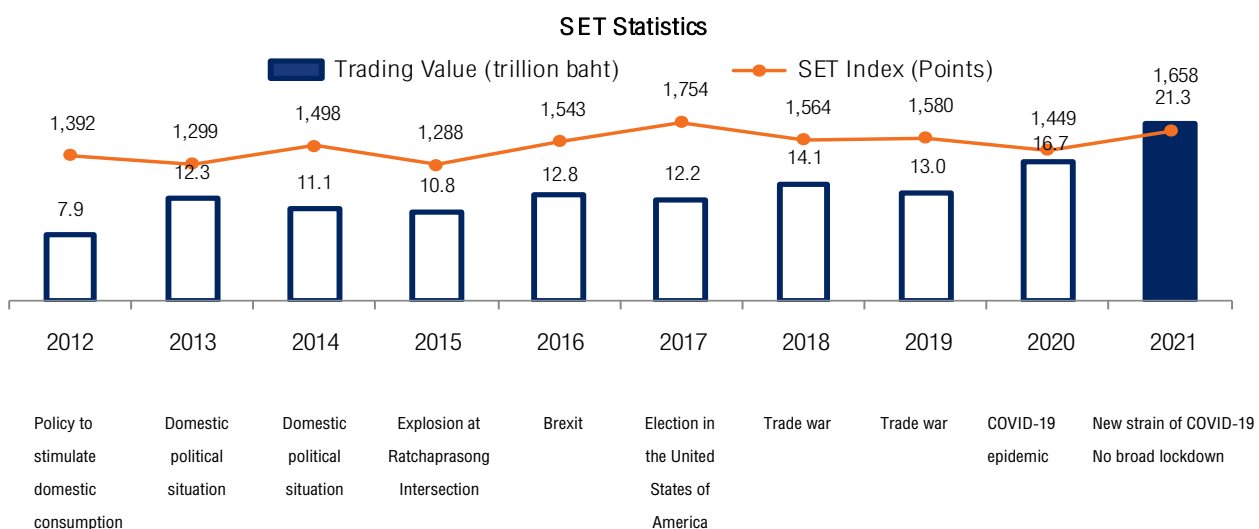
## Brokerage – Securities

The Company provides brokerage services for securities listed on the SET and mai for retail and institutional investors both domestically and internationally. Customers can choose to open 3 types of trading accounts, which are Cash, Cash Balance, and Credit Balance and can choose from 2 trading channels: trading through investment consultants and trading via the Finansia HERO, which is an online trading system that can deliver orders quickly. It supports both mobile version known as a Mobile Trading System (MTS) that supports both iOS and Android and a desktop called a Home Trading System (HTS).

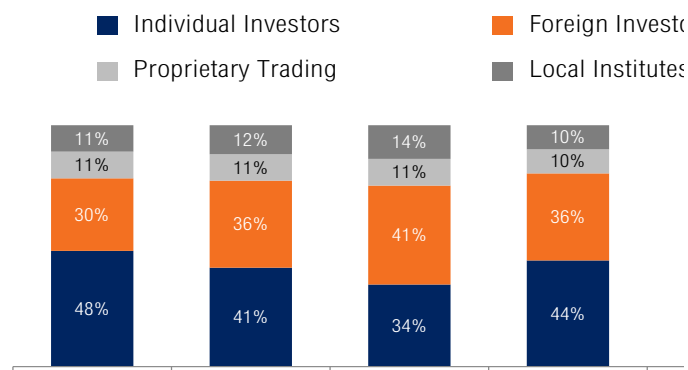
### Market overview

The SET index at the end of 2021 closed at 1,657.62 points, an increase of 208.27 or 14.37% from the 2020 end-of-year index at 1,449.35 points. The mai index at the end of 2021 closed at 582.13 points, an increase of 245.84 or 73.10% from the 2020 end-of-year index at 336.29 points. Total market capitalization of SET and mai at the end of 2021 was THB 20.06 trillion, an increase of 22.72%.

The SET Index's increase resulted in the dividend yield dropping to 2.1% from 3.3% in the previous year, as did the mai market yielding a dividend of 1.2% from 2.56% in the previous year. The average daily turnover in 2021 (including the SET and mai markets) was THB 93,846 million, an increase of 36.79% from the previous year with an average daily value of THB 68,607 million.

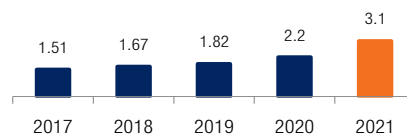


### Trading Value by Investor Type (%)



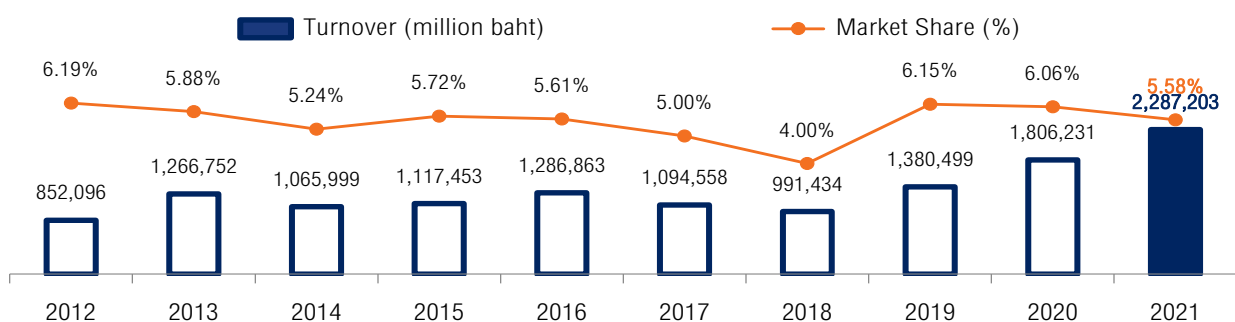
In 2021, domestic investors accounted for an increase in turnover from the previous year and a larger percentage than foreign and other investors, accounting for 47% of total turnover, as a result of the COVID-19 epidemic situation that has been a catalyst, causing the proportion of domestic investors to increase from the previous year. The proportion of brokerage customers and institutional investors is relatively stable.

### No. of investors (million clients)



In 2021, the Stock Exchange of Thailand had a total number of investors opening accounts 3.1 million accounts, an increase of 43.93% from the end of 2020. However, the increase in the number of investors opening trading accounts came from three main factors: (1) low interest rate conditions which made investors interested in assets with better returns (2) work from Home (WFH) which encouraged investors to become more familiar with the use of digital, such as online learning, online research, online shopping, and making it easier to open a brokerage account, and (3) listed companies distribute their shares to a large number of retail investors which spurred more account openings.

### FSS Performance



In 2021, the Company has a turnover of THB 2.28 trillion, an increase of 26.63% from the previous year, with a market share of 5.58%, and the Company retains its market share in the top three. The Company also had increased trading, income, and net profit compared to the previous year. In addition, the Company continues to strive to develop its operational potential in terms of personnel and technology, which are the main factors affecting the Company's performance. The Company believes this continued development will benefit its operating results and increasing market share in the future.

#### ๗ **Finansia HERO**



Finansia HERO is an online stock buying/selling system that supports both mobile and desktop operation, which is divided into 2 applications as follows:

##### 1) **Mobile Trading System (MTS)**

Supports both popular mobile operators in Thailand, which can be downloaded to install programs directly from the IOS App Store and Android Play Store.

##### 2) **Home Trading System (HTS)**

A buy/sell system that runs on the Windows operating system, suitable for investors who want to see the big screen and use more data for analysis. It can be used on notebook, Windows tablet, and PC desktop. It also supports PC desktop as multi monitors.

#### ๗ **Account type**

For brokerage service, customers can choose to open 3 types of trading accounts: Cash Account, Cash Balance, and Credit Balance.

๗ Cash account is an account in which the customer is required to secure at least 20% of the desired investment value, eliminating the need to deposit all available funds with the Company. In this regard, the Company will set a trading limit for the customer, taking into account the ability to pay and financial position, which may not exceed the specified limit. As for the payment, the customer will pay the purchase price by direct debit to the bank account within 2 business days (T+2) after the purchase date. The Company will deliver money for sale of securities to customers who sell securities on the second business day following the date of ordering to sell securities.

๗ Cash Balance is an account where the customer must deposit cash with the Company 100% before investing, in which the guarantee deposit will also receive interest. The amount deposited by the customer will be



the amount that the customer can buy securities and the customer's trading power will change according to the cash purchasing power in the customer's account.

๗ Credit Balance is an account for investors who wish to increase purchasing power by borrowing from the Company, whereby the customer is required to deposit money or securities at least equal to the initial margin as collateral for the loan and to calculate the purchasing power. The customers will receive interest from the Company if the amount of cash deposited as collateral is higher than the amount of the debt, and interest will pay interest if the amount of the debt is higher than the cash deposited as collateral.

In this regard, customers can choose from 2 channels of securities trading, namely, securities trading through investment consultants and securities trading via the internet.

## **Brokerage – Derivatives**

The Company was licensed by the Office of the Securities and Exchange Commission on 14 October 2005 to operate derivatives business and has full qualifications for being a member in the derivatives brokerage category of the Thailand Futures Exchange (TFEX) and Thailand Clearing House (TCH). The Company has started trading futures contracts since 17 March 2008.

In addition, in July 2015, the Company launched a single stock futures trading service through major exchanges to help support Single Stock Future liquidity and increase another source of income for the Company. Since the TFEX market is a market that investors are interested in, the overview of the trading volume of the TFEX market is increasing every year, especially Single Stock Future.

For futures trading business plans, the Company will build a customer base from existing customers who trade with the Company because this group of customers will have a certain level of investment knowledge. For new customers, the Company will focus on customers who have stable financial standing and have a good knowledge and understanding of both securities and derivatives investments. In addition, the Company has also organized training to educate customers and interested parties to understand investment strategies, returns, and risks arising from investments.

## **Investment Banking**

The Company engages in investment banking business by providing financial advisory services in various fields. The Company's investment banking team consists of key personnel with expertise, years of experience, and profound knowledge of capital markets. In this regard, the Company was approved by the SEC to provide financial advisory services since 30 September 2002 and also received a license from the Ministry of Finance to undertake securities underwriting business. The investment banking services that the Company provides are as follows:

- ๗ Securities Issuance & Offering
- ๗ Securities Underwriting
- ๗ Merger & Acquisition
- ๗ Corporate Valuation
- ๗ Financial Restructuring
- ๗ Financial Feasibility

- ☞ Entering into various types of transactions of the listed company in order to comply with the regulations of SEC and SET such as acquisition and disposal of assets, connected transactions, delisting of securities, etc.

In the past year, the Company served as a financial advisor for the initial public offering such as Healthlead PLC, participated in the distribution of initial public offering (IPO) of 20 securities, lead underwriters of 3 securities, and underwriters of 17 securities. The Company's securities underwriting in 2021 are as follows:

#### IPO Lead Underwriter

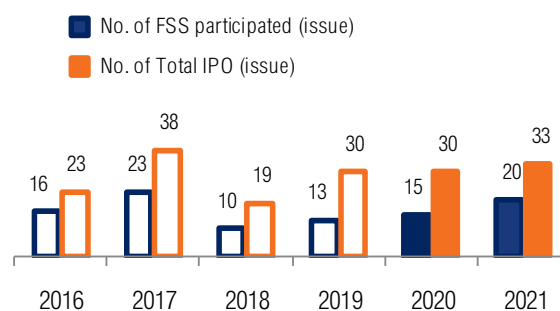
- ☞ Winnergy Medical PLC
- ☞ CPanel PLC
- ☞ Healthlead PLC

#### IPO

- ☞ Prosper Engineering PLC
- ☞ PROEN Corp PLC
- ☞ Don Muang Tollway PLC
- ☞ NSL Foods PLC
- ☞ Saintmed PLC
- ☞ Mena Transport PLC
- ☞ Siam Technic Concrete PLC
- ☞ AMR Asia PLC
- ☞ Ubon Bio Ethanol PLC
- ☞ Glory Forever PLC
- ☞ Delta Paint PLC
- ☞ Thai Union Feedmill PLC
- ☞ The One Enterprise PLC
- ☞ Pinthong Industrial Park PLC
- ☞ Britania PLC
- ☞ World Flex PLC
- ☞ Nova Organic PLC

The Company received fees for its financial advisory, lead underwriting, services, and co-underwriting services. The service also supports the brokerage business by satisfying customers who have been allocated the IPOs.

Underwriting Services of the IPO shares



## Investment-related Business

The Company has set up the Proprietary Department to account for the investment business of the Company, with a policy to invest in equity securities, debt securities, bonds, unit trusts, or non-SET businesses. It is subject to strict official regulations, and is intended for both short-term and long-term investment. The Board of Directors will consider and allocate credit limits, determine guidelines, rules, procedures, and investment policies that are clear and consistent with the supervision of the SEC. The Company earns returns from trading profits, dividends, and interest income. In addition, the Company has established the Investment Committee and the Risk Management Committee, which is approved by the Board of Directors to determine the Company's short-term and long-term investment strategy or policy, diversifying risks in investment in an appropriate proportion, limit the amount of potential losses, and report the Company's investment status to the Board of Directors for effective monitoring of the Company's investments.

## Wealth Management

The Company was granted the license to practice private fund business on 18 February 2020, enabling the Company to provide portfolio management services by a team of private fund managers, within the framework of which customers can participate in setting strategies, goals, conditions, and restrictions on investments that cater to more individual needs. The private fund team has an investment policy that covers many asset classes such as equities, fixed income, alternative funds both locally and internationally to reach customers at all risk levels, with monitoring and reporting on clients' investment status closely, and always looking for new investment opportunities.

In addition, the Company provides mutual fund trading services that facilitate customers under the concept of one-stop service. Customers can purchase, sell, and switch mutual funds of all types from every mutual fund management company that the Company represents at no additional cost, with comparative information and a summary of all investment transactions in a single report, which makes investing in mutual funds easy for customers.

The Company offers 2 types of investment unit account opening services, which are:

### Omnibus account

It is a service where customers can make purchases, sell, and switch mutual funds of every asset management company representing under a single account, by making transactions via telephone or signing in a transaction form. In addition, there is also a service to summarize monthly balance of investment units from all asset management companies in one report, which is convenient to check the status and manage investments.

### Selling Agent account

It is a service for customers who want to invest in long-term equity funds (LTF), mutual funds (RMF), and real estate funds (Property Fund) that are offered for the first time.

Account type	Omnibus	Selling Agent
Account opening	One account can be used for trading at any asset management companies that the Company is an agent	Open a separate account at each asset management company
Fund type	All types of funds except <b>RMF/LTF</b> funds	All types of funds
Transaction channel	Send orders by phone or order form	Order form of each asset management company
Transaction period	Within 2:30 p.m. every business day which may change according to the conditions of each fund	Within the time specified by each asset management company
Paying and receiving money	Through the system of <b>Finansia</b>	Through the system of <b>Finansia</b> or asset management company
Investment documents and reports	<p>Issued by <b>Finansia</b></p> <ul style="list-style-type: none"> <li>✎ Transaction confirmation letter</li> <li>✎ Investment unit report balance summary of all asset management companies</li> </ul>	<p>Issued by each asset management company</p> <ul style="list-style-type: none"> <li>✎ Transaction confirmation letter</li> <li>✎ Investment unit report balance</li> </ul>

In addition, the Company also offers Trading Plus which is a service to increase the return on investment for clients who trade securities, by automatically investing the proceeds from the sale of securities into money market funds, and when the securities are bought, funds will be sold automatically pay for securities purchases. The funds chosen by the Company have low risk levels and have a better chance of earning a return than the deposit interest rate.

As of the end of 2021, the Company is acting as a selling and buying support agent for 19 asset management companies. The Company still plans to increase the number of asset management companies as a selling and buying support agent to increase the diversification of mutual fund products and develop a mutual fund service system that will meet the needs and create the highest satisfaction for customers.



#### Derivative Warrant: DW

The Company first issued and offered Derivative Warrants (DW) in February 2016 as a direct listing. In 2021, the Company issued and offered a total of 108 DWs, which were well received by investors. In this regard, the Company has received a long-term credit rating of “BBB+(tha)” with a “stable” outlook, short-term domestic credit “F2(tha)” from Fitch Ratings (Thailand) on 13 January 2022.

Over the past several years, DW has become a product that investors have come to study and pay more attention to. In order to develop the DW business for sustainable growth, the Company has placed great emphasis on educating investors in order to understand the complexity of products and be aware of the risks and rewards of investing in DW. The

Company has provided several channels to provide information about DW such as the website (<http://www.dwarrant24.com>), Line Official Account (Line ID: @dw24), and Facebook (<https://www.facebook.com/Dwarrant24>). And to aid in decision making, the Company also provides an analysis to be used as a trading tool for investors.

## Global Trading

The Company offers securities trading on foreign stock exchanges with powerful internet trading programs, standardized and internationally recognized data security systems, able to trade securities in more than 25 countries 36 capital markets around the world. The trading system facilitates investors to manage their own investment portfolio easily under one-time account opening and supports multi-currency settlement without opening a foreign currency deposit account (FCD). Customers can move their investments from other markets to markets that tend to offer higher returns at any time. For international settlements, the Company conducts such transactions through stable foreign agents specializing in international settlements to increase investor confidence in settlement efficiency and security in foreign investment.

Foreign stock exchanges that the Company provides services are as follows:

### Asia

-Hong Kong   -Cambodia   -Singapore   -Laos   -Japan   -Vietnam

### Europe

-Netherlands   -Italy   -Portugal   -Finland   -Germany   -Norway  
-Switzerland   -Denmark   -Austria   -Sweden   -Belgium   -Spain  
-France   -Poland   -United Kingdom

### North America

-United States of America

### Australia

-Australia

## Securities Borrowing and Lending: SBL

The Company was authorized by the Ministry of Finance to operate securities borrowing and lending business on 25 August 2010 and commenced its services on 16 September 2010 onwards. The Company acts as a principal providing services to customers who wish to borrow or lend securities to perform their desired actions. This transaction provides investors with more investment options in volatile market conditions and provides an alternative way to manage risk and increase returns for investors. In addition, it also supports other business operations of the Company such as brokerage business, investment-related business, derivatives brokerage business, derivatives warrant business, etc. The Company has developed a technology system to support borrowing and lending services to provide customers with access channels. The summary details of the transaction are as follows:

- ☞ The Company lends securities to customers for short selling. The Company allows short selling of securities listed in the SET100 index, ETF, and SSF underlying common stocks for which the Company has sufficient securities to meet the borrowing needs of its customers. This allows customers not to lose investment opportunities and can manage their investment portfolio's risks. However, short selling can be done for both cash and credit balance accounts.
- ☞ The benefit from holding the securities to be lent remains of the lender.
- ☞ On 20 July 2015, the Company opened the service of SMART ACCESS system, where customers can use the Company's SBL service to borrow and return securities by themselves via the internet.
- ☞ On 23 March 2018, the Company launched the HERO program, where customers can use the Company's SBL service to borrow and return securities by themselves via a PC more conveniently and quickly.

## **Bond Business**

The Company is a member of the Thai Bond Market Association (Thai BMA) and the Bond Market of Thailand to provide bond brokerage and trading services to investors in bond trading. The Company provides bond and debenture dealer services to investors and serves as a brokerage agent for bonds in the secondary market. This debt instrument business is designed to meet the needs of customers under the concept of one stop service. Bond is an investment alternative that generates fixed income through both government and private debt instruments, both short-term and long-term to help plan financial in accordance with the need for investment in debt instruments with the Company.

It is an investment alternative that generates fixed income through both short-term and long-term bonds from both government and private sectors to help plan your finances in line with the need for bond investments with the Company to increase your chances of receiving higher rate of return for those who have the ability to take more risks.

For investment duration options, invest short-term through short-term bonds with maturity ranging from 1 day to 270 days, or invest in long-term bonds with maturity of one year or more to diversify your portfolio or as an alternative in case other assets are volatile.

### **Primary Market**

It means the issuer issuing and offering for sale of various types of financial instruments to raise money. It is a new instrument that is sold to investors for the first time.

### **Secondary Market**

It means the trading of various types of financial instruments that have been traded in the first market. In the secondary market, investors can trade financial instruments more flexibly, making them more attractive to investors.



## (2) Marketing and competition

### Industry and Competition: Brokerage Business

#### (a) Marketing Policy

The Company's target customers are those who have capital and wish to invest in various forms of financial products such as equity, fixed income, derivatives, mutual funds, etc. The majority of the Company's customers are retail customers and there are also institutional customers both domestic and international. As for order delivery channels, the Company offers services both in the form of sending orders through investment advisors and sending orders manually via the internet. With today's technology trends facilitating daily life, customers who place orders through investment advisors are gradually adapting and turning to send their own orders via the internet more and more. Therefore, the Company has to adjust the policy to increase investment in the Finansia HERO system in order to meet the needs and behavior of customers. However, personnel remain a key factor, the Company focuses on creating a quality team of experience, expertise in service and transaction consulting, financial instrument offering initiatives to meet the needs of customers and build good relationships with customers.

#### (b) Competition conditions

The number of investors and the number of investor accounts tends to increase every year. Information from the Stock Exchange of Thailand revealed that the number of investors increased from 2.15 million in 2020 to 3.1 million in 2021, as well as the number of accounts increasing from 3.51 million in 2020 to 5.22 million in 2021. Retail investors, which are the Company's main target customers, still have higher trading value than other types of investors as has been in the past several years although the proportion decreased due to the increase in foreign investor orders. Especially in 2021, the proportion of domestic investors increased from the previous year and more than foreign investors, a trend that is different from that of previous years due to the unusual situation caused by the COVID-19 epidemic. However, substitutes for various financial products such as equity, bonds, and financial instruments are still not available since different products have their own uniqueness.

The total number of companies licensed as a brokerage or securities companies are 43 companies, according to the list of SEC, which is a trend of increasing number of competitors. Even though many securities firms target both individual and institutional customers, there may be a few difference in fee and service policies for each brokerage company each year. This is because the securities firm business is not of much interest and also relies on personnel with specialized knowledge and experience. The trend of the increase in brokerage business may not be much due to the need for important factors in business operations, both the cost of development and research, obtaining a license to operate securities business from the Ministry of Finance and the SEC, and especially personnel factors in order to be able to compete with competitors in the market.

In terms of the size of the Company, it is considered a large company with more than 760 employees and total revenue of more than THB 2,000 million. The size of the Company compared to its competitors is on par with its competitors and is also larger than some competitors. Since the Company is a large company, has personnel with knowledge, experience and capabilities, is interested in technology development and research in order to apply that technology to meet the needs of investors regularly as can be seen from the development of Finansia HERO application that responds well to the needs of investors, thus the Company has a good position and potential to compete with other competitors in the market effectively.

The situation in the securities business continued to be fiercely competitive and there was a competition for investment advisors to increase the customer base. In 2021, a new strain of COVID-19 continued to affect many

securities firms due to the COVID-19 situation causing the volatility of securities prices, thus making investors turn to speculate and invest more due to market volatility. In addition, investing in other assets has a lower return as interest rates were as low as 0.25%, deposits and bonds had low yields, etc. As a result of such competition, the market share rankings were constantly changing. However, in 2021, the Company's market share ranked third, which is 5.58%, down 0.48% from the previous year.

**Top 10 Market Share Table of 2021**

No.	Securities company name	Initial	Market share (%)
1	Kiatnakin Phatra Securities Public Company Limited	KKPS	14.04
2	KGI Securities (Thailand) Public Company Limited	KGI	6.93
3	Finansia Syrus Securities Public Company Limited	FSS	5.58
4	Bualuang Securities Public Company Limited	BLS	5.42
5	Kingsford Securities Public Company Limited	KINGSFORD	5.35
6	Maybank Securities (Thailand) Public Company Limited	MST	5.09
7	CGS-CIMB Securities (Thailand) Company Limited	CGS-CIMB	4.72
8	JPMorgan Securities (Thailand) Limited	JPM	4.36
9	Yuanta Securities (Thailand) Company Limited	YUANTA	4.11
10	Kasikorn Securities Public Company Limited	KS	3.70
	Total		59.3

#### Industry and Competition: Investment Banking Business

Economic conditions, money and capital markets conditions, and political stability affect the interests of companies in bringing securities to be listed on the SET.

In the beginning of 2019, the SET index increased as a result of both domestic positive factors, namely the more clear Thai political situation and foreign positive factors such as recovering crude oil prices, signaling a slowdown in policy interest rate hikes, the US Federal Reserve slowed the increase of interest rate, the SET index closed at 1,674 points. However, the SET index dropped to the lowest point at 1,602 points in the middle of May due to the fact that most listed companies had lower than expected operating results. In addition, there is still pressure from the US-China trade war situation, which has announced a tax hike from 10% to 25%, making the SET index close at 1,620.22 points at the end of May. After that, the SET index continued to decline, with market pressures on both domestic factors, especially the relatively large drop in performance of listed companies, the slowdown of the economy, and external factors such as the escalation of the trade war between the US and China after both sides retaliated against by raising import tariffs. However, in the last quarter of the year, the foreign economy tended to improve with the extension of the UK's exit deadline from the European Union, which reduces the likelihood of a no-deal withdrawal. Additionally, trade issues between the US and China made better progress as the two countries were close to reaching a phase one trade deal. On the other hand, the slowdown in the domestic economy led to lower net profits of listed companies, especially banking stocks, which drove the SET index down. On 30 December 2019, the SET closed at 1,579.84 points. In 2019, institutional investors had a net buy of THB 52,006.73 million while foreign investors had a net sale of THB 45,244.85 million. There

were 11 new companies offering IPOs listed on the SET with a fundraising value of THB 68,712.57 million and there were 17 new companies offering IPO listed on the mai with a fundraising value of THB 4,981.30 million.

In early 2020, the SET index declined from the end of last year, in line with the direction of the ASEAN market which was mainly pressured by foreign investors net selling in the market, as a result of the COVID-19 epidemic, both domestically and globally, tending to increase continuously. As a result, on 23 March 2020, the SET index closed at the lowest point of 1024.46 points. However, during the second quarter of the year, the SET index continued to recover from the COVID-19 situation that has begun to controllable in many countries, coupled with aiding projects from both the government and the Bank of Thailand, such as measures to support soft loans for SMEs with a limit of THB 500 billion, Corporate Bond Stabilization Fund (BSF) with a limit of THB 400 billion, and a project “Rao Mai Ting Gun” under a limit of THB 100 billion to stimulate spending, which is a positive factor for the economy and investment conditions. As a result, at the end of June, the SET Index rose and closed at 1,339.03 points. However, since the third quarter of 2020, the SET index has continued to decline as a result of many factors affecting investor confidence, including the unclear economic stimulus policy of the US during the presidential election, domestic political problems from student rallies calling for a constitutional amendment, and especially concern about the second wave of the COVID-19 epidemic leading to lockdown in many countries. As a result, the SET index dropped to its lowest point at 1,194.95 at the end of October. During the last two months of the year, the SET index recovered as a result of positive factors from the large amount of money injected into the economy from government aid policies and progress in COVID-19 vaccine production. As a result, on 30 December 2020, the SET index closed at 1,449.35 points. In 2020, institutional investors had a net buy of THB 33,455.77 million while foreign investors had a net sale of THB 264,385.79 million. There were 14 new companies offering IPOs listed on the SET with a fundraising value of THB 127,014.62 million and there were 12 new companies offering IPO listed on the mai with a fundraising value of THB 3,779.26 million.

In early 2021, the SET index rose from the end of the previous year due to the progress in COVID-19 vaccination distribution and government stimulus plans in many countries. Various sectors were expected to be able to resume business as usual. As a result, on 30 March 2021, the SET index closed at 1,587.21 points. In the second quarter of 2021, the SET index rose and closed at 1,593.59 points on 31 May 2021 due to the global economic recovery. In May 2021, the value of Thai exports increased by 41.59% from the same period last year, resulting in a continued increase in the SET index. During the third quarter of 2021, as a result of domestic positive factor such as the number of new COVID-19 cases continued to decline in several areas and of foreign positive factor such as the Federal Reserve’s annual meeting to maintain liquidity [Quantitative Easing (QE)], investors’ confidence increased and the SET index rose and close at 1638.75 points on 31 August 2021. In November 2021, the WHO declared Omicron, the COVID-19 mutated virus, as a strain of concern, causing a negative impact on investors. As a result, foreign investors had a net sell position for the first month after having a net buy position since August 2021, pushing the SET to close at 1,568.69 points on 30 November 2021. However, in December, the SET index gradually picked up on the back of government stimulus measures, purchasing power in communications stocks on consolidation and special dividend issues, and purchasing power in imports stocks of raw materials and products. Shortages in the country due to supply chain disruptions resulted in higher prices of various commodities, especially steel products. As a result, SET index continued to rise and hit the highest point of the year, closing at 1,657.62 points on 30 December 2021. In 2021, institutional investors had a net sale of THB 74,484.18 million while foreign investors had a net sale of THB 50,533.36 million. There were 20 new companies offering IPOs listed on the SET with a fundraising value of THB 91,112.53 million and there were 18 new companies offering IPO listed on the mai with a fundraising value of THB 7,012.56 million.

Table showing details of companies listed on the SET and the mai

	2019	2020	2021
<b>SET</b>			
SET Index at the end of period (points)	1,579.84	1,449.35	1,657.62
Number of newly listed companies	13	15	21
- by way of IPO	11	14	20
- by way of merger	2	1	1
Number of delisted companies	8	9	6
Number of companies moving from mai to SET	6	6	10
Number of companies moving from SET to mai	-	-	-
Number of listed companies	556	568	593
Fundraising value (THB million)*	68,712.57	127,014.62	91,112.53
Total securities market capitalization (THB million)	16,747,455.83	16,107,632.55	19,583,094.79
<b>mai</b>			
mai Index at the end of period (points)	309.64	336.29	582.13
Number of newly listed companies	17	12	18
Number of delisted companies	1	-	-
Number of companies moving from mai to SET	6	6	10
Number of companies moving from SET to mai	-	-	-
Number of listed companies	169	175	183
Fundraising value (THB million)*	4,981.30	3,779.26	7,012.56
Total securities market capitalization (THB million)	215,155.97	235,030.40	471,981.87

Note: \* The fundraising value is calculated from all shares sold to the general public (capital increase and private placement) and offering under the ESOP

Source: [www.setsmart.com](http://www.setsmart.com)

In order to support the brokerage business and increase revenue from the core business, many brokerage firms have turned to investment banking, which has made the competition quite intense. There were 75 companies approved by the SEC to provide financial advisory services (As of 31 December 2021), and 41 securities companies were licensed to underwrite securities (As of 10 January 2022). The competition is in terms of experience and expertise in providing services and consulting in various transactions, initiative to introduce new forms of financial instruments to achieve the needs of customers, as well as building good relationships with customers.

### Competitive advantages and strategies

In the midst of intense competition in the industry and to achieve its goal of increasing market share in the brokerage business, the Company has a competitive advantage and strategy to develop investment banking services. The Company has a strategy to develop a comprehensive financial advisory service in order to offer appropriate and quality financial services for each customer and to focus on building a portfolio that is recognized. In addition to its financial advisory work, the Company also provides underwriting services to continuously offer investment opportunities to both existing and new customers.

### **(3) Procurement of products and services**

#### **1. Source of fund**

Most of the Company's funding sources come from shareholders' equity. As of 31 December 2021, the Company has a registered capital of THB 930.24 million, paid-up capital of THB 930.24 million, total borrowing limit and working capital for payment of securities from financial institutions amounting to THB 1,850 million as a reserve fund for flexibility in run a business.

#### **2. Financing or lending through persons related to the Management or major shareholders**

- None -

#### **3. Maintaining net capital ratio**

As of 31 December 2021, the Company's net capital ratio to general debt ratio was 36.86%, exceeding the minimum rate of 7.0% based on the SEC's net liquid capital to general debt maintenance criteria.

#### **4. Financing Policy**

In the event that the Company has a capital requirement, the Company has a policy to find an appropriate source of funds to use as the Company's financial cost and not to rely on any one source of funding. In this regard, the Company analyzes its cash flow requirements daily and considers the suitability of short-term or long-term borrowings for investment needs.

The Company has a policy to maintain its net capital ratio and net liquid capital ratios higher than those required by the SEC, which is to maintain a net capital ratio of at least THB 25 million and not less than 10.5% of general liabilities and assets placed as collateral.

**(4) Assets used in business undertaking****Main fixed assets used in business undertaking**Equipment

As of 31 December 2021, The Company had main fixed assets used in business undertaking in the consolidated financial statements with a total net book value of THB 98.03 million, details as follows:

List of assets	Type of ownership	Net value after depreciation* (THB)	Obligation
Office equipment	Owned	47,581,890	None
Furnishings and fixtures	Owned	48,786,000	None
Vehicle	Owned	3	None
Equipment during installation	Owned	1,664,136	None

Remark: \* Consolidated financial statements

Intangible assets

As of 31 December 2021, the Company had net intangible assets in the consolidated financial statements, presented at cost after accumulated amortization amounting to THB 185.43 million, comprising derivatives market membership fees, retail brokerage purchase fees, computer software, rights to use the system, and computer programs under development. In addition, the Company also has licenses to operate securities business in all 6 categories including brokerage, securities trading, investment advisory, underwriting, securities borrowing and lending, and private fund management, which are not shown in the financial statements.

List of assets	Lease period	Obligation
Long term lease contract	12 years 11 months	None

**Investment Policy in Subsidiaries and Associated Companies**

The Company has a policy to invest in subsidiaries and associated companies that operate business related to securities business or other businesses, in order to support the Company's operations, diversify business, and increase competitiveness. The Company has appointed personnel of the Company to serve as directors, to jointly manage and formulate policies for various operations.

## 1.3 Shareholding Structure

### 1.3.1 Shareholding structure of the group of companies

#### (1) Policy on operational organization within the group of companies

The Company has a policy to manage by professional executives and has appointed persons to serve as directors in subsidiaries, taking part in formulating guidelines and policies, to ensure that the operations in various fields are most efficient.

#### (2) Shareholding diagram

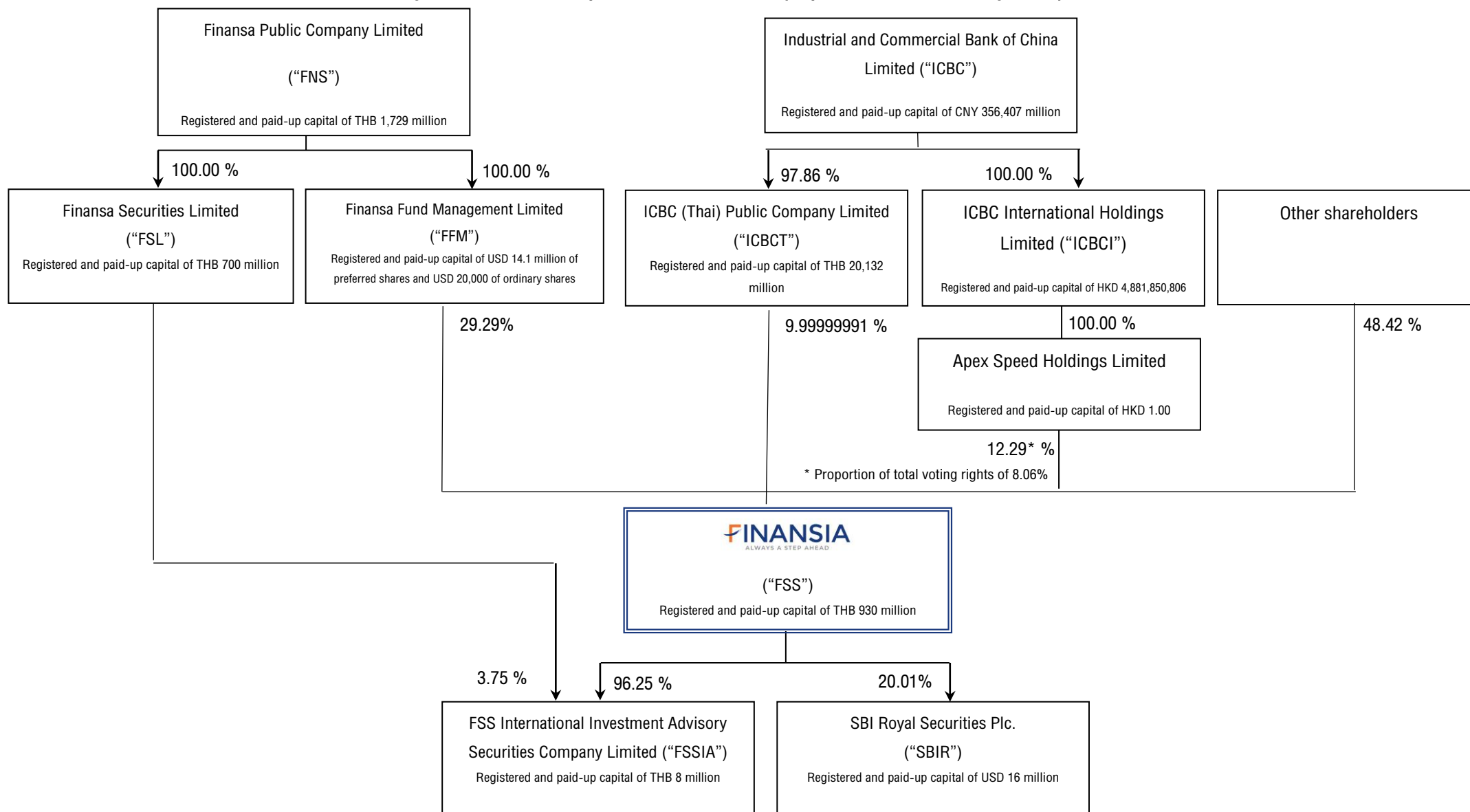
Finansa Fund Management Company Limited (“FFM”), the no. 1 shareholder, operates investment business in the form of venture capital in Thailand, Vietnam, Myanmar, and Cambodia. FFM was wholly owned by Finansia Public Company Limited (“FNS”), which operates various types of financial services including investment banking, wealth management, financial and investment advisory, fund management, and specific investments to financial institutions, corporate customers, and retail customers through its affiliates in Thailand. FNS shareholders, as of 11 May 2021, consist of Mr. Vorasit Pokachaiyapat, holding 36.08%, Mr. Kobkhun Tienprecha, holding 5.88%, Morgan Stanley & CO. International PLC, holding 3.98%, M. L. Suddhiman Pokachaiyapat, holding 3.04%, CREDIT. SUISSE AG, SINGAPORE BRANCH, holding 2.47%, and other shareholders, holding 48.55%.

On 16 December 2021, the Company was notified by Finansia Public Company Limited (“FNS”), the major shareholder of the Company’s major shareholder, Finansia Fund Management Company via electronic disclosure of the Stock Exchange of Thailand (“SET”) that FFM has sold all ordinary shares of the Company to PILGRIM FINANSA INVESTMENT HOLDING PTE. LTD (“PFIH”), a company incorporated under the laws of Singapore, amounting to 170,269,978 shares, representing 29.29% of paid-up registered capital. As a result, the shareholding structure of the Company has changed.

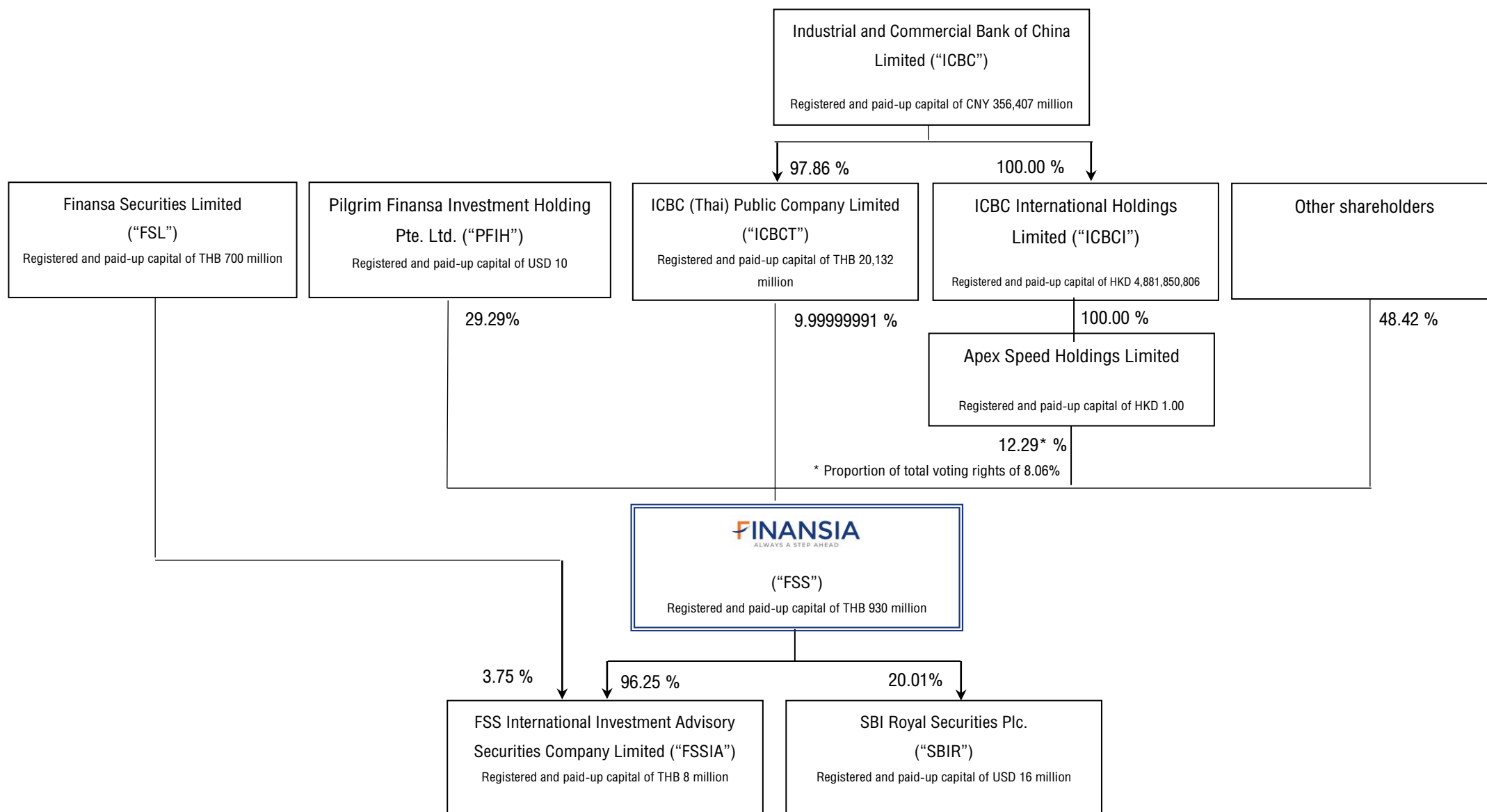
At the same time, the Company has invested in a subsidiary and an associated company, namely 1) FSS International Investment Advisory Securities Company Limited (“FSSIA”), which operates investment advisory securities business in Thailand and obtained a securities business license in the category of investment advisory services to FSSIA clients from the Ministry of Finance since 18 December 2013 and obtained a derivatives business license in the category of derivatives advisory from the SEC since 2 January 2014 and 2) SBI Royal Securities PLC (“SBIR”), which operates securities business, registered under the Kingdom of Cambodia law. The Company has invested and held 96.25% and 20.01% shares of the two companies, respectively.



**Shareholding structure of Finansia Syrus Securities Public Company Limited before the change of major shareholder**



**Shareholding structure of Finansia Syrus Securities Public Company Limited after the change of major shareholder (on 6 January 2022)**



## Information of companies that the Company holds shares

### Information of companies that the Company holds more than 10% shareholding

<b>Company name (in Thai)</b>	<b>: บริษัทหลักทรัพย์ที่ปรึกษาการลงทุน เอฟเอสเอส อินเตอร์เนชั่นแนล จำกัด</b>
Company name (in English)	: FSS International Investment Advisory Securities Company Limited
Business Type	: Investment Advisory
Address	: 25 Alma Link Building, 14th Floor, Soi Chidlom, Ploenchit Road, Lumpini, Pathumwan, Bangkok 10330 Tel: 02 611 3500 Fax: 02 611 3551
Shareholding percentage	: 96.25
Issued and Paid-Up Share Capital	: THB 8 million
Par Value	: THB 100
No. of Ordinary Shares	: 80,000 shares
<b>Company name (in English)</b>	<b>: SBI Royal Securities PLC</b>
Business Type	: Securities Business (registered under Cambodian law)
Address	: Phnom Penh Tower, No. 445, Preah Monivong Blvd, Sangkat Boeung Pralit, Khan 7makara, Phnom Penh
Shareholding percentage	: 20.01
Issued and Paid-Up Share Capital	: USD 15.99 million
Par Value	: USD 25
No. of Ordinary Shares	: 63,960,000 shares

### 1.3.2 Relationship with major shareholders' business

The Company's major shareholder is Pilgrim Finansia Investment Holding Pte Ltd., whose founder and major shareholders are Mr. Vorapak Tanyawong and Mr. Chuangchai Nawongs. The Company does not depend on or compete with each other.

The Company has 2 directors who are representatives from the major shareholders out of a total of 9 directors. In this regard, the Company has appointed 3 independent directors, representing one-third of the total directors, which is in accordance with the regulations of the SEC, to supervise the operations of the Company in accordance with the standards, in the right direction, and to maintain the rights of shareholders as a whole to ensure fairness and maximum benefits

### 1.3.3 Shareholders

The top 10 shareholders of the Company as of 30 December 2021 are as follows:

Name	No. of shareholding	Proportion (%)
1. PILGRIM PARTNERS ASIA (PTE.) LTD. (SUB-ACC3-PILGRIM FINANSA INVESTMENT HOLDINGS (PTE.) LTD*)	170,269,978	29.29
2. Morgan Stanley & CO. International PLC	67,383,222	11.59
3. ICBC (Thai) PLC	58,140,302	10.00**
4. KIM ENG SECURITIES (HONG KONG) LTD. FOR DVP CLIENT.	46,836,295	8.06
5. Mr. Suthipoj Ariyasuthivong	40,152,200	6.91
6. Thai NVDR Co., Ltd.***	38,424,583	6.61
7. Mrs. Suporn Wattanavekin	13,248,227	2.28
8. Mr. Kriengkrai Hannunthawiwat	9,232,600	1.59
9. Mr. Chodiwat Duntanasarn	9,050,000	1.56
10. Mr. Warit Yongsakul	4,756,200	0.82
Others	123,909,418	21.29
<b>Total</b>	<b>581,403,025</b>	<b>100</b>

Remark:

\* The founders and major shareholders of Pilgrim Finansa Investment Holding Pte. Ltd. are Mr. Vorapak Tanyawong and Mr. Chuangchai Nawongs.

\*\* ICBC (Thai) Public Company Limited holds 58,140,302 shares, or 9.99999991%.

\*\*\*Shareholders through Thai NVDR Company Limited, which holds the Non-Voting Depository Receipt (NVDR) in Item 6, have no right to vote at the shareholders' meeting, except in the case of exercising voting rights to vote on the delisting of shares from the SET.

The Company has 3 directors who hold shares in the Company, namely Mr. Vorapak Tanyawong, Vice Chairman, and Mr. Chuangchai Nawongs, President and CEO, holding 170,269,978 shares in total. Pol. Gen. Visanu Prasattongsoth, Independent Director / Chairman of the Audit Committee / Chairman of the Nomination, Remuneration, and Corporate Governance Committee, holds 3,655,614 shares. Therefore, directors hold 173,925,592 shares in the Company, directly and indirectly, accounted for 29.91%, which can be summarized as shown in the table

Name-Surname		Position	No. of shareholding (Shares)	Proportion (%)
1.	Mr. Chatchaval Jiaravanon Spouse and minor children	Chairman	- -	- -
2.	Mr. Vorapak Tanyawong* Spouse and minor children	Vice Chairman	170,269,978	29.29
3.	Mr. Chuangchai Nawongs Spouse and minor children	Director / Chief Executive Officer		
4.	Mr. Somphop Keerasuntonpong Spouse and minor children	Director	- -	- -
5.	Mrs. Pornpring Suksantisuwan Spouse and minor children	Director	- -	- -
6.	Ms. Kanchana Vongratanakulthon Spouse and minor children	Director	- -	- -
7.	Pol. Gen. Visanu Prasattongsoth Spouse and minor children	Independent Director / Chairman of the Audit Committee / Chairman of the Nomination, Remuneration, and Corporate Governance Committee	3,655,614 -	0.63 -
8.	Mr. Phaiboon Siripanoosathien Spouse and minor children	Independent Director and Member of the Audit Committee	- -	- -
9.	Mr. Kittisak Bencharit Spouse and minor children	Independent Director and Member of the Audit Committee	- -	- -
<b>Total</b>			<b>173,925,592</b>	<b>29.91</b>

\* Mr. Vorapak Tanyawong was appointed as a director to replace Mr. Varah Sucharitakul, approved by the SEC on 27 December 2021 and completed the registration on 10 January 2022 (Mr. Varah Sucharitakul resigned effective on 16 December 2021).

#### 1.4 Amounts of registered capital and paid-up capital

The Company has a registered capital of THB 930,244,840 million, of which THB 930,244,840 million is paid up, divided into 581,403,025 ordinary shares, at THB 1.60 per share.

## 1.5 Issuance of other securities

### Bond

Name	FSS21810A	FSS21816A	FSS21819A	FSS238A
<b>Type</b>	Short-term bill of exchange No. 1/2021	Short-term bill of exchange No. 2/2021	Short-term bill of exchange No. 3/2021	Long-term (2-year) debentures, in the name of the holder, unsubordinated, unsecured, and with a debenture holder representative
<b>Amount (Unit)</b>	220,000	280,000	250,000	1,000,000
<b>Unredeemed number and value</b>	None	None	None	505,600,000
<b>Maturity date</b>	10 August 2021	16 August 2021	19 August 2021	23 August 2566
<b>Collateral</b>	None	None	None	None
<b>Right of redemption before the maturity date</b>	None	None	None	None
<b>Credit rating</b>	None	None	None	None
<b>Guarantor</b>	None	None	None	None

## 1.6 Dividend policy

The Company has a policy to pay dividends at a rate of not less than 40% of the remaining net profit after tax and other reserves. The dividend payment is subject to change depending on investment plans, necessities, and other appropriateness in the future.

The Board of Directors has approved to propose the 2022 Annual General Meeting of Shareholders to approve the dividend payment for the year 2021 since the Company has net profit from operations as shown in the 2021 financial statements.

### Dividend Information

Year	2019	2020	2021
Net profit (THB)	(140,832,838)	87,565,810	296,427,359
Net profit per share (THB/share)	(0.24)	0.15	0.51
Net profit after statutory reserve (THB)	No dividend payment	83,187,520	286,421,934
Dividend payout (THB)	No dividend payment	34,884,182	58,140,303
Dividend payout ratio (THB/share)	No dividend payment	0.06	0.10
Dividend payout ratio to net profit after statutory reserve <sup>(1)</sup>	No dividend payment	41.93%	20.30%
Dividend payout ratio to net profit (%)	No dividend payment	39.84%	19.61%

Remark:

<sup>(1)</sup> The dividend payout ratio is calculated from the separate financial statements, using the company's net profit after deducting 5% legal reserve on a cash basis

## 2. Risk Management

### 2.1 Risk management policy and plan

The Company sees risk as a key factor that could be a huge blow to the Company if it doesn't measure, evaluate, and manage properly. For each risk area, the Company is aware and responds, for the benefit of the Company, investors, and stakeholders.

The Company has a comprehensive risk management policy in place for all risks related to the business it operates, in writing and approved by the Board of Directors to ensure that the total risks are at an acceptable level. For core business like a brokerage, the Company has procedures to verify each client to open a brokerage account with the Company in terms of the source of income, the true beneficiaries, calculating whether the client's assets are according to the criteria for the required trading limit or not. The authorization of the Company's securities trading limit is decentralized to the Executive Directors of each business unit to the Board of Directors, depending on the amount of credit limit that the customer wants, for flexibility in customer service and to control the risk of credit to the appropriate level. In addition, the Company regularly monitors the use of credit lines and collateral of its customers. If the existing collateral is insufficient to meet the specified criteria, the Company has clearly established procedures for demanding additional collateral from customers or may force the sale of securities for repayment. In order to track the credit line and collateral usage status of clients who have brokerage accounts with the Company, the Company has adopted information technology systems to make the tracking more efficient. For the reasons mentioned above, the Company is able to control its credit risk to a level suitable for its brokerage business. In terms of market risk, the Company assumes this risk from many businesses that it operates such as Proprietary Trading, Derivative Warrants, and Block Trading. Business-related risks are all-encompassing beyond market risk and strategies can be formulated to control those risks, such as determining the investment universe, that takes into account both liquidity and price volatility of individual securities, Stop-Loss Limit, Credit Limit, Concentration Limit, Delta Limit, Gamma Limit, Vega Limit. Risk status reports for each business are prepared at the end of the business day and guidelines for remedial action in the event of excess risk are prepared. For liquidity risk, the Company calculates net liquidity capital every business day, in order to control and monitor the status of the Company's tendency to be unable to maintain the capital fund according to the official criteria. In addition, the Company is required, before a transaction that could significantly affect its capital level, to test whether the current capital level is sufficient to support the transaction, as well as set up an emergency plan in case the Company is unable to maintain its capital fund according to official criteria, to reduce the impact on the Company's business plan implementation. As for operational risks, the Company requires that each department has a manual for the operation in order to perform the tasks correctly and completely according to their duties. Additionally, the Company has a business continuity plan (BCP) and annual testing, so that emergency situations can be dealt with effectively thereby reducing risks.



## 2.2 Risk factors on business operation

### 2.2.1 Operational risk associated with the Company or the group of companies

#### 1) Exposure to Volatility of the Market

The Company's main source of income comes from brokerage fees which are related to economic conditions, money market conditions and capital market conditions, trading volume in the Stock Exchange including confidence among local and foreign investors. Brokerage business' performance depends on various factors i.e. political situations, global and domestic economic situations which are beyond the Company's control. If the market is volatile, it will have an impact on trading value and will cause fluctuation in brokerage fees, for example, brokerage fee will decrease if trading values decrease and if trading values increase, brokerage fee will increase as well, provided that other factors are stable. The volatility trend of the stock market has continued as the COVID-19 situation remains uncertain due to the emergence of new species. The trend of rising US interest rates from record inflation will affect stock markets around the world. However, these factors are uncertain in the direction of the outcome and there may be other external risk factors that can affect market volatility.

From the above reasons, what the Company can do is trying to find a way to reduce its dependence on brokerage income and increase revenue from other businesses, for example, derivative warrants and bring in tools to manage risks from the fluctuation that affects the revenue from this business such as setting the maximum level of risk tolerance in various fields, namely, stop-loss limit or stress test in order to assess the damage in the event of high market volatility. In addition, the acceptable risk values are regularly reviewed.

#### 2) Competition within the Industry

Securities Business is a highly competitive business since the nature of the product is similar and the number of competitors is relatively high. Moreover, commission rates are liberalized and a low pricing strategy is used for business operation. In the future, securities business operations are likely to increase. The services of each company will be developed, which may be the introduction of technology to play a greater role in providing services to meet the needs and convenience of customers or investors. This may require the Company to adjust its strategy to attract customers. In addition, there may be an investment in the development of the Company's products and services to be more efficient and meet the needs of investors. Otherwise, it may cause the Company to be affected by reduced revenue.

The Company prepares to alleviate such impact by creating its business' strength, promptly adjusting its strategies to be consistent with a variety of situations, emphasizing on quality and standard of service, developing personnel's competencies, developing information technology system to be novel and secure, as well as create new products and services to facilitate customers and respond their needs.

#### 3) Risk of Derivatives Brokerage Business

Due to the high-risk nature of the future exchange from price fluctuations and complexity of commodity, the trend of price volatility depends on both domestic and international economic conditions that affect the price of the underlying asset. For the outlook for 2022, the global economic recovery is unequal, making emerging market economies more uncertain and they are facing inflation and rising public debt. Each country's central banks need gold as reserves to boost their economy and to cope with tighter monetary policy in developed countries this year, a factor that will support gold prices, but could hurt global capital markets in short-term from sucking money back. As a result, the THB lacks support and

risks fluctuating in value. Thailand may benefit from the export sector and thus attract tourists. The epidemic that creates uncertainty is also disrupting supply chains, causing product prices to rise more than expected, all of which may be vulnerable to price fluctuations due to economic uncertainty and other factors that may affect the price of the underlying asset. The risk of this price fluctuation may affect the debt settlement system and cause damage to the Company's revenue.

The Company has established a strict risk management schedule, selecting customers with knowledge, experience investing in derivatives, and considering the credit limit to suit the customers' position, debt repayment ability, enough deposit margin before submitting futures trading orders, and set a clear operating procedure for calling for margin or forcing off positions, with Intraday Force status checking at 12.30 every day. In addition, the Company has continually organized training courses to provide knowledge and create understanding of futures contract services for its personnel.

For SSF Block Trade transaction, apart from the above-mentioned risk management procedures, the Company required customers to sign in an addendum to the appointment of derivatives agent agreement prior to the transaction execution so as to acknowledge terms and conditions of the transaction. In addition, the Company established the internal risk management policy policies to control the risk incurred from this transaction.

#### 4) Risk Associated with Operating a Business under Regulated Environment

Since the securities and derivatives businesses are regulated by the related laws of the regulated authorization i.e. the Securities and Exchange Commission (SEC), the Stock Exchange of Thailand (SET), Thailand Futures Exchange PLC, Anti Money Laundering Office (AMLO), and Association of Securities Companies (Thailand), etc., the Company may have an operational impact i.e. the increase of operational costs, knowledge and understanding of relevant departments, etc., arising from the stipulation and/or amendment of the regulations, policies including measurements to regulate securities and derivatives businesses by the government bodies or regulated authorizations. In addition, the Company may face the operational error risks in various aspects such as the operational errors in the Company's departments, failure to comply with working standards and code of conducts for investment consultants and securities analysts, etc., which will affect the reputation of the Company, and the Company may have been imposed a fine and/or other action specified by laws and/or the employees of the Company may be imposed penalties from admonishment to suspension.

However, the Company has a policy for the internal audit department and compliance department to oversee and monitor to ensure that all level of its employees carry out their duties accurately and strictly complying with rules and regulations of the regulated authorizations, and when there are any changes in related rules and regulations, the Company will announce such changes to related employees to acknowledge and comply with the current regulations.

#### 5) Risk Associated with Information Technology System Failure

Nowadays, the advancement and competition in the development of information technology in various fields plays a very important role in changing the world of business and financial transactions, creating new financial products and services continually and helping to create business opportunities. In addition to the rapid development of products and services to respond to the needs of customers, the efficiency and stability of the information technology system that is available at all times is the Company's top priority.

At the same time, the ever-growing complexity and expansion of IT investments has led the Company to face various challenges and risks, such as technology or cyber threats that may affect business operations and compliance with

different digital laws. If the Company does not have a standardized information technology system and does not have adequate and effective security measures, it can affect its reputation and trust in the use of its services and products.

In order to effectively manage technology risks, the Company continually improves and develops its technology infrastructure and security systems, in order to increase efficiency and capacity to support services and prevent risks from technological threats in various fields, ranging from preparedness, surveillance, prevention of incidents, including annual Cyber Exercise drills, to ensure that the Company can respond in the event of a threat in a timely manner.

The Company requires that the business continuity management plan and redundancy plan be tested every year, to ensure that the plan and its systems are operational in a timely manner. And in the event of a crisis, the Company is able to operate its business and serve its customers continuously and efficiently.

In addition, due to the current unpredictable situation of the COVID-19 outbreak causing multidimensional risks, the Company has prepared, modify methods, so that businesses can continue to operate and be able to provide excellent customer service in all situations. Enabling employees to work from home (WFH) to their full potential and efficiency reinforces the safety and reduction of risks for Company personnel, both directly and indirectly.

However, the Company continues to focus on enhancing the performance of information technology systems, putting emphasis on the selection of efficient technology, to support business growth and help prevent potential risks.

## 6) Risk from Default Payment

In general, conducting a financial business is likely to be at the risk of customer default and causing bad debts. These problems are caused by both the overall economic factors of the country, which affect assets, investments and financial structure, resulting in customer default or may be caused by collateral quality, quality of trade accounts receivable, and future cash flows that will be used to pay off debt as well. The default of debt will become the Company's expense, affecting the Company's profit and income, including the liquidity of the Company as well. The economic outlook for the next year may recover from the previous year, which may lead to a lower rate of default. However, it also depends on other external factors, which may not be identified or predicted clearly.

The Company reduced default risk by only selecting clients with financial stability. Furthermore, the Company has strict risk management policy and assesses client credit line according to the Association of Thai Securities Companies. Credit limit review is taken seriously to ensure that the trading limit is appropriate and suitable for the clients' financial status. In case of default, the Company has stipulate measure to handle the case. Normally, clients are required to pledge collateral with the Company; the collateral can be forced sell to pay off debt immediately. Together with SET regulation, it enforces clients to deposit cash as collateral with the Company in an amount with no less than 20% of the credit line.

Furthermore, the Company has offered more margin loan service to clients. However, the Company has clear credit assessment with strict control and monitoring procedure to follow. The Company produces lists of securities and initial margin rate and reviews regularly. In addition, the Company has procedure to control collateral in margin account, once the value of asset is lower than required level, margin call or force sell will be enforced.

On 31 December 2021, the Company has total account receivable and accrued interest in the amount of THB 4,356 million with total doubtful debt of securities business and future trading business in the amount of THB 16 million or 0.37% of total account receivable and accrued interest. The Company has set aside a full amount of doubtful debt reserve. It is currently asking the debtors for payments and taking legal proceeding against the debtors who have doubtful debts. The Company has a policy to write off such debt when the litigation case is final and a debtor is unable to repay debt.

## 7) Underwriting Risk

Even though underwriting business can generate income to the Company and serves as a factor in preserving and expanding the customer, the Company has to take risks as the underwriter in case of under subscribed offerings by purchasing the outstanding shares in the Company's proprietary accounts which may cause the Company to realize loss if such shares are traded at the price below the IPO price after trading in the Stock Exchange, such loss may affect the Company's liquidity. Such risk is subject to factors like market volatility and investor opinion on the share price, etc.

In order to prevent the risk that may arise, the Company places great importance on customer selection, by studying the basic information of the selling companies in detail, considering the nature of business, industry conditions and competition, performance, and future performance trend, in order to consider the interest and strength of the securities offering company and assess the interests of clients and investors. The Company also has an appropriate process of determining the offering price in line with performance and stock market conditions at that time. Prior to the underwriting guarantee, the Investment Banking Department must present the matter to the Executive Board or the Board of Directors every time in order to seek approval for participation in underwriting and firm underwriting, which will take into account the impact on the maintenance of the Company's liquidity. This makes the past operations of the Company never faced any problems arising from underwriting and firm underwriting risks. Besides, the Company maintains the net capital ratio (NCR) at a rate that is always higher than the criteria set by the SEC.

## 8) Risks on DW Business

### 8.1 Risks on Derivative Warrants

#### ☞ Risks on Derivative Warrants

The prices of DWs change rapidly and the true theoretical price is difficult to calculate because it depends on many factors. This makes DWs a low-cost but high-yield financial product where investors also make substantial losses if the price moves in the opposite direction from their expectations. The losses will be limited to the amount of the purchase of DWs. Therefore, to invest in such products, the investors should study and understand before investing in DW. The factors that affect the price of the DWs are as follows;

#### ☞ Demand and supply of DWs

☞ DW's price may rise or fall sharply depending on the demand of buying and selling (Demand and supply) of DW at that moment.

#### ☞ Prices of the underlying securities or underlying stock index (when other factors are constant)

☞ When the prices of the underlying securities or underlying securities index rise, the price of the Call Warrant will increase accordingly, while price of the Put Warrant will drop.

☞ When the prices of the underlying securities or underlying stock index drop, the price of the Call Warrant will drop accordingly, while price of the Put Warrant will increase.

#### ☞ Exercise price (when other factors are constant)

☞ When the exercise price rises, the price of Call Warrant will drop, while price of the Put Warrant will increase.

☞ When the exercise price drops, the price of Call Warrant will increase, while price of the Put Warrant will drop

 Fluctuation in the prices of the underlying securities or underlying stock index (when other factors are constant).

 When the fluctuation of the price of underlying securities or underlying securities index rise, the price of the Call Warrant and Put Warrant may rise as well.

 When the fluctuation of the price of underlying securities or underlying securities index drop, the price of the Call Warrant and Put Warrant may drop as well.

 Expiration date of the DW (when other factors are constant)

 When the expiration date of the DW comes up, the price of the Call Warrant and Put Warrant will decline.

 Interest Rate (when other factors are constant)

 When interest rate rise, the price of the Call Warrant will increase while the price of the Put Warrant will decline.

 When interest rate decline, the price of the Call Warrant will decline while the price of the Put Warrant will increase.

 Dividend yield of the underlying securities (when other factors are constant)

 When dividend yield increase, the price of Call Warrant will drop while the price of Put Warrant may rise.

 When dividend rate drop, the price of Call Warrant will rise while the price of Put Warrant may drop

 Liquidity Risks

Each DW series that trade in the stock market may have liquidity risks because of the small amount of each series compare to securities traded in the market. In addition, the liquidity of the DW may reduce when trading of the underlying securities drop.

However, the Market Maker will send buying and selling orders to stabilize the prices and volumes in accordance with the terms of the Rights that investors can trade DW when they need. Investors should study and consider the information from a 69-Full/Short and also terms of Rights carefully before investing.

## **8.2 Risks from the underlying securities or underlying stock index**

 The Company that issued the underlying securities grants privileges to the existing shareholders

The Company may adjust the rights for investors by varying the Exercise Price and/or Exercise ratio for Derivative Warrants which the underlying assets are in form of shares by calculating a formula specified in the Terms and Conditions. The issuer of the underlying securities (the underlying company) may give privileges to existing shareholders. These include:

1. Allocation of new shares to existing shareholders of the Company (the issuer of the underlying securities)
2. The stock dividend of the underlying company
3. The dividend of the underlying company
4. Stock split or reverse stock split of the underlying company

 Suspension or cessation of trading of the underlying securities or cessation of calculating the underlying securities index

In the event that the underlying securities are either suspended or cease trading due to announcement of Suspension (SP) or Halt (H) signs, DWs of such underlying securities will also be suspended as well and investors will not be

able to trade the DWs during that period. In the event securities index ceases to calculate the related DWs will be affected as well including the underlying products which are the underlying assets which have been ceased the calculation of the underlying. It will affect the DW as well

☞ The delisting of underlying securities from listed securities in the SET

In the event of delisting of underlying securities from the SET before the maturity date of the DW, the Company will move up the maturity date of DW to be sooner. Therefore, the remaining life of the DW will decline rapidly and may cause the price of DW to drop sharply as well.

☞ Liquidation of the underlying company

In case of the shareholders of the underlying company approved the resolution for dissolution or appointed the liquidator or court order to dissolve the company or appoint a liquidator, the Call Warrants that have not been exercised, will be canceled and cannot be exercised. Such DWs will be canceled at the date of the Shareholders' Meeting that approved the Company's resolution or by the date specified by the court. In that case, prices of DWs may decline drastically. In case of Put DWs, the issuer will announce the fair price of the underlying securities to holders within fifty (50) days after the meeting of shareholders of the Company has approved the dissolution resolution, or appointed a liquidator, or the court has ordered the dissolution of the Company. "Fair Price" means the price supplied by an Independent Financial Advisor which is licensed by SEC. The fair price must be calculated no more than fifty (50) days prior to the issuer announcing the fair price which is deemed to be the underlying price. The issuer must pay the different part of Net Cash Settlement Amount (if any) to the holders of DWs by paying to the bank account of the holders of the DWs or by cheque made payable to holders of the DW that are listed on the share register at the Automatic Exercise Date and sent by registered mail within nine (9) days from the date that the fair price has been announced.

In the case of DWs with underlying stock index, the Company does not adjust the multiplier index and/or exercise price, unless the issuer deems that there are reasonable grounds which have significant impact on the holders of DW's. The Company will determine the appropriate method of adjusting the multiplier index and/or exercise price fairly as well as to set the date for the adjustment of multiplier index and/or exercise price and its effective date without decreasing the rights of DW holders. The Company will notify DW holders according to the regulations of the SET and other entities involved.

### **8.3 Risks of failure in the settlement and delivery**

The event of settlement failure refers to events that are beyond the control of the issuer of DW and not due to the fault of the issuer. This results in the issuer unable to settle with the holders of DW in exercising their rights. This includes (but not limited to) the following events:

- ☞ War or riots in the country or abroad or any other causes which results in unable DWs or the underlying securities unable to trade the stock market as normal
- ☞ SET suspends trading of the underlying securities, for whatever reason
- ☞ Due to laws or orders of relevant authorities with the impact on the trading of DW and/or adversely affect the underlying securities that cannot find the underlying price.

### **8.4 Risks of delivering securities or payment cash for difference with the Company's obligations (Credit Risk)**

DWs are securities derivatives without assets collateral, so the risk of investors who invest in DWs depends on the reliability of the underlying issuer and guarantor of repayment. If the underlying issuer or guarantor of the debt cannot

pay for the debt or default, the investors will have the same status as unsecured creditors of the issuer or guarantor of the underlying debt, regardless of the return of the underlying securities or index. There is a risk that investors will not get a repayment in whether in full amount or partial. Investors will have no rights to claim any of the terms of the issuer of the underlying securities or indexes.

Investors should study the information and qualifications of issuers and study factors of risk associated with the operations of the issuer, financial status, performance in the recent years and credit rating. The issuer has been rated by Fitch Ratings (Thailand) Limited at BBB + (on 13 January 2022), which is a requirement of the SEC for issuance of DWs. Investors can find out more from 69-dw full/short 56-1 Draft terms of rights, including the events of default and the consequences of default under section 1 of the Terms and Conditions before investing.

#### 9) Risk of Securities Borrowing and Lending Business

Most of the time, clients use securities borrowing and lending transactions as a tool to hedge and seek returns in very volatile market conditions. Major risks can arise from the default of counterparties and fluctuating securities prices may cause the effect of default or failure to return securities and collateral upon the due date of the contract, which affects income, working system, and liquidity of the Company. As a result, the volatility of the market and the price of the securities are still constant, depending on the main economic, political, and financial factors. Although the economy will see an improvement in the next year, there will still be uncertain trends in economic and monetary policy outcomes, both local and abroad, countermeasures for the COVID-19 Outbreak, and other factors.

Therefore, the Company has hedged against potential risks arising from customer transactions, by requiring the borrower's clients to deposit the collateral before borrowing the securities at least the specified threshold and maintain the collateral value of not less than required collateral. If the value of the borrower's collateral for borrowing securities falls below the required collateral, the Company will have a procedure to call on the borrower's customer to deposit the collateral up to the specified collateral level.

#### 10) Risk on Human Resources

The securities business relies highly on experienced employees especially in the field of marketing, investment banking and research which are the professions highly desired. The resignation from such employees could affect the Company's performance.

To minimize such risk and effect, the Company has policy to develop and educate every level and profession so replacement is easy when needed. Furthermore, Association of Thai Securities Companies sets the allowance on compensation given to investment consultants to help controlling the movement of such profession. The Company has also developed a clear policy where investment consultants will be properly compensated in terms of salary, bonus and welfare; as well as good caring environment at a well maintained workplace. The Company encourages good team work, bonding among co-workers, as well as offers opportunity for career growth.

#### 11) Client Concentration

The Company has no concentration on any customers more than 30% of total income. However, the Company aware of the potential impact and prepare a solution to manage such risk by expanding more of its customer base, namely individual investors, and local and foreign institutions; developing the online order submission to facilitate its customers. The purpose of which is to expand the customer base and not excessively relying on high-volume customer or a small group of customers.



## 12) Risk from having major shareholder exceeding 25% shareholding

Pilgrim Finansia Investment Holding Pte. Ltd. (PFIH) is the major shareholder holding 29.29% of the total paid-up shares. The Shareholder is able to control the resolution of the important agenda of annual general meeting or the resolutions which legally require three-quarter of the shareholders attending the meeting. Consequently, other shareholders have risk in terms of having not enough votes to ask for the verification or balance the vote. However, the 3 independent directors from 9 directors, working independently from the Management and the major shareholder, acting as the Company's Audit Committee are responsible for checking and recommending the Company to operate in a correct and transparent manner.

## 13) Risk from changes of technologies

Since the Company changed its core strategy to provide online trading platform which was launched on 23 March 2018 under the name "Finansia HERO", the Company aware of the ever-changing information technology because the implemented technology is always developed and changed. In this regard, the Company may pose risks in offering online trading platform system which is obsolete to investors resulted in the decrease in value added of the Company and loss its capability in a long-term competition.

However, the risk from obsolescence will slightly affect the Company because technologies from the Company's partner, namely, Kiwoom Securities, is on the cutting-edge according to the Company's results of studies and comparison of the online trading systems which are currently available in the market before its cooperation in developing the online trading system. Such cooperation is not only to buy a computer program but to also conduct the investors' behaviors to develop the online trading system with the idea of Customer Centric. In addition, the Company also protects itself by following up the movement and trends of the investors' behaviors, as well as new technology and innovation which will be offered to the market and response the needs of customers. The source of which was from investors, partners, cyber-related news, international seminars regarding technologies, etc. The Company also established E-Business Technology department which comprises of the 5-6 proficient programmers who stationed at Kiwoom Securities and possess knowledge and experiences regarding information technology in various fields to cooperate in considering and design various features to be the alternative investment tool and new innovation for investors. Moreover, the Company's organizational culture always emphasizes on the adoption of new technology and innovation. The average age of the Company's E-business technology team is approximately 25-26 years old which is considered as the group of people with constant eagerness to learn and adopt new technologies as well as ability to adapt quickly.

## 14) Risk Associated with Financial Advisory Service

Various financial advisory services, for instance, issuance and offering of securities, merger and acquisition, entering into various types of transactions by listed companies in order comply with the regulations of the SEC and the SET such as acquisition and disposal of assets, or entering into a connected transaction or delisting of the securities of listed companies etc. may cause the Company to be at risk in the event that it has a responsibility with the client to disclose accurate and complete information to the public. In this regard, the Company is aware of such risk and places importance on training and development of personnel in the Investment Banking Department to have knowledge and understanding of relevant rules and laws. Moreover, in order that the performance of personnel in the department is standardized and efficient, the Company has prepared a detailed operation manual, specifying due diligence process as the

guideline for personnel in the department. There are also supervisors who have long experience in investment banking responsible for examining the accuracy and completeness of information and documents.

#### 15) Risk of corruption

Corruption is one of Thailand's most challenging problems, a systemic problem caused by many factors including the deeply rooted patronage system in Thai society, ineffective law enforcement, weak governance in the government, and the general acceptance that corruption is part of the Thai way of life. The eradication of corruption in Thailand cannot rely solely on government mechanisms, but requires cooperation from all parties involved, including the private sector, to deal with the supply side of Thailand Corruption equation too.

The Company has realized that participating in solving corruption problems through joining the CAC, through setting up policies and anti-corruption mechanisms, will directly affect the risk of bribery problems. However, from the momentum of the anti-corruption trend, the Company will be able to create critical mass and creates pressure both within the organization and on other operators, to raise anti-corruption standards to the same level as the CAC members. The landscape of business as a whole is changing and corruption in all its forms becomes a loathsome behavior that businesses can no longer tolerate.

#### 16) Risk of epidemics and serious infectious diseases

Although the COVID-19 epidemic situation is likely to improve due to advances in vaccine development, one needs to be aware of the potential for other types of epidemic situations. From the epidemic situation of COVID-19, it can be seen that the epidemic situation and serious infectious diseases have a low chance of occurring, but once they happen, they can spread quickly around the world. Efforts to control the epidemic result in disruptions in economic activities and create concerns about uncertainty for businesses and people around the world. The lockdown has caused businesses to temporarily halt their operations, affecting the sector's income, liquidity, and financial position. Some workers lost their income or were immediately laid off, making it difficult for some households to live. In addition, if the epidemic situation is not controlled for a long time, it can cause a global recession.

Epidemics and serious infectious diseases affect the Company in many ways. The epidemic control measures forced the Company to change its business strategy in a timely manner. In terms of customer service, the Company provides employees with necessary equipment and strictly follows the epidemic control measures of the authorities to create safety and confidence for customers. At the same time, customers are increasingly demanding to transact through digital channels, potentially causing cyberattacks by criminals to steal customers' personal information, as well as to enforce Work from Home policies. Additionally, the Company face challenges from changing customer lifestyles, which can result in investment behavior and can result in the existing risk models of an analysis of the client's credit-financing position no longer properly assess the level of risk.

In order to cope with the epidemic situation that may occur in the future, the Company has prepared a business continuity plan to prepare for continuity of operations and customer service and for technological risk management. The Company continually improves the security of its information systems and promotes knowledge and understanding about identity theft to employees so that the Company's systems remain secure.

## 17) Risks in capital adequacy management

Notification of the SEC No. Kor Thor 26/2020, Clause 4, business operator shall maintain capital at the end of every business day. And the regulations of the Clearing House (with respect to securities), Chapter 400 Risk Management, Article 403 (2.2), in the event that the Member has a net liquidity capital at the end of any business day decreases to less than or equal to 3 times of the minimum rules that must be maintained as required by the SEC or the Capital Market Supervisory Board, the Member is required to submit reports of net liquidity capital calculations to the Clearing House every day, which must be delivered within the business day following the date of such event, until able to maintain the net liquid capital according to the specified rules, report for 7 consecutive working days, or according to the period specified by the clearing house. Therefore, the Company's net liquidity capital ratio is as set out in the table below.

	As of 31 December 2021	As of 31 December 2020	As of 31 December 2019
According to the table of maintaining the capital of the business operator (Annexed to the Notification of the SEC No. Kor Thor 26/2020) Securities operators and derivatives operators must have a net liquid capital of $\geq 25$ THB million or $\geq 7\%$ of general liabilities and assets that must be placed as collateral (if any). And according to the regulations of the Clearing House (with respect to securities), Category 400, Risk Management Article 403 (2.2), the net liquidity capital required to be $\geq 75$ THB million or $\geq 21\%$ of general liabilities and assets to be deposited as insurance (if any).			
Net capital (THB million)	1,549.87	1,344.56	1,599.99
Net capital ratio (%)	36.86	41.31	79.26

However, if the Company is unable to maintain the net liquid capital ratio as stipulated by the Securities and Exchange Commission and in the Clearing House Regulations Section 400, Article 404.02, the maintenance of the member's capital, the Clearing House may require the Company's membership to be terminated. The Company has managed, monitored, reported the position of the net liquid capital ratio, prepared projections of future capital requirements, tested the crisis, and set the goals of the net liquid capital ratio, to reflect the goals of the capital funds to the level of acceptable risk.

The Company believes that the current state of the capital is strong and above the minimum threshold. In addition, a strong capital position also allows the Company to operate agilely and to be ready for growth in a timely manner if new business opportunities arise in the future.

### 2.2.2) Investment risk imposed on the securities holders

Risk to shareholders can arise in the event that shareholders do not receive the expected return on their investment, in the form of returns on equity in the form of dividends and/or capital gains. As for dividends, as a direct result of the Company's earnings, if the Company reports good earnings, shareholders should expect to receive a dividend as set out in the Company's dividend policy at a rate of not less than 40% of the remaining net profit after deducting all types of reserves. However, such dividend payment is subject to change depending on the Company's future investment plans, necessities, and other appropriateness.

As for capital gains, it depends only on one factor, namely the Company's share price, which is a result of many factors such as the Company's performance, domestic and international economic trends, domestic political stability, capital flows from abroad, both capital inflows and outflows, natural disasters, and disease epidemics, which are largely factors beyond the Company's control.

The Company's performance is the only factor in the Company's control, therefore, the risk to shareholders is that the Company may not meet the financial goals set forth each year as a result of additional rules set forth by official authorities, which could affect both the dividend payment and the share price. However, these risks can be mitigated as the Company has a clear business policy and short-term and medium-term strategies, in line with its annual financial goals. In addition, the Company was able to generate high profitability among Thai financial institutions in a highly competitive environment. Although past performance cannot guarantee future results, it can represent the competitive position, the effectiveness of strategy formulation and execution, and the quality of the management team. However, the Company expects to be in a better position to face the impact of external factors than its competitors in the industry.

In addition, shareholder risks can arise from the fact that major shareholders significantly reduce their shareholdings in large quantities, negatively affecting the Company's share price, as the major shareholders have a relatively large shareholding compared to the total number of shares.

### 3. Driving business towards sustainability

The Company has established corporate sustainability management guidelines and policies that align with business directions and strategies, to reflect its intent and commitment to drive business by taking into account environmental issues, social issues, encompassing respect for human rights, and good corporate governance (ESG) by setting policies in line with the Sustainable Development Goals (SDGs) of the United Nations.

#### 3.1 Sustainability Management Policy and Goals

To continue its commitment to strengthening the financial system, driving the national economy to achieve stable growth, and upgrading the quality of society and maintaining a balanced environment, the Company has reviewed its past performance and is looking forward with determination on a sustainable financial path. The Company will participate in the development of the eco system of investment in the Thai capital market to drive the economy by creating better investments for sustainable living through investors who want to build stability in their lives through investing with good tools from thorough knowledge and understanding of investment. The Company's personnel have an understanding of sustainable investment through investment learning society and develop continuous investment innovation, and can respond to customer needs in a timely, reliable, and professional manner. All of this creates **"Transform investment for better and sustainable lives,"** a sustainability value delivered to society and the environment, based on the principle "FINANSIA is committed to delivering investment insights and an investment platform. Starting to invest and gaining investment experience create a complete eco system of investment which supports the capital market and the Thai economy."

#### 3.2 Managing impact on stakeholders in the business value chain

##### 3.2.1 Value chain

The value chain of the main business (value chain) is the brokerage business. It represents the relationship of key stakeholders in activities related to upstream to downstream business operations. This reflects that the Company is committed to creating value for its products and services to meet the expectations of its stakeholders as shown below:



### 3.2.2 Value Chain Stakeholder Analysis

Key stakeholder groups both within and outside the Company that are related to the value chain expect the Company to operate business with profits and receive reasonable compensation. The Company, therefore, strives to operate its business with prudence, transparency, and development for the success of the business to meet the expectations of all stakeholders.

Stakeholders are persons or entities involved in the Company's business operations directly and/or indirectly, divided into: a) internal stakeholders, i.e. shareholders and employees; b) external stakeholders, i.e. customers, regulators, business partners, society and environment, creditors, and competitors.

The Company assesses stakeholder expectations at least once a year through a process of public hearings, satisfaction surveys, meetings, or other participation channels, in order to know the impacts and issues that may arise and the connection between the Company and stakeholders, both positive and negative. Upon knowing the expectations of each stakeholder group, the Company will consider ways to meet the expectations of each stakeholder group, reflecting the cooperation and mutual value creation between the Company and the stakeholders to reduce risks and create added value for the business.

Stakeholder	Expectation	Response to expectation
<b>Internal stakeholders</b>		
Shareholders	<ul style="list-style-type: none"> <li>- Dividend</li> <li>- Transparent disclosure</li> <li>- Fair treatment of shareholders</li> </ul>	Conduct business with efficient risk management for good performance to create dividends for shareholders
Employees	<ul style="list-style-type: none"> <li>- Salary, welfare, stability, and safety</li> <li>- Skills and capability development</li> <li>- Job rotation and career advancement</li> <li>- Performance appraisal</li> </ul>	<ul style="list-style-type: none"> <li>- Consider salary, benefits, and take proper care of safety</li> <li>- Develop financial skills and knowledge and understanding in each field to support good financial health which will lead to a normal life and working to its fullest potential</li> </ul>

External stakeholders		
Customers	<ul style="list-style-type: none"> <li>- Good service</li> <li>- Accurate and up-to-date news</li> <li>- Equal access to services</li> </ul>	<ul style="list-style-type: none"> <li>- Change the work process to meet the needs of customers to keep up with the digital transformation of FINTECH trend</li> <li>- Issue ESG Product and Sustainable Investment to create long-term returns for investors</li> </ul>
Regulators	<ul style="list-style-type: none"> <li>- Strict compliance with rules</li> <li>- Disclosure of information accurately and completely</li> </ul>	Manage the organization under good corporate governance
Business partners	The contract is fair and payment is received in full and on time.	Join the anti-corruption project
Society and environment	Cooperation for community and environment development	Consider participating in projects related to environmental protection and community development
Creditors	<ul style="list-style-type: none"> <li>- Paying off debts on time</li> <li>- the Company's credit rating</li> </ul>	The Company has sufficient cash flow for debt repayment and was rated by Fitch Ratings (Thailand) on 13 January 2022 on Long-term Credit Rating at “BBB+ (tha)” with “Stable” outlook. At the same time, short-term domestic credit was rated “F2 (tha)”.
Competitors	Behave within the framework of good competition rules, do not seek confidential commercial information of competitors by dishonest or improper means, do not damage the reputation of the competitors through malicious allegations	The Company will treat all competitors equally and fairly, adhering to the agreements with each other, under the competition law, rules of the SET, rules of the SEC, and the agreement with the Association of Securities Companies

### Internal stakeholders

• **Shareholders** : The Company focuses on managing the business to be profitable to generate returns for the shareholders. The Company has a policy to pay dividends at a rate of not less than 20 percent of net profit, promote the exercise of rights of shareholders, treat shareholders equally, and promote the receipt of important and up-to-date information of the company, which is published through the Company's website continuously and consistently. In 2021, the Company has paid dividends to shareholders at the rate of THB 0.1 per share, equivalent to 19.61 percent of net profit for the year 2021, which is higher than the dividend payment policy set by the Company at a rate of not less than 20 percent of the total amount after deduction of specified reserves.

• **Employees** : As people are valuable resources and are critical to the success of sustainable business operations, the Company places importance on human resource management on an equal and fair basis, developing skills that are advance and necessary for the digital age, and strengthening the participation of the employees' contribution to continuous development to be able to attract and retain potential talent. The Company has established a compensation policy based on job value which is comparable with leading financial institutions and other industries and provides welfare and benefits that promote good quality of life. The Company also places importance on respecting human rights, without discrimination on the grounds of gender, age, race, religion, or disability. In addition, the

Company recognizes the respect and non-infringement of intellectual property rights. These policies and guidelines are set out in the Code of Conduct for Employees.

### External stakeholders

- **Customers** : The Company has emphasized that employees treat all customers equally, fairly, provide good service with quality, maintain confidentiality, provide information to customers accurately, completely, and in a timely manner. The Company has investments covering all products, enabling customers to manage their investment portfolios thoroughly. The Company has continually developed a comprehensive service model to meet the needs of customers, taking the interests of the customers as a priority, not focusing on the investment consultants to encourage the customers to trade in order to get large trading volumes. Last year, the Company's investment consultants advised customers to be cautious about their investments, to invest carefully, to consider information before investing, therefore, the Company's customers were not affected by high-risk stocks. In addition, the Company also has a channel for suggestions and complaints in case of unfairness, through communication channels with the Company, through branch employees or officers in charge, through the customer service center by phone at 02 782 2400, or can be made in writing to senior management. In this regard, the Company has a record, follow-up work, and respond within a specified timeframe. In addition, the Company has appointed a Complaint Management Committee, which plays an important role in formulating remedial measures and supervising the relevant departments to complete the resolution of customer complaints within a reasonable timeframe.

- **Regulators** : The Company operates its business by adhering to corporate governance principles, being honest, fair, responsible, transparent, accountable, and operating in accordance with corporate governance guidelines both in practice and serving customers with integrity. In addition, the Company focuses on long-term stability of the business, by developing the organization's overall capacity to understand risks and be prepared to cope with uncertainties and changes in order to achieve growth and sustainable returns.

- **Business partners** : The Company attaches great importance to the selection of appropriate business partners, by ensuring that the selection process and practices are equal and fair. The Company realizes the importance of having business partners with good reputation, ethics, professionalism, standardization, and also promotes and supports business partners to work together against corruption to lead the joint business development.

- **Society and environment** : The Company encourages efficient use of resources in all processes related to business operations for maximum benefit. The Company views that this is the responsibility of all executives and employees, where the Company will support human resources, budget, time, training, and participation in presenting ideas to improve the society and environment. To be precise, in the production of invitations for the annual general meeting of shareholders, the Company uses paper that meets the environmental standards, and for the annual report, the Company does not publish paper booklets, etc.

- **Creditors** : The Company strictly complies with all contracts and obligations to creditors, in terms of the purpose of using funds, repayment of principal and interest, and any other matters agreed with creditors, as well as reports of consistent, accurate, and honest financial information. The Company is committed to maintaining lasting



relationships with creditors and mutual trust. In addition, the Company has established a strategy for managing funds for stability to ensure that the Company maintains its ability to repay its creditors and has liquidity management to prepare for debt repayment in accordance with the specified period. The Company has a capital management policy, which specifies the person responsible for planning, monitoring, and controlling the capital status appropriate to the Company's transactions, with an appropriate capital adequacy assessment process, to accommodate the risks in all aspects, both under normal and critical conditions, and conforming to the SEC's criteria for maintaining net liquidity capital.

• **Competitors** : The Company will treat all competitors equally, fairly, adhering to mutual agreements, the competition laws, the regulations set by the SET and the SEC, and the agreement that the Association of Securities Companies has asked for cooperation. The Company has no policy of attracting employees of other securities firms. It is the Company's policy to treat competitors without fraudulently infringing their confidential information. Therefore, the Company has established the principles as follows:

- Behave within the framework of good competition rules;
- Do not seek confidential information by dishonest or inappropriate means;
- Do not damage the reputation of competitors with malicious allegations.

#### Management of impact on stakeholders in the value chain

In order to manage sustainability effectively and efficiently, the Company encourages all departments to create continuous engagement with stakeholders throughout the value chain comprising of customers, employees, shareholders, society and environment, and regulators. The Company has taken stakeholder's recommendations into the annual review of significant sustainability issues in order to develop guidelines for managing impacts on stakeholders and on the operations of the Company. The Company encompasses opportunities and risks in economic, social, and environmental dimensions, which is based on 4 key principles in accordance with the Global Reporting Initiative (GRI) Standards, which are stakeholder inclusiveness, sustainability context, materiality, and completeness.

### Materiality matrix



### 3.3 Sustainability Management in Environmental Dimensions

#### 3.3.1 Environmental Policies and Practices

The Company has policies and practices that comply with environmental laws and regulations, which are relevant to the Company's business operations. The Company is committed to reducing negative environmental impacts such as energy, water, waste, pollution, and greenhouse gas problems etc. Over the past few years, in order to increase the efficiency of the management and of operation works which received customer's documents, the Company employed the electronic document delivery system to reduce the environmental impact. However, as of 31 December 2021, the Company has appointed a consultant to develop the Corporate Greenhouse Gas Emissions Reporting Project for the year 2022 to support the Carbon Emissions Report Certification in accordance with Thailand Greenhouse Gas Management Organization (Public Organization) or TGO and ISO 14064-1 standard. Therefore, in 2021, the Company has not prepared greenhouse gas emissions data because there is no information.

As the Company recognizes that the environmental outcomes associated with conducting business along the value chain will greatly affect the cost of business processes, therefore, the Company has raised awareness among its stakeholders.

#### 3.3.2 Environmental performance

##### 1. Power management

The Company manages energy efficiency in both lighting and air conditioning systems, by installing and maintaining related electrical control equipment, resulting in a reduction of 5,314 kilowatt-hours of electricity. In 2021, the Company uses a total of 1,690,943 kilowatt-hours of electricity, enabling the Company to save electricity costs in the amount of THB 1,298,772.50 or 16 percent compared to the previous year.

##### 2. Water management

The Company's total water consumption was 5411.34 cubic meters, a decrease of 523.89 cubic meters or 9 percent compared to the previous year. This was caused by the Company's campaign asking for cooperation for the employees to use water with a sense of value.

##### 3. Management of trash, waste, and pollution

The Company has a systematic waste management in its business processes according to the principles of 2R (Reduce&Reuse), creates awareness, and engages with stakeholders. In 2021, the Company's total waste volume was 127,512 kilograms.

##### 4. Management to reduce greenhouse gas problems

The Company attaches great importance to management to reduce greenhouse gas problems, which is still in the early stage and shall be disclosed in the further process.

### 3.4 Sustainability Management in Social Dimensions

#### 3.4.1 Social Policy and Practice

The Company has policies and practices in line with the laws and regulations relating to social management in business processes, including respect for human rights throughout the value chain, such as fair treatment of labor, efficient service, responsibility to customers, contributing to community and social development, which is disclosed on the Company's website. The Company adheres to and complies with the Universal Declaration of Human Rights and the United Nations Guiding Principles on Business and Human Rights: "UNGPs", with a focus on

labor practices and respect for human rights that are fair and without discrimination in terms of employment, compensation, promotion, development of employees, without distinction of gender, age, educational background, race, and religion. The Company also supports the employment of disadvantaged groups including the disabled, the elderly, and the ex-offenders to create opportunities, jobs, secure incomes, and be part of the Sustainable Development Goals (SDGs) of the country and the world.

### 3.4.2 Social Performance

The Company recognizes that business performance and competitiveness arise from respect for human rights related to employees and workers, customers, communities and society throughout the Company's value chain. Therefore, the key points from the business process are as follows:

#### 1. Employees and workers

Treatment of employees and workers with regard to human rights includes fair employment and compensation, development of employees, improvement of engagement and satisfaction of employees, management of safety, occupational health, and work environment, etc., to maintain competitiveness, attract potential people, and develop the engagement of the employees with the Company.

The Company adheres to the principles of human rights from the employment to the care of the employees, so that all employees feel a sense of family bonding with the Company. In 2021, the Company had the following important implementations:

#### Employment

Details	Number of employees (Person)	
	Male	Female
Full-time employees	333	462
Disabled employees	1	-
<b>Total</b>	<b>334</b>	<b>462</b>

#### Training

In 2021, the Company organized 60 employees training courses to enhance skills and working potential for the employees, with an average of 10 hours of training or knowledge development activities among employees per person per year, exceeding the target of 6 hours per person per year.

#### Safety, Occupational Health, and Work Environment

In 2021, the Company continuously improved safety performance to reduce the risk of illness, injury, or death, and to properly care for the quality of life of its employees. In 2021, there were no cases of work-related injuries that the employees had to stop working.

#### Employee Engagement

In 2021, the Company has improved employee engagement, with employees voluntarily leaving their jobs (turnover rate) 13 percent, a decrease of 7 per cent from the previous year.

#### 2. Customers

Dealing with customers consists of improving customer satisfaction, communicating the impact of service on customers, maintaining customer privacy, and delivering services that can enhance customer satisfaction

and trust. The Company continuously develops its products and services to meet the satisfaction of its customers responsibly, honestly, and ethically. In 2021, the Company had complaints from customers in 2 important cases: 1) exploitation, and 2) complaint on the system. The two cases of complaints were investigated and resolved without any cases pending. In this regard, the Company has established guidelines for punishing employees who commit misconduct as appropriate.

### 3. Community and Society

Treatment of community and society consists in minimizing the impact of operations on community and society and participating in community and social development appropriately. The Company operates with community and social responsibility, with a focus on reducing environmental impact and avoiding operations that may negatively affect the quality of life of the communities surrounding the work offices. In 2021, there were no complaints from the community on social or environmental issues. In addition, the Company contributes to improving the quality of life and promoting engagement with the community. In 2021, the Company had activities with the community as follows: training for investors, providing scholarships in the stock trading competition with friends from 9 different universities through the smart stock trading application Finansia HERO, winning scholarships over THB 100,000, etc.

## Activities for the benefit of society and environment

Sharing and giving back to society is one of the Company's aspirations with the benefit of encouraging the improvement of quality of life for the sake of society, which in the past year, the Company has organized various activities as follows:

### Donate desk calendars



Saturday, 15 February, the Company gave a desk calendar from employees who have donated to the Foundation for the Blind in Thailand under the Royal Patronage of His Majesty the King to be used for teaching materials and writing braille at the Foundation for the Blind in Thailand.

### Join the project



The Company joined in supporting the ASCO project to fight against COVID-19, organized by the Association of Securities Companies (ASCO) "Every trade you make helps to fill the breath of the kindness to COVID-19 patients". The Company gave half of the trading fee income on 11 August 2021 from all customers to donate to purchase medical equipment in the fight against COVID-19.

### Donate Sinopharm Vaccines



Saturday, 4 September, the Company, together with the Bangkok Free Trade Zone (BFTZ), provides 'Sinopharm' vaccines to employees and their families to build immunity against COVID-19, under the guidelines of the Ministry of Public Health at the Bangkok Free Trade Zone, Samut Prakan Province.

## 4. Management Discussion and Analysis

### (1) Business Overview and Significant Changes

In 2021, the ongoing epidemic of the new strain of COVID-19 has greatly impacted the economic activities and livelihoods of people in the country and around the world. However, accommodative fiscal and monetary policy, high liquidity in the system, and a growing population vaccinated kept the stock market in 2021 less volatile and yield higher returns than the year before. At the end of 2021, the SET index closed at 1,657.62 points, an increase of 14.4% from the end of 2020. During the year, the SET was lowest at 1,425.48 points as of 1 January and highest at 1,660.85 points as of December 30. Average daily trading value including the SET and mai in 2021 was at THB 93,846 million, an increase of 37% from the previous year, which were an increase in the mai 325% and an increase in the SET 31%. Foreign investors had a net sell position of THB 50,553 million, selling for the fifth consecutive year but the value decreased more than 80% from the previous year while domestic institutional investors had a net sell position for the first time in 9 years with a value of THB 74,484 million.

The Thai stock market has improved since the beginning of the year despite a new wave of the COVID-19 epidemic that has prompted the government to impose lockdowns in some areas and limiting inter-provincial travel. But this was supported by psychology from the result of the Democratic Party's election win in both the upper house and the lower house (Blue wave), coupled with the expansion of Thai exports and the acceleration of the Public investment, which caused the stock market index to gradually climb higher. However, yields of U.S. 10-year Treasury bonds rose sharply from 0.92% at the beginning of the year, to 1.74% in March, and held their highs through May. This reflected expectations on accelerating inflation, which could pressure many central banks to curb their accommodative policy faster, resulting in periodic volatility in the Thai stock market, especially during May when the SET faced net sell pressure from foreign investors exceeding THB 34 billion.

The new wave of the COVID-19 epidemic Delta species in Thailand intensified during July. The number of new infections rose to an average of 13,848 persons daily in the second half of the month, compared to an average of 7,522 persons daily in the first half of the month. The government announced the highest lockdown measures in 13 provinces in the dark red zone. The index was down 4.1% from the end of June before gradually improving after better control of the COVID-19 situation, combined with the government announcing the opening of the country on 1 November to build confidence for foreign investors. More capital from foreign investors flowed into the Thai stock market from September to October. Securities benefited from the opening of the country attracted the attention of investors, resulting in a remarkable rise in securities prices.

The investment atmosphere in the Thai stock market at the end of the year faced another volatility. The Bank of Thailand forecasted the economy in 2021 to grow by 0.9% and continue to grow in 2022 and 2023 while the Office of the National Economic and Social Development Council forecasted the economy in 2021 to grow by 1.2%, higher than the previous projection, after the Thai economy in the third quarter expanded better than expected. But the COVID-19 Omicron species outbreak is a risk factor to monitor. Also, most foreign factors are negative, including the Federal Reserve's stance that it might end its monetary easing policy sooner to curb soaring inflation caused by chain issues, supply stagnation, China's economic downturn after severe challenges from the COVID-19 outbreak, the energy crisis, real estate problems, and new regulations affecting technology, education, and entertainment businesses.

## Results of Operations and Profitability

### Summary of financial statements

The financial statement summary consists of statement of financial position, statement of comprehensive income, statement of cash flows, and financial ratios. For 2019 - 2021, consolidated financial statements shall be presented.

### 1 Statement of financial position

	2019		2020		2021	
	THB thousand	%	THB thousand	%	THB thousand	%
<b>Assets</b>						
Cash and cash equivalents	101,512	2.37	221,568	3.73	185,987	2.64
Receivables from Clearing House and broker-dealers	142,228	3.33	282,416	4.75	871,999	12.38
Receivables from securities and derivatives business	2,558,518	59.82	3,759,476	63.22	4,339,919	61.58
Accrued fees and service income	1,543	0.04	11,734	0.20	3,602	0.05
Derivatives assets	-	-	686	0.01	5,748	0.08
Investments	781,523	18.27	707,619	11.90	714,108	10.13
Loans to employees	275	0.01	642	0.01	6,370	0.09
Investments in a subsidiary and an associate	116,411	2.72	121,190	2.04	135,122	1.92
Equipment	69,724	1.63	99,569	1.67	98,032	1.39
Right-of-use-assets	-	-	279,360	4.70	249,452	3.54
Intangible assets	246,463	5.76	214,672	3.61	185,427	2.63
Deferred tax assets	59,625	1.39	37,429	0.63	30,733	0.44
Other assets	199,130	4.66	210,575	3.53	220,714	3.13
<b>Total assets</b>	<b>4,276,952</b>	<b>100.00</b>	<b>5,946,936</b>	<b>100.00</b>	<b>7,047,213</b>	<b>100.00</b>
<b>Liabilities and owners' equity</b>						
<b>Liabilities</b>						
Borrowings from financial institutions	50,000	1.17	350,000	5.89	-	-
Payables to Clearing House and broker-dealers	662,573	15.49	303,176	5.10	16,169	0.23
Payables to securities business and derivatives business	940,532	21.99	1,928,434	32.43	3,022,981	42.90
Derivatives liabilities	19,371	0.45	23,383	0.39	18,567	0.26
Debt issued	-	-	278,975	4.69	507,545	7.20
Current Income tax payable	-	-	-	-	36,207	0.52
Provisions	-	-	32,582	0.55	34,223	0.49
Provision for long-term employee benefits	64,493	1.51	73,314	1.23	90,416	1.28
Other payables	1,439	0.03	1,439	0.02	-	-
Lease liabilities	-	-	180,217	3.03	159,999	2.27
Other liabilities	189,295	4.43	344,252	5.79	469,536	6.66
<b>Total liabilities</b>	<b>1,927,703</b>	<b>45.07</b>	<b>3,515,772</b>	<b>59.12</b>	<b>4,355,643</b>	<b>61.81</b>
<b>Owners' equity</b>						
Share capital						
Authorized share capital: 581,403,025 ordinary shares of THB 1.60 each	930,245		930,245		930,245	
(Issued and paid-up share capital: 581,403,025 ordinary shares of THB 1.60 each	930,245	21.75	930,245	15.64	930,245	13.20
Share premium	620,893	14.52	620,893	10.44	620,893	8.81
Capital reserve for share-based payment transactions	323	0.01	323	0.01	323	0.00



	2019		2020		2021	
	THB thousand	%	THB thousand	%	THB thousand	%
Deficit as a result of change in holding percentage in the subsidiary	(251)	(0.01)	(251)	(0.01)	(252)	(0.00)
Retained earnings						
Appropriated - statutory reserve	78,641	1.84	83,019	1.40	93,024	1.32
Unappropriated	725,419	16.96	803,461	13.51	1,045,077	14.83
Other component of owners' equity						
Exchange differences on translation of financial statements in foreign currency - net of income tax	(6,773)	(0.16)	(7,159)	(0.12)	1,522	0.02
Gains on investments in equity designated at fair value through other comprehensive income - net of income tax			246	0.00	248	0.00
Total equity attributable to the Company's shareholders	2,348,497	54.91	2,430,777	40.87	2,691,080	38.18
Non-controlling interests of the subsidiary	752	0.02	387	0.01	490	0.01
<b>Total owners' equity</b>	<b>2,349,249</b>	<b>54.93</b>	<b>2,431,164</b>	<b>40.88</b>	<b>2,691,570</b>	<b>38.19</b>
<b>Total liabilities and owners' equity</b>	<b>4,276,952</b>	<b>100.00</b>	<b>5,946,936</b>	<b>100.00</b>	<b>7,047,213</b>	<b>100.00</b>

## 2. Statement of comprehensive income

	2019		2020		2021	
	THB thousand	%	THB thousand	%	THB thousand	%
<b>Income</b>						
Brokerage fees income	914,155	70.57	1,314,752	75.25	1,930,020	80.53
Fees and service income	81,389	6.28	122,787	7.03	113,985	4.76
Interest income	113,269	8.75	84,768	4.85	130,223	5.43
Gain (loss) on financial instruments	140,555	10.85	168,834	9.67	165,614	6.91
Share (loss) from investments in associates and joint ventures	4,044	0.31	5,263	0.30	3,080	0.13
Gain on investments in an associate	-	-	-	-	-	-
Other income	41,903	3.24	50,700	2.90	53,629	2.24
<b>Total income</b>	<b>1,295,315</b>	<b>100.00</b>	<b>1,747,104</b>	<b>100.00</b>	<b>2,396,551</b>	<b>100.00</b>
<b>Expenses</b>						
Employee benefits expenses	796,367	61.48	942,793	53.96	1,243,179	51.87
Fees and service expenses	218,920	16.90	231,920	13.28	277,995	11.60
Interest expenses	28,168	2.17	34,721	1.99	47,598	1.99
Bad debt and doubtful accounts (reversal)	(49)	0.00	-	-	-	-
Expected credit losses	-	-	10,885	0.62	3,363	0.14
Other expenses	421,995	32.58	422,498	24.18	448,459	18.71
<b>Total expenses</b>	<b>1,465,401</b>	<b>113.13</b>	<b>1,642,817</b>	<b>94.03</b>	<b>2,020,554</b>	<b>84.31</b>
Profit (loss) before income tax	(170,086)	(13.13)	104,287	5.97	375,997	15.69
Income tax	32,003	2.47	(22,231)	(1.27)	(75,822)	(3.16)
<b>Profit (loss) for the year</b>	<b>(138,083)</b>	<b>(10.66)</b>	<b>82,055</b>	<b>4.70</b>	<b>300,175</b>	<b>12.53</b>
<b>Other comprehensive income (loss)</b>						
<b>Other comprehensive income to be reclassified to profit or loss in subsequent periods:</b>						



	2019		2020		2021	
	THB thousand	%	THB thousand	%	THB thousand	%
Exchange differences on translation of financial statements in foreign currency - net of income tax	(5,355)	(0.41)	(386)	(0.02)	8,681	0.36
Other comprehensive income to be reclassified to profit or loss in subsequent periods - net of income tax	(5,355)	(0.41)	(386)	(0.02)	8,681	0.36
<b>Other comprehensive income not to be reclassified to profit or loss in subsequent periods:</b>						
Actuarial losses - net of income tax	(3,586)	(0.28)	-	-	(13,569)	(0.57)
Gain on hedging instruments at fair value - net of income tax	-	-	246	0.01	2	0.00
Other comprehensive income not to be reclassified to profit or loss in subsequent periods - net of income tax	(3,586)	(0.28)	246	0.01	(13,567)	(0.57)
Other comprehensive income (loss) for the year	(8,941)	(0.69)	(140)	(0.01)	(4,886)	(0.21)
<b>Total comprehensive income (loss) for the year</b>	<b>(147,024)</b>	<b>(11.35)</b>	<b>81,915</b>	<b>4.69</b>	<b>295,289</b>	<b>12.32</b>
<b>Profit (loss) attributable to:</b>						
The Company's shareholders	(138,065)	(10.66)	82,420	4.72	300,127	12.53
Non-controlling interests of the subsidiary	(18)	(0.00)	(365)	(0.02)	48	0.00
	(138,083)	(10.66)	82,055	4.70	300,175	12.53
<b>Comprehensive income (loss) attributable to:</b>						
The Company's shareholders	(147,001)	(11.35)	82,280	4.71	295,186	12.32
Non-controlling interests of the subsidiary	(23)	(0.00)	(365)	(0.02)	103	0.00
	(147,024)	(11.35)	81,915	4.69	295,289	12.32
<b>Earnings per share</b>						
Basic earnings (loss) per share						
Profit (loss) attributable to shareholders of the Company	<b>(0.24)</b>		<b>0.14</b>		<b>0.52</b>	

### 3. Statement of cash flows

	2019	2020	2021
<b>Cash flows from operating activities</b>			
Profit (loss) before income tax	(170,086)	104,287	375,997
Adjustments to reconcile profit (loss) before income tax to net cash provided by (paid for) operating activities:			
Depreciation and amortization	63,416	142,573	144,924
Bad debt and doubtful accounts (reversal)	(49)	-	-
Expected credit losses	-	10,885	3,363
(Gain) loss on disposals and write-off of equipment and intangible assets	31	4,070	(2,215)
Unrealised (gain) loss on revaluation of trading investments	(11,641)	81,994	(91,982)
Unrealised (gain) loss on revaluation of derivatives	11,789	(14,336)	32,689

	2019	2020	2021
(Gain) loss on exchange currency	626	1,935	(3,653)
Share of (gain) loss from investments in associates	(4,044)	(5,263)	(3,080)
Provision for long-term employee benefits	16,633	12,683	11,199
Interest income	(113,269)	(84,768)	(130,223)
Dividend income	(23,540)	(12,878)	(15,819)
Interest expenses	28,168	34,721	47,598
Profit (loss) from operating activities before changes in operating assets and liabilities	(201,966)	275,903	368,798
(Increase) decrease in operating assets			
Receivables from Clearing Houses and broker-dealers	534,978	(125,341)	(619,743)
Receivables from securities and derivatives business	(338,513)	(1,209,813)	(576,725)
Derivatives assets	-	(654)	(3,785)
Investments	50,887	(9,065)	87,536
Loan to employees	973	(367)	(5,728)
Other assets	(20,009)	(23,126)	(5,843)
Increase (decrease) in operating liabilities			
Payables to Clearing House and broker-dealers	238,690	(359,397)	(287,007)
Payables to securities and derivatives business	(554,762)	989,185	1,092,505
Derivatives liabilities	13,701	1,535	(4,970)
Paid for long-term employee benefits	(12,086)	(3,862)	(11,058)
Other liabilities	(10,926)	143,187	130,516
Cash received (paid) from operating activities	(299,033)	(321,815)	164,496
Proceeds on interest income	107,813	82,330	129,297
Proceeds on dividend income	23,411	12,859	15,917
Cash paid on interest expense	(28,486)	(24,368)	(19,355)
Cash paid on income tax expense	(6,961)	(4,694)	(31,696)
<b>Net cash provided by (used in) operating activities</b>	<b>(203,256)</b>	<b>(255,688)</b>	<b>258,659</b>
<b>Cash flows from investing activities</b>			
Cash received (paid) from investing activities			
Proceeds on disposals of equipment	90	89	3,094
Cash paid for purchases of equipment	(21,096)	(45,878)	(41,719)
Cash paid for purchases of intangible assets	(65,954)	(7,978)	(9,685)
<b>Net cash provided by (used in) investing activities</b>	<b>(86,960)</b>	<b>(53,767)</b>	<b>(48,310)</b>
<b>Cash flows from financing activities</b>			
Cash received (paid) from financing activities			
Cash received (paid) from borrowings from financial institutions	50,000	300,000	(350,000)
Cash received (paid) from debt issued	-	275,193	209,662
Cash paid for liabilities under finance lease agreement	-	(145,683)	(70,710)
Dividend paid	(34,883)	-	(34,882)
<b>Net cash provided by (used in) financing activities</b>	<b>15,117</b>	<b>429,510</b>	<b>(245,930)</b>
Net increase (decrease) in cash and cash equivalents	(275,099)	120,055	(35,581)
Cash and cash equivalents at the beginning of the year	376,612	101,513	221,568
<b>Cash and cash equivalents at the ending of the year</b>	<b>101,513</b>	<b>221,568</b>	<b>185,987</b>

## Financial Ratio Table

Financial Ratio		2019	2020	2021
<b><u>Profitability Ratios</u></b>				
Profit Margin	(%)	80.93	84.12	86.28
Net Profit Margin	(%)	(10.66)	4.70	12.53
Return on Equity	(%)	(5.66)	3.43	11.72
Return on Investment	(%)	17.54	22.68	23.30
<b><u>Efficiency Ratios</u></b>				
Return on Assets	(%)	(3.06)	1.61	4.62
Asset Turnover Ratio	(Times)	0.29	0.34	0.37
<b><u>Financial Policy Ratios</u></b>				
Liquid Assets to Loans Ratio	(Times)	17.66	1.48	1.77
Earning Assets to Loans Ratio	(Times)	66.92	7.34	9.96
Liquid Assets to Total Assets Ratio	(%)	20.65	15.62	12.77
Earning Assets to Total Assets Ratio	(%)	77.92	73.93	71.63
Liabilities to Equity Ratio	(Times)	0.82	1.45	1.62
Dividend Payout Ratio (from the Separate Financial Statements)	(%)	N.A.	39.84	19.61
Interest Coverage Ratio	(Times)	(2.79)	8.11	11.94
Interest bearing debt to EBITDA Ratio	(Times)	(0.64)	2.23	0.89
Leverage Ratio	(Times)	(1.57)	0.45	N.A.
<b><u>Asset Quality Ratio</u></b>				
Doubtful Accounts to Non-performing Loans Ratio	(%)	88.44	90.50	101.57
Doubtful Accounts to Total Loans Ratio	(%)	0.67	1.30	0.81
Unrecognized Loans to Total Loans Ratio	(%)	0.76	1.44	0.80
<b><u>Other Ratios</u></b>				
Investment in Securities to Assets Ratio	(%)	18.27	11.90	10.13
Net Capital	(%)	79.26	41.31	36.86

**(2) Profitability Ratios****1. Income**

Items	2021		2020		Variation	
	THB million	%	THB million	%	THB million	%
Brokerage fees income	1,930	80.5	1,315	75.3	615	46.8
Fees and service income	114	4.8	123	7.0	(9)	(7.2)
Interest income	130	5.4	85	4.8	45	53.6
Gain and return on financial instruments	166	6.9	169	9.7	(3)	(1.9)
Shares of gain from investments in an associate	3	0.1	5	0.3	(2)	(41.5)
Other income	54	2.3	50	2.9	4	5.8
<b>Total</b>	<b>2,397</b>	<b>100</b>	<b>1,747</b>	<b>100</b>	<b>650</b>	<b>37.2</b>

๗ Brokerage fees income

Brokerage fees income according to the consolidated financial statements for 2021 amounted to THB 1,930 million, an increase of THB 615 million compared to the same period last year, representing an increase of 47% from the average trading volume per day of the Company's securities, an increase from THB 7,433 million to THB 9,490 million or an increase of 28% even though the Company's market share decreased from 6.06% to 5.58% compared to the same period last year. However the Company's commission rate increased from 0.06% in 2020 to 0.071% in 2021, representing an increase of 0.011%.

๗ Fees and service income

Fees and service income amounted to THB 114 million, a decrease of THB 9 million compared to the same period last year or 7% due to a decrease of THB 3 million in financial advisory income, a decrease of THB 0.9 million in securities borrowing and lending income, and a decrease in fee income from selling and redemption of investment units of THB 12 million due to the change of personnel under the Wealth Management Department. However, income from underwriting increased by THB 7 million.

๗ Interest income

Interest income from loans was THB 94 million compared to the same period last year, an increase of THB 53 million or 129% due to loans to buy securities of the Company increased by 69.3% from the previous year, following the increasing trading volume of securities. However, income from deposits at financial institutions and government bonds decreased by THB 8 million due to the interest rate adjustment in the money market.

๗ Gain and return on financial instruments

Gain and return on financial instruments was THB 166 million, compared to the same period last year, a decrease of THB 3 million or a decrease of 2% from securities trading.

๗ Shares of gain from investments in an associate

In 2021, the Company had a share of profit from investment in SBI Royal Securities in Cambodia amounting to THB 3 million, a decrease of 41% due to the decline in performance of the associated company.

### Other income

The Company had other income that was not from normal business operations in 2021 amounting to THB 54 million, which increased from the previous year amounted to THB 4 million, or 6% from service income in support of the Company's subsidiary.

## 2. Expenses

Items	2021		2020		Variation	
	THB million	%	THB million	%	THB million	%
Employee benefits expenses	1,243	61.5	943	57.4	300	31.9
Fees and service expenses	278	13.8	232	14.1	46	19.8
Interest expenses	48	2.4	35	2.1	13	37.1
Expected credit losses	3	0.1	11	0.7	(8)	(69.1)
Other expenses	449	22.2	422	25.7	27	6.1
<b>Total</b>	<b>2,021</b>	<b>100</b>	<b>1,643</b>	<b>100</b>	<b>378</b>	<b>23.0</b>

### Employee benefits expenses

Employee benefits expenses were THB 1,243 million compared to the same period of last year, an increase of THB 300 million or 32% from an increase in marketing compensation based on increased trading volume.

### Fees and service expenses

Fees and service expenses were THB 278 million, an increase of THB 46 million compared to the same period last year or 20% due to an increase in trading volume.

### Interest expenses

Interest expenses were THB 48 million, an increase of THB 13 million compared to the same period last year or 37% from bill of exchange and debenture issuance to be used as working capital of the Company.

### Other expenses

Other expenses in 2021 increased by THB 27 million or 6% from the payment of analysis to the subsidiary.

## 3. Net profit

Items	2021		2020		Variation	
	THB million	%	THB million	%	THB million	%
Income	2,397	100	1,747	100	650	37.2
Expenses	2,021	84.3	1,643	94.0	378	23.0
Income tax	76	3.2	22	1.3	54	241.1
<b>Net profit</b>	<b>300</b>	<b>12.5</b>	<b>82</b>	<b>4.7</b>	<b>218</b>	<b>265.8</b>

In 2021, the Company had revenue of THB 2,397 million, an increase of THB 650 million in 2020, or 37%. Meanwhile, the Company's expenses increased from THB 378 million in 2020 or 23% due to an increase in income and

expenses. Therefore, the Company had a profit of THB 300 million in 2021, representing a profit of 12.5%. The profit was due to increased revenue from commission and interest income as a result of the increased trading volume of securities and the fact that investors believed that they could speculate and get more returns on their investments due to the volatility of the market due to the COVID-19 situation

In 2021 the Company had a positive return on equity (ROE) of 11.7%, an increase from a positive 3.4% in 2020 as a result of the Company's operating profit, thus net profit growth rate was a positive 12.5% in 2021. In addition, the asset to equity ratio (Equity Multiplier) was 2.6 times in 2021 because clearing house receivables and securities companies increase from THB 282 million in 2020 to THB 872 million in 2021. This increase was not a significant change. However, total assets turnover increased from 0.34x in 2020 to 0.37x in 2021, showing a slight increase in the Company's asset utilization efficiency.

### (3) Asset Management Efficiency

#### ๗ Receivables from Clearing Houses and broker-dealers

At the end of 2021, the Company had receivables from Clearing Houses and broker-dealers THB 872 million, an increase of THB 590 million or 209% from the previous year, as a result of volume of client's trading volume in the last two business days of each accounting period.

#### ๗ Receivables from securities and derivatives business

As of 31 December 2021, the Company had total assets of THB 7,047 million, an increase of THB 1,100 million or 19% from the previous year, the main reason for the increase was receivables from securities and derivatives business, which is considered the Company's assets with the highest proportion, increased by THB 580 million or 15%, which will change according to the volume of clients' securities trading in the last two business days of each accounting period. The increase in this transaction was, therefore, considered the normal course of business of the Company and is a change that does not have a significant impact on the Company's business in any way. The list of receivables from securities and derivatives business consists of the following components:

๗ Cash receivables at the end of 2021 was THB 2,240 million, a decrease of THB 135 million from the end of 2020 or 6%.

๗ Loans to buy securities at the end of 2021 was THB 1,966 million, an increase from the end of 2020 by THB 805 million or 69%.

๗ Insurance receivables at the end of 2021 was THB 103 million, an increase from the end of 2020 by THB 8 million or 9%.

๗ Receivables from securities borrowing and lending transactions at the end of 2021 was THB 13 million, a decrease of THB 37 million from the end of 2020 or 74%.

๗ Derivatives receivable at the end of 2021 was THB 8 million, a decrease from the end of 2020 by THB 63 million or 88%.

๗ Other receivables (securities and derivatives business) at the end of 2021 was THB 16 million, decreased from the end of 2020 by THB 1 million or 5%.

The Company has prepared accounts for non-performing debtors in accordance with the financial reporting standards established by the Board of Accounting Standards and the announcement of the Securities and Exchange Commission No. KorThor. 1/2019.

๘ Investments

At the end of 2021, the Company had investments of THB 714 million, comprising of THB 711 million in trading securities and THB 3 million in domestic non-marketable equity securities. This was a change from 2020 where the Company had investment in trading securities of THB 704 million and non-marketable equity securities of THB 3 million from a total investment of THB 708 million, which such investments were based on holdings as of 31 December of each year.

๘ Investments in a subsidiary and an associate

At the end of 2021, the Company had investments in a subsidiary and an associate of THB 135 million, an increase of THB 14 million or 11% from the previous year, due to the associated company's operating profit.

๘ Equipment and Intangible assets

At the end of 2021, the Company had equipment and intangible assets of THB 283 million, a decrease of THB 31 million or 10% from the previous year. The reason for the decrease was from office equipment items, furnishings and fixtures computer program, and computer programs under development.

๘ Other assets apart from receivables from Clearing House and broker-dealers, receivables from securities and derivatives business, investments, investments in a subsidiary and an associate, and equipment and intangible assets

The Company had 7 other assets which were cash and cash equivalents, accrued fee income, derivative assets, employee loans, license assets, deferred tax, and other assets which totaled THB 703 million, a decrease of THB 59 million from the previous year or 8%.

#### **(4) Liquidity and adequacy of the Company's capital**

๘ Source of funds

As of 31 December 2021, the Company had two sources of funds, namely liabilities of THB 4,356 million and owners' equity of THB 2,692 million. The ratio of liabilities to equity is 1.6x. In the liabilities section, the main item is payables to securities business and derivatives business, accounting for 43% of total funding. This transaction will change according to the volume of securities trading in the last two business days of each accounting period, the transaction, therefore, is not a real source of funds. Therefore, if the liabilities to equity ratio is taken into account, excluding the above items, the Company will have a liabilities to equity ratio of only 0.5x, a decrease from the end of 2020 having this ratio of 0.7x. The interest coverage ratio was 11.94x, which increased from 8.11x in 2020. This shows that the Company has a higher interest payable capability from 2020 if it needs more borrowing in the future, which comes from the Company's ability to operate that has increased cash flow.

๘ Adequacy of liquidity

At the end of 2021, the Company's cash and cash equivalents decreased from the end of 2020 by THB 36 million, divided into activities as follows:

Operating Activities - The Company's net cash received in operating activities is THB 258 million, mainly due to the fact that the Company's cash income, cash dividends, and payables to Clearing House and broker-dealers decreased by more than THB 249 million. However, the Company will pay the debts to the creditors on time.

Investing Activities - The Company had net cash used in investing activities of THB 48 million, a decrease of THB 5 million from 2020 because of a decrease of THB 4 million in cash for the purchase of equipment.

Financing Activities - The Company's net cash from financing activities was negative THB 246 million, mainly due to cash repayments borrowings from financial institutions. However, the Company had cash received from issuing debt securities of THB 210 million.

However, another issue that should be taken into account for additional liquidity is the ability to maintain the net capital ratio (NCR) in accordance with the rules of the SEC. NCR will change according to various factors such as volume of securities trading or underwriting, etc. In the past, the Company has maintained an NCR higher than 7%, which is the minimum rate according to the NCR criteria specified by the SEC, which is sufficient for the Company's business operations, coupled with the change in the settlement period and the settlement of securities from T+3 to T+2, which helps the Company increase flexibility in capital allocation and liquidity.

#### The ability to find additional funding sources

Currently, the Company had no loans from commercial banks, but the Company has issued debentures as follows:

(Unit: THB thousand)				
Consolidated and Separate Financial Statements				
31 December 2021				
Interest rate/ annual discount (%)	Remaining term of the debt to be due			Total
	Less than 1 year	1 - 5 years	More than 5 years	
<b>Issued debt instruments</b>				
Debentures	3.60	-	507,545	-
Total	-	507,545	-	507,545

#### Factors that may affect credit rating

The Company is rated by Fitch Ratings (Thailand), which announced that the Company's National Long-Term Rating at 'BBB+(tha)' and National Short-Term Rating at 'F2(tha)' with stable outlook. However, factors that may affect the credit rating are as follows:

- Factors that may positively affect or result in a rating upgrade (Single factor or a combination of factors): A rating upgrade may occur if the business structure is steadily improving, which will support long-term profitability through a significantly more successful and diversified business model. For example, Fitch may consider that the operating profit to average equity ratio that can stay stable above 10% over the medium term is significant enough to represent an improvement in profitability. However, the balance and consistency of income must be taken into account, along with maintaining the Company's ability to withstand capital and liquidity risks.

- Factors that may negatively affect or result in a rating downgrade (Single factor or a combination of factors): A rating downgrade could occur as a result of the substantial weakness of the Company's financial profile, compared to Fitch's current forecasts. For example, the operating profit to average equity ratio has been significantly lowered and



undermines the Company's ability to maintain capital levels strong enough to offset its risks. Such events could lead to a downgrade of a number of financial factors pursuant to Fitch's rating criteria, and such events could result from a deterioration in the Company's business structure.

- Significant restructuring of the business or the level of risk appetite (risk appetite) in a negative way can lead to a rating downgrade. However, Fitch does not expect a significant downturn in the short term.

#### Ability to pay off debt and comply with covenant and key obligations

The Company has the ability to pay the debt according to the conditions. However, the chance to prevent the Company from being able to pay the debt according to the conditions may arise from the risk that the Company's profit will decrease as a result of many factors such as the Company's performance, economic trends in both domestic and international political stability trends, foreign capital inflows and capital outflows, and natural disasters and disease epidemics. Most of these are factors beyond the Company's control or liquidity.

### **(5) Factors or events that will affect the financial position or performance in the future**

Business performance depends on many factors including economic conditions, financial market conditions, investor confidence, political uncertainty, unrest, internal and external circumstances, and the liberalization of fees from securities trading. These factors reflect the confidence of both domestic and foreign investors, which may affect the Company's financial position and performance.

Since risk from changes in the price of securities invested by the Company affecting profits or losses from investments in securities, the Company has established investment policies and set clear rules, to be used as a guideline for practice in relation to risk of settlement and possible mistakes in trading. The Company has implemented measures to control and manage risks related to the brokerage account to be effective and to offer new business as an alternative to increase the source of income to be more diversified.

The government's economic policy is also a factor that affects the Company's performance, as well as changes in laws and regulations from various regulatory agencies such as the SEC and the SET, as the changes in rules and regulations affect investors' interest and ability to invest, which may affect the Company's revenues and expenses.

In addition, technology is also a key factor that will play a greater role in doing business in the future. Many companies have researched and developed technologies to use them to generate more income. Therefore, in the securities business, many companies are continually focusing on technology developments to help increase their competitiveness with other companies. In this regard, the Company continuously researches and develops technology every year, as evidenced by the Company's invention and development of Finansia HERO, an application to help investors which has received good feedback from investors continuously.

### **Expenditure for research and development of technology and innovation according to the guidelines of the National Science and Technology Development Agency (NSTDA)**

The Company attaches great importance to research and development (R&D) and realizes the importance of developing technology to be up-to-date, in response to customer needs and upgrading the Company's operational quality to be more efficient. The Company had expenditures for research and development on software from 2019 - 2021 with a total value of THB 42.10 million, which has recorded such research and development expenses as intangible assets such as software in 2021, in order to increase the opportunity to compete with the Company.

The Company has recognized the importance of innovation, especially the world of finance has developed a lot in the field of financial technology. The Company has developed computing and trading systems such as developing new applications from 3 December 2021, the 2FA authentication via mobile phone OTP, development of an online account opening system capable of trading securities within 8 minutes, real-time trade, real-time ATS, and develop a diversified IPO booking and allocation system, to provide efficiency and safety to the stakeholders and to develop the economy.

### **Disclosed information for companies operating in a specific business**

The Company, as an intermediary business as a securities business, the following matters must be further considered:

#### **1. Asset quality**

a. The Company's debtor is a quality debtor. As of 31 December 2021, the Company's securities and derivatives business receivables were THB 4,340 million, an increase of 15% compared to the previous year. The main receivables consisted of securities purchase receivables with cash of THB 2,240 million and loans for securities purchases of THB 1,966 million, or 74% of the shareholders' equity. In 2021, the Company's credit line is consistent with the Company's policy and is not concentrated in any industry or group of customers.

The Company provides provision for impairment of securities and derivatives business receivables using the expected credit loss model pursuant to TFRS9, which is a result of adjusting the value of receivables for potential credit risk. The Company also exercises judgment in estimating the expected loss taking into account the risk of collection and the value of the pledged securities. However, the use of different estimates and assumptions may affect the calculating allowance for expected credit losses, therefore, adjustments to the allowance for expected credit losses may occur in the future.

(Unit: THB thousand)

## Consolidated and Separate Financial Statements

	31 December 2021		
	Receivables from securities and derivatives business and accrued interest	The amount used to set a provision for expected credit losses	Provision for expected credit losses
<b>Receivables from securities business</b>			
Receivables with no significant increase in credit risk	4,331,828	4,331,828	-
Receivable with a significant increase in credit risk	-	-	-
Receivables with credit impairment	9,899	9,899	(8,148)
Total receivables from securities business	4,341,727	4,341,727	(8,148)
<b>Receivables from derivatives business</b>			
Receivables with no significant increase in credit risk	8,340	8,340	(2,000)
Receivable with a significant increase in credit risk	-	-	-
Receivables with credit impairment	5,949	5,949	(5,949)
Total receivables from derivatives business	14,289	14,289	(7,949)
<b>Total receivables from securities and derivatives business</b>	<b>4,356,016</b>	<b>4,356,016</b>	<b>(16,097)</b>

b. The Company's investment increases or decreases depending on the Company's investment in each period. However, as of December 31, 2021, the Company had a total investment of THB 714 million, an increase of 0.84% compared to the previous year. However, the Company's investment is not concentrated in any company or industry group. The Company has classified investments and recognized impairment of investments in accordance with TFRS9, and has exercised judgment to provide provision for impairment of investments when there has been a significant or periodic decline in the fair value of those investments for a long time or when there are indications of impairment. The Company has the Risk Management Committee to manage risks related to investment in securities.

Unit: THB thousand

Investment in securities	2019	2020	2021
Marketable Equity	778,641	704,428	710,917
Non-Marketable Equity	2,882	3,190	3,191
<b>Total</b>	<b>781,523</b>	<b>707,618</b>	<b>714,108</b>
Return on investment	140,555	168,834	165,614

## 2. The relationship of the source of funds to the source of use of the funds

a. In the event that the Company has a capital requirement, it has a policy to find an appropriate source of funding to use as a financial cost and not to rely on any one source of funding. However, the Company analyzes the cash flow requirements daily and considers the suitability of short-term or long-term borrowings for investment needs. In this regard, the Company manages its money for the main goal of maintaining the ability to operate the business and maintaining the capital fund as specified by the SEC.

Unit: THB thousand

	2019	2020	2021
<b>Source of funds</b>			
Borrowings from financial institutions	50,000	300,000	-
Issued debt instruments	-	278,975	507,545
<b>Use of funds</b>			
Repayment of loans from financial institutions			350,000
Receivable from Loans for Securities Purchases	(18,203)	250,984	804,646
Investment in equipment and intangible assets	86,960	53,767	48,310

## b. Interest spread

Unit: THB thousand

	2019	2020	2021
Interest income	113,269	84,769	130,223
Interest expense	28,168	34,721	47,598
Interest income rate	0.13-5.25	0.05-5.25	0.05-5.50
Interest expense rate	0.70-1.70	0.30-3.25	0.20-3.60
Interest spread	0.57-3.55	0.25-2.00	0.15-1.90

**3. Maintaining various ratios according to regulatory requirements**

Notification of the Securities and Exchange Commission No. KorThor. 26/2020, Clause 4, the business operator shall maintain capital at the end of every business day; the regulations of the Clearing House (with respect to securities) Chapter 400 Risk Management Article 403 (2.2) In the event that a member has net liquidity capital at the end of any business day decreases to a level less than or equal to 3 times of the as required by the Securities and Exchange Commission; or the Capital Market Supervisory Board requiring members to submit reports of net liquidity capital calculations to the Clearing House on a daily basis, to be delivered within the following business day. In such cases, until the net liquidity capital can be maintained in accordance with the rules required to report for 7 consecutive business days or according to the period specified by the clearing house. Therefore, the net liquid capital ratio of the Company as defined in the table below:

	As of 31 December 2021	As of 31 December 2020	As of 31 December 2019
According to the table of maintaining the capital of the business operator (Annexed to the Notification of the Securities and Exchange Commission No. KorThor. 26/2020), securities and derivatives business operators must provide net liquidity capital of $\geq 25$ million baht or $\geq 7\%$ of liabilities and assets to be placed as collateral (if any). And according to the regulations of the clearing house (with respect to securities), Section 400 Risk Management Article 403 (2.2), securities and derivatives business operators must have net liquidity capital of $\geq 75$ million baht or $\geq 21\%$ of general liabilities and assets to be placed as collateral (if any).			
Liquid Capital (THB million)	1,549.87	1,344.56	1,599.99
Net liquidity capital ratio (%)	36.86	41.31	79.26

## 5. General information and other important information

### 5.1 General information

#### Company information

Company name (in Thai)	: บริษัทหลักทรัพย์ ฟินันเซีย ไซรัส จำกัด (มหาชน)
Company name (in English)	: Finansia Syrus Securities Public Company Limited
Stock Code	: FSS
Registered Number	: 0107547000079
Member Lists	: Member of SET No. 24 The Thai Bond Market Association (ThaiBMA) Member of Association of Thai Securities Companies (ASCO)
Company Website	: <a href="https://www.fnsyrus.com">https://www.fnsyrus.com</a>
Issued and Paid-Up Share Capital	: THB 930,244,840 (Par Value THB 1.60 per share, 581,403,025 ordinary shares)
Head Office	: 18th, 25th Floor, The Offices at Central World 999/9, Rama I Road, Pathumwan, Bangkok 10330 Tel: 02 658 9500 Fax: 02 658 9110
Back Office	: 6th (Unit No. 601 and 603), 7th, 8th, 9th Floor, Mint Tower 719 Bantadthong Road, Wangmai, Pathumwan, Bangkok 10330 Tel: 02 680 0700 Fax: 02 680 0769
Branches	: As of December 31, 2021, the Company has 24 branch offices.

#### : Bangkok and surrounding areas

##### 1. Mint Tower Offices

6th (Unit No. 601 and 603), 7th, 8th, 9th Floor, Mint Tower  
719 Bantadthong Road, Wangmai, Pathumwan, Bangkok 10330  
Tel: 02 680 0700 Fax: 02 680 0769

##### 2. Sathorn Office

48/32, 16th Floor, Tisco Building, North Sathorn Road,  
Silom, BangRak, Bangkok 10500  
Tel: 02 036 4859 Fax: 02 036 4899

##### 3. Alma Link Office

25 Alma Link Building, 9th, 14th, 15th Floor, Soi Chidlom,  
Ploenchit Road, Lumpini, Pathumwan, Bangkok 10330  
Tel: 02 646 9999, 02 646 9600 Fax: 02 646 9888

##### 4. Central Pinklao 1 Branch

7/129 221 Central Pinklao, Tower A, 16th Floor, Room 21601/1,  
Baromratchachonanee Road, Arunamarin, Bangkok Noi, Bangkok 10700  
Tel: 02 878 5999 Fax: 02 878 5998

**5. Bangkapi Branch**

3105 N Mark Building, 3rd Floor, Room A3 R02, Ladprao Road, Klongchan,  
Bangkapi, Bangkok 10240

Tel: 02 378 4545 Fax: 02 378 4544

**6. Bang Na Branch**

589 Tower 1 Office Building, 19th Floor, 589/105, Moo 12, Bang Na Trad Road, Bang  
Na, Bangkok 10260

Tel: 02 740 7100 Fax: 02 740 7199

**7. Sindhorn 1 Branch**

130-132 Sindhorn Tower 1, 2nd Floor, Wireless Road, Lumpini, Pathumwan,  
Bangkok 10330

Tel: 02 690 4100 Fax: 02 690 4101

**8. Kian Gwan**

140/1 Kian Gwan House II, 18th Floor, Wireless Road, Lumpini, Pathumwan,  
Bangkok, 10330

Tel: 02 254 1717 Fax: 02 254 1718

**9. Prachachuen Branch**

105/1 B Building, 4th Floor, (Unit no. B403) Tessaban Songkroh Road, Ladyao,  
Jatujak, Bangkok 10900

Tel: 02 580 9130 Fax: 02 580 9138

**10. Rattanathibet Branch**

576 Rattanathibet Road, Bang Krasor, Nonthaburi 11000 (Unit no. SH127)

Tel: 02 831 8300 Fax: 02 831 8388, 02 969 9117

**11. Samutsakhon Branch**

813/30 Norasing Road, Mahachai, Samutsakhon, Samutsakhon, 74000

Tel: 034 428 045 Fax: 034 428 044

**12. Rangsit Branch**

1/832, 2, 2.5, 3 Floor, Moo 17, Kukod, Lamlookka, Pathumthani 12130

Tel: 02 993 8180 Fax: 02 993 8179

**13. Chaeng Wattana Branch**

99, 99/9 Central Plaza Chaengwattana Office Tower, 19th Floor, Room 1904, Moo 2,  
Bang Talat, Pakkred, Nonthaburi 40000

Tel: 02 005 4193 Fax: 02 005 4703

**: Provincial**

**1. Khon Kaen Branch**

311/1 Klang Muang Road, Nai Muang, Khon Kaen 40000

Tel: 043 058 925, 043 224 731, 043 224 603 Fax: 043 058 927, 043 224 506

**2. Hadyai Branch**

106 New Season Hotel, Prachathipat Road, Hadyai, Songkla 90110

Tel: 074 243 777 Fax: 074 353 329, 074 224 955

**3. Chiang Mai Branch**

310 Chiang Mai Land, Changklan Road, Changklan, Muang Chiang Mai, Chiang Mai 50100

Tel: 053 235 889, 053 204 711, 053 270 655 Fax: 053 235 890, 053 272 369, 053 805 390

**4. Surat Thani Branch**

173/83-84 Moo 1, Wat Pho Bang Yai Road, Makham Tia, Muang Surat Thani, Surat Thani 84000

Tel: 077 222 595 Fax: 077 222 596

**5. Mae Sai Branch**

119 Moo 10, Mae Sai, Chiang Rai 57130

Tel: 053 640 599 Fax: 053 733 819

**6. Phuket Online Branch**

22/18 Luang Phor Wat Chalong Road, Talad Yai, Muang Phuket, Phuket 83000

Tel: 076 210 499 Fax: 076 210 498

**7. Trang Branch**

59/28 Huayyod, Tubtieng, Muang Trang, Trang 92000

Tel: 075 211 219 Fax: 075 212 400

**8. Pattani Branch**

300/69-70 Moo 4, Roo Samilea, Muang Pattani, Pattani 94000

Tel: 073 350 140-4 Fax: 073 350 014

**9. Chiang Rai Branch**

758 Phahonyothin Road, Wiang, Mueang Chiang Rai, Chiang Rai 57000

Tel: 053 750 120 Fax: 053 750 127

**10. Udonthani Branch**

197/29, 213/3 Udondusadee Road, Mak Khaeng, Muang, Udonthani 41000

Tel: 042 245 589 Fax: 042 324 146

**11. Nakhon Ratchasima Branch**

198/1 Trok Samorai, Nai Muang, Muang, Nakhon Ratchasima 30000

Tel: 044 288 700 Fax: 044 288 700 ต่อ 109

**Information of companies that the Company holds more than 10% shareholding**

<b>Company name (in Thai)</b>	<b>: บริษัทหลักทรัพย์ที่ปรึกษาการลงทุน เอฟเอสเอส อินเตอร์เนชั่นแนล จำกัด</b>
Company name (in English)	: FSS International Investment Advisory Securities Company Limited
Business Type	: Investment Advisory
Address	: 25 Alma Link Building, 14th Floor, Soi Chidlom, Ploenchit Road, Lumpini, Pathumwan, Bangkok 10330 Tel: 02 611 3500 Fax: 02 611 3551
Shareholding percentage	: 96.25
Issued and Paid-Up Share Capital	: THB 8 million
Par Value	: THB 100
No. of Ordinary Shares	: 80,000 shares

<b>Company name (in English)</b>	<b>SBI Royal Securities PLC</b>
Business Type	: Securities Business (registered under Cambodian law)
Address	: Phnom Penh Tower, No. 445, Preah Monivong Blvd, Sangkat Boeung Pralit, Khan 7makara, Phnom Penh
Shareholding percentage	: 20.01
Issued and Paid-Up Share Capital	: USD 15.99 million
Par Value	: USD 25
No. of Ordinary Shares	: 63,960,000 shares

**Information of References**

Company Registrar	: Thailand Securities Depository Company Limited 14th Floor, The Stock Exchange of Thailand, 93 Ratchadaphisek Road, Dindaeng, Bangkok 10400, Thailand Tel: 02 009 9999
Company's Auditor	: Ms. Ratana Jala                      Certified Auditor Number 3734 and/or Ms. Somjai Khunpasut              Certified Auditor Number 4499 and/or Ms. Wanwilai Phetsang              Certified Auditor Number 5315 EY Office Limited 33rd Floor, Lake Rachada Office Complex, 193/136-137, New Ratchadaphisek Road, Klongtoey, Bangkok 10110 Tel: 02 264 9090 Fax: 02 264 0789-90



## 5.2 Other important information (Issuance of Derivative Warrants)

### 1. Reliability Rating

Fitch Ratings (Thailand) (as of 13 January 2022) rated the Company's long-term National Rating at "BBB+(tha)", "Stable", or "stable outlook", and affirmed the short-term domestic credit rating at "F2(tha)" with the meaning of credit as follows:

BBB(tha) = National Rating 'BBB(tha)' is given to issuers of debt instruments or debt instruments. It is expected that there is a moderate risk of default compared to other issuers or debt instruments in Thailand and will affect the ability to pay debt on time for these financial instruments than other debt instruments with higher credit ratings.

Credit ratings from AAA(xxx) to CCC(xxx) may be appended with a plus (+) or (-) sign to distinguish the quality of ratings within the same rating.

F2(tha)=denotes a good level of ability to repay on time as stated in the financial commitments, compared to other issuers or debt instruments in Thailand. However, the level of credit rating is also not comparable to a higher credit rating.

The suffix 'tha' is indicated after the rating to indicate the National Rating for Thailand. A '+' or '-' may be added to the National Rating to indicate an intra-rated comparative position. However, such "+" or "-" will not be used for Long-term National Ratings. The national financial strength rating of the insurance company 'AAA(tha)' or a rating lower than 'CCC (tha)' will not be used for any short-term national ratings except 'F1(tha)'.

Fitch Ratings uses alphabetic symbols to display 11 national long-term credit ratings, starting with AAA(xxx) which is the highest, and D(xxx) which is the lowest. In addition, Fitch Ratings has designated seven short-term domestic credit ratings symbols: F1(xxx), F2(xxx), F3(xxx), B(xxx), C(xxx), RD(xxx), and D(xxx). More information can be found more at <https://www.fitchratings.com/site/definitions>

In this regard, the Company will display the information of such change in the registration statement for offering of derivative warrants (Form 69-DW-Short) and the draft prospectus. The information contained in the Derivative Warrants Offering Registration Statement (Form 69-DW-Short) and the latest draft prospectus shall be primarily considered.

### 2. Risk management

#### Objectives of buying/selling or issuing instruments

- ☐ To increase the choice of financial products for investors to respond to investments in different market conditions.
- ☐ To diversify the revenue structure of the Company

#### Strategies for preventing various risks that might happen and the Company's risk management system

##### Hedging Strategy

- ☐ As the issuer of Derivative Warrants, the Company hedges risks arising from changes in underlying asset prices by purchasing or selling underlying assets or other derivatives, etc.
- ☐ In the case of Call DW, the Company risks having to pay the DW price when the underlying asset price increases. Therefore, the Company will buy the underlying asset or another derivative at a value close to the Delta value of the Call DW position.

☞ In the case of Put DW, the Company risks having to pay the DW price when the underlying asset price decreases. Therefore, the Company will sell the underlying asset or other derivatives at a value close to the Delta value of the Put DW's position.

☞ In addition, the Company may further hedge its exposure to the volatility of underlying stock prices by means of over-the-counter derivatives trading, derivatives offerings, or options trading through TFEX, etc.

☞ The Company also has other internal risk management controls in order to hedge the Company's overall risks as well, such as maximum Delta Limit, maximum loss limit and accumulated net loss (Stop Loss Limit and Accumulated Net Loss Limit), etc.

#### ☞ The Company's risk management system

☞ The Company has provided comprehensive risk management to manage risks throughout the organization. The Company has set up the Risk Management Committee consisting of executives from the business line and from the support line, responsible for overseeing the risk management system, formulating risk management policies, approving new product launches, monitoring and manage risks within specified limits, and installing systems to control and manage both credit and market risks. In addition, the Company also imposes risk controls that cover other risks such as operational risk, liquidity risk, legal/regulatory risk, etc.

#### ☞ The role of senior executives in overseeing the risk management system

The Risk Management Committee consists of senior executives who are directly responsible for overseeing risks, approving policies and action plans for each transaction to cover clearly defined risks, and jointly analyzing and assessing the risks that may arise with the Company's new transactions in order to devise guidelines and tools for effective and concise risk management within an acceptable risk level framework. In addition, the Risk Management Department regularly prepares a risk status report to be presented to the Management for acknowledgment.

#### ☞ Supervision so that the issuance of derivatives warrants or other trading instruments does not result in the maintenance or liquidity of the relevant criteria.

The Company has a policy to supervise NCR by using the net capital to general liabilities criteria in order to comply with the rules of the SEC. In addition, the Company monitors the net capital position to ensure that the issuers of derivative warrants have sufficient liquidity for their business operations. The NCR is calculated daily and notified to the Management and relevant authorities, with a 25-30% level of NCR to be closely monitored.

### 3. Conflicts of Interest from Issuing Derivative Warrants

Because the Company and its related companies are engaged in other permitted business and/or functions, including but not limited to securities brokerage services, proprietary trading, securities underwriting, investment advisory, financial advisor, etc. Such business operations may cause conflicts of interest arising from the issuance of derivative warrants. Therefore, in order to prevent such conflicts of interest, the Company has the following preventive measures:

- ☞ The Company has internal control systems to monitor and prevent the use of inside information which may affect the trading price of securities or create a conflict of interest, especially information that affects the trading price of securities which has not yet been disclosed to the public. Each department has a clear separation of operations areas and maintains its own internal information without any unrelated departments having access to or knowing such inside information.
- ☞ The Company has a policy that all customer service departments and proprietary trading department have the same status as general investors. The above departments are, therefore, not entitled to receive research that is different from other customers of the Company.
- ☞ In the event that an article or research is published, the Company will disclose to investors any direct or indirect interest in the Company's derivative warrant offering in the article or research related to the derivative warrant or underlying securities.
- ☞ The Company has regulations on the trading of employees' securities by allowing them to open an account only through the Company. Submission of securities trading orders can only be submitted by authorized officers appointed by the Company to record trading orders into the trading system and must obtain permission from supervisors before trading. In addition, there is a provision forbidding directors, executives, employees, and related persons to subscribe for securities that the Company underwrites, except for subscription through a fair random selection system, for example, through a random selection by Settrade system.

### 5.3 Legal disputes

As of December 31, 2021, the Company and its subsidiary are parties in unfinished lawsuits or disputes as follows:

1. Lawsuits that may have a negative impact on the assets of the Company or its subsidiary that amount to more than 5% of the shareholders' equity
  - There is no lawsuits that may have a negative impact on the assets of the Company or its subsidiary that amount to more than 5% of the shareholders' equity.
2. Lawsuits that significantly affect the business of the Company or its subsidiary but unable to assess the impact in numbers
  - There is no lawsuits that significantly affect the business of the Company or its subsidiary but unable to assess the impact in numbers
3. Lawsuits that are not caused by normal business operations of the Company or its subsidiary without having to explain cases that are part of normal business operations, such as filing a lawsuit against customers in the event that the issuing Company is a financial institution, etc.
  - There is no lawsuits that are not caused by normal business operations of the Company or its subsidiary without having to explain cases that are part of normal business operations, such as filing a lawsuit against customers in the event that the issuing Company is a financial institution, etc.

**5.4 Financial institution that the Company contacts regularly** (Only in the case of debt issuing companies)

- Krung Thai Bank Public Company Limited, Nana Nuea Branch
- Bangkok Bank Public Company Limited, Siam Square Branch
- Kasikorn Bank Public Company Limited, Lang Suan Branch

## Part2 Corporate Governance

### 6. Corporate Governance Policy

The Board of Directors of Finansia Syrus Securities Public Company Limited (“the Company”) recognizes the importance of good corporate governance and aims for the Company to have an efficient, transparent, and fair management system and process for all parties involved, which can build confidence among stakeholders, including shareholders, customers, employees, business partners, creditors, society, as well as regulators, and can increase the competitiveness of the Company under the framework of ethics and social responsibility for the Company and society to grow together in a sustainable way. In 2021, the Company received important awards for compliance with the principles of good corporate governance and sustainability of business as follows:

- “Good” Corporate Governance Assessment in the Corporate Governance Survey of Thai Listed Companies since 2019 from the Thai Institute of Directors Association (IOD)
- Excellent evaluation score (98-100 points) in the quality assessment of the Annual General Meeting of Shareholders from the Thai Investors Association

In addition, the Board of Directors, complying with the Principles of Corporate Governance for Listed Companies in 2017 or the CG Code issued by the Securities and Exchange Commission according to the Company’s business context, reviews Corporate Governance Policy of the Company to comply with the aforementioned criteria at least once a year.

### Corporate Governance Policy

#### 6.1 Overview of Corporate Governance Policy and Practice

The Board of Directors has assigned the Nomination, Remuneration, and Corporate Governance Committee to prepare and propose to the Board of Directors to consider the Company’s Corporate Governance Policy and follow up to ensure compliance with the policy, as well as review and improve the policy to be appropriate and consistent with the guidelines of the regulators of the Company as a securities company and a listed company with the goal of moving towards international corporate governance standards.

In this regard, the Company’s corporate governance policy and practice covers all matters related to the Board of Directors, shareholders, and other stakeholders in accordance with the following key principles:

#### • Vision and Core Value

##### Vision

The Board of Directors of Finansia Syrus Securities Public Company Limited (“Board of Directors”) has set a vision of being a company that will “create wealth and by raising the investment level” by setting goals for stakeholders as follows:

- ☞ Customers: Being a financial service provider in the capital market that meets the needs of customers
- ☞ Employees: Being a company that cares about employees
- ☞ Shareholders: Being a company that provides a sustainable return on investment
- ☞ Regulators: Being a company that operates business in accordance with strict rules
- ☞ Society & Environment: Being a socially and environmentally responsible company

## Core Value

The Company is aware of the characteristics and norms that will guide the behavior of the organization. Therefore, "HERO" has been designated as the corporate value:

H - Honesty

Be honest and dare to do the right things and be trustworthy

E - Engagement

Participate and be responsible for driving the organization forward to achieve its goals

R - Responsibility

Have self-responsibility, responsibility towards duties, and responsibility towards others for both words and deeds

O - Originality

Contribute original ideas, embrace new things, and adapt to changing situations

- **Corporate Governance Structure of the Company** clearly defines the powers, roles, duties, and responsibilities of the Board of Directors, meetings of the Board of Directors, structure of the Board of Directors, term of directorship, the nomination and election of directors, treatment of new directors, development of directors, directorship in other companies/juristic persons of directors and senior executives, composition, roles, and duties of sub-committees, separation of positions between Chairman of the Board of Directors and the chief Executive Officer (CEO), remuneration of directors and CEO, performance evaluation of Board of Directors and CEO, Succession Planning, and roles and duties of Company Secretary.

- **Rights and treatment of stakeholders**

- o **Treatment of stakeholders** The Company recognizes the rights of various stakeholders, including shareholders, customers, employees, partners, competitors, creditors, business partners, society, communities, and the environment. This is reflected through the Company's vision and Code of Conduct. The Company has a policy to ensure that each stakeholder group is fully satisfied and entitled to that right on the basis of fairness for sustainable growth together. In this regard, the stakeholders can contact the relevant departments of the Company directly. In addition, the Company has other communication channels to receive complaints, recommendations, and opinions, which are the central channels to contact the Board of Directors and the Management.

- o **Fair treatment of shareholders** in terms of fundamental rights, rights related to shareholders' meetings, and dividend payments.

- o **Disclosure and transparency** The Company has established a policy of disclosing information to shareholders and all groups of stakeholders to ensure completeness, appropriateness, equality, and timeliness, including overseeing the disclosure of confidential information and information that affects securities trading prices.

- **Internal control** The Board of Directors has established internal control measures such as prevention of use of inside information by directors and employees, related person transaction, prevention of conflicts of interest, report on vested interest of directors, and Anti-Corruption and Bribery Policy.

## 6.2 Code of Conduct

The Board of Directors has approved the Company's Code of Conduct, which contains Business Code of Conduct and Code of Conduct for Directors, Executives, and Employees, and requires directors, executives, and all employees to comply with such codes of conduct.

For **business code of conduct**, The Company places importance on ensuring compliance with the Code of Conduct in various fields, namely 1) ensuring compliance with the Business Code of Conduct; 2) building confidence for customers and stakeholders by providing service standards; 3) taking care and providing facilities for the efficient performance of all employees; 4) giving importance to and treating customers responsibly in business and maintaining a sustainable relationship with customers by providing products and services that are suitable for the needs and abilities of customers, etc.; 5) providing measures to manage conflicts of interest in business operations; 6) prioritizing confidentiality and data management for both customers and the Company by managing different data appropriately; 7) adherence to business operations in accordance with the legal framework, related rules, Company's policies and procedures, and corporate governance; 8) emphasis on efficient and sustainable business operations; and 9) conducting business with social responsibility.

In addition, the Company's **Code of Conduct for Directors, Executives, and Employees** has set ethical standards under the principles in various areas: 1) good corporate governance; 2) protection of interests, image, dignity, reputation, and morals; 3) conflicts of interest; 4) reliability of information; 5) confidentiality of information; 6) use of inside information for securities trading; 7) prevention and suppression of Money Laundering and Counter Terrorism Financing and Proliferation of Weapon of Mass Destruction; 8) anti-corruption; 9) gambling, alcohol, and drugs; 10) giving and accepting gifts and entertainment; 11) corporate assets; 12) other work or outside activities; 13) harassment; and 14) whistleblower.

The Board of Directors has reviewed the Business Code of Conduct and Code of Conduct for Directors, Executives, and Employees on a regular basis, which can be found on the Company's website under the heading "Corporate Governance".

## 6.3 Major Changes and Developments in the Guidelines, Policies, and the Corporate Governance System in 2021

In 2021, the Company has improved its corporate governance operations, both in terms of policies and important guidelines, which can be summarized as follows:

Under challenging business environment, the Board of Directors attaches great importance to working closely together in order for the Board of Directors to be able to perform their duties in corporate governance with the highest efficiency. In addition, the Company has revised the Board Charter by improving the Company's vision to be up-to-date, to cover social and environmental issues, and improving the words to be clear and to cover issues set by various regulators. The Company aims to carry out the supervision of the Company's business to meet good standards both nationally and internationally.

In addition, due to the fact that human resources work is very important in driving the organization in accordance with the Company's business strategy, in 2021, the Board of Directors assigned the Nomination, Remuneration, and Corporate Governance Committee to revise the Charter to cover human resource policy duties and corporate culture.

From the review of the corporate governance policy in 2021, the Company has revised the corporate governance policy regarding the terms of office of independent directors. It was changed from independent directors can hold office for no more than 9 years to "The Company has designated independent directors to hold office for no more than 9 years, unless there is a reasonable reason to continue holding the position."

The Company aims to carry out the supervision of the Company's business to meet standards both nationally and internationally. However, when compared to the Good Corporate Governance Principles for Listed Companies 2017 (CG code) issued by the Securities and Exchange Commission and the Good Corporate Governance Principles of The Thai Institute of Directors Association (IOD), there are still some issues that the Company's practices differ from the aforementioned guidelines as follows:

- 1) The disclosed shareholder structure should reflect the true shareholders of the Company clearly.

Some of the Company's shareholders appear to be nominees who are custodians of foreign investors. This is normal for foreign investors to appoint an agent to act as depository and custodians of their shares. Therefore, it is a matter beyond the control of the Company.

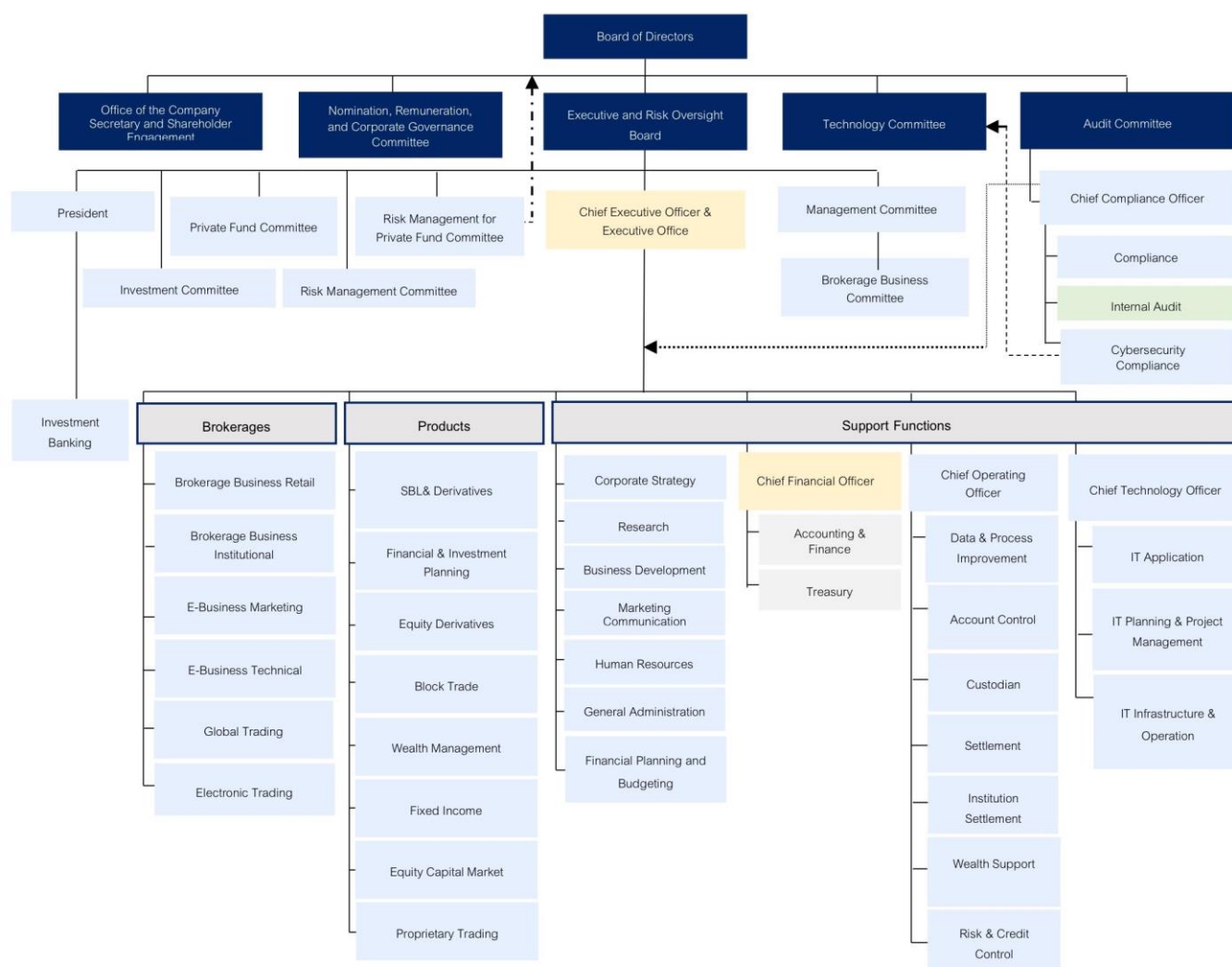
- 2) The policy should be set for directors and senior executives to notify the Board of Directors or the person assigned about the purchase of the Company's shares at least 1 day in advance prior to trading.

The Company does not have a policy on such matters. However, the Company has established regulations to prevent the use of inside information, which consists of Code of Conduct for Directors, Executives, and Employees, Regulations for Controlling Securities Trading of Directors, Executives, and Employees, Regulations on the Prevention of the Use of Inside Information, Rules for Disclosure of the Company's Securities Holdings by Directors, Executives, and Employees, non-trading period for directors, executives, and employees.



## 7. Corporate Governance Structure and important information about the Board of Directors, Sub-committees, executives, employees, and others

### 7.1 Corporate Governance Structure



### 7.2 Board of Directors

#### • Board of Directors' Structure

As of the end of 2021, the Company had 9 directors. The Company has structured the Board of Directors in accordance with the regulations of the regulators to have a variety of components in both professional skills, specialization, age, gender, and other important qualifications that are necessary and consistent with the Company's business operations. The Board of Directors has a policy to maintain the balance of such diverse components. The nine-member Board of Directors consists of two female and seven male directors, who are experts with a wide range of knowledge in banking, accounting and finance, corporate management, strategic planning and risk management, social development, good corporate governance, law, science and technology, and other experiences that are beneficial and necessary for the Company's business operations. The composition of the Board of Directors can be summarized as follows:

• 3 independent directors (accounting for 33.33%): Pol. Gen. Visanu Prasattongsoth, Mr. Kittisak Bencharit, and Mr. Phaiboon Siripanoosatien

• 2 executive directors (accounting for 22.22%): Mr. Chuangchai Nawongs and Mr. Somphop Keerasuntonpong

• 4 non-executive directors (accounting for 44.44%): Mr. Chatchaval Jiaravanon, Mr. Vorapak Tanyawong, Mrs. Pornpring Suksantisuwan, and Ms. Kanchana Vongratanakulthon

List of directors and number of years in office are set out in Table 1.

Table 1: Directors (Information as of 10 January 2022)

Name	Position	Appointment date	Years in the office
1. Mr. Chatchaval Jiaravanon	Chairman of the Board of Directors and Member of the Nomination, Remuneration, and Corporate Governance Committee	23 July 2002	19
2. Mr. Varah Sucharitakul <sup>1</sup>	Vice Chairman of the Board of Directors, Chairman of the Executive and Risk Oversight Board, and Member of the Nomination, Remuneration, and Corporate Governance Committee	19 June 2009	12
3. Mr. Vorapak Tanyawong	Vice Chairman of the Board of Directors, Chairman of the Executive and Risk Oversight Board, and Member of the Nomination, Remuneration, and Corporate Governance Committee	10 January 2022	-
4. Ms. Kanchana Vongratanakulthon	Director	23 May 2020	1
5. Mr. Chuangchai Nawongs	President, CEO, Member of the Executive and Risk Oversight Board, and Member of the Technology Committee	19 June 2009	12
6. Mr. Somphop Keerasuntonpong	President and Member of the Executive and Risk Oversight Board	2 June 2003	18
7. Mrs. Pornpring Suksantisuwan	Director, Chairman of the Technology Committee, and Member of the Executive and Risk Oversight Board	16 October 2008	13
8. Pol. Gen. Visanu Prasattongsoth	Independent director, Chairman of the Audit Committee, and Chairman of the Nomination, Remuneration, and Corporate Governance Committee	16 September 2009	12
9. Mr. Phaiboon Siripanoosatien	Independent director, Member of the Audit Committee, and Member of the Nomination, Remuneration, and Corporate Governance Committee	28 February 2008	13
10. Mr. Kittisak Bencharit	Independent director, Member of the Audit Committee, and Member of the Nomination, Remuneration, and Corporate Governance Committee	22 October 2009	12

In this regard, the Chairman of the Board of Directors and the CEO of the Company are not the same person. The Company has clearly separated the positions and duties of the Chairman of the Board of Directors and the CEO for the benefit of the performance of duties and supervision and transparency of internal operations. The details are as follows:

<sup>1</sup> Mr. Varah Sucharitakul resigned from his position as the Vice Chairman of the Board of Directors, Chairman of the Executive and Risk Oversight Board, and Member of the Nomination, Remuneration, and Corporate Governance Committee on 16 December 2021

**Chairman of the Board of Directors** – Corporate Governance Policy of the Company stipulated that the Chairman of the Board of Directors must be a non-executive director and must not be involved in the routine management of the Company, in accordance with the principle of separation of duties between policy formulation, corporate governance, and administration. The Chairman is responsible for supervising the Board of Directors to perform their duties in accordance with good corporate governance and policies, ensuring that there are the Board of Directors' meetings' agendas that are important and necessary for the Company's business operations, especially on corporate strategy, allocating time for management to clearly present important information, ensuring a thorough discussion in meetings, ensuring that the Company Secretary record the minutes of the meeting correctly, as well as supervising the corporate governance of the Company according to the specified policy. In addition, the Chairman of the Board of Directors also acts as the Chairman of the shareholders' meeting.

**CEO** – is the top executive of the organization, who plays a major role in overseeing the operation of the Company to be in accordance with the strategic policy and goals set by the Board of Directors, suggesting alternatives and strategies in line with changing business conditions for sustainable growth, considering, screening, and approving various matters according to the regulations set by the Company as assigned by the Board of Directors and/or sub-committees. Also, the CEO will be primarily responsible for creating corporate culture.

#### • Roles and Duties of the Board of Directors

The Board of Directors, performing duties with the highest ethical standards, has the powers, duties, and responsibilities in managing the Company to be in accordance with the law, objectives, articles of association, resolutions of the Board of Directors, and resolutions of the shareholders' meeting, as well as ensuring that the Company has an effective control, supervision, and audit mechanism in order to continuously monitor the operations for the Company to conduct business with fairness, transparency, and responsibility to all stakeholders under the principles of corporate governance. This also include setting visions, missions, policies, strategies, and business goals, and supervise the Management to operate in accordance with the visions, missions, policies, strategies, and financial goals, with the goal to create value for the Company and all stakeholders in a sustainable manner and taking into account all related stakeholders. The Board is also responsible for ensuring that there is a succession plan for the CEO and for structuring and defining processes to have a risk management system, compliance and audit supervision, appropriate internal controls, and regularly reviewing such structures and processes.

Details on duties and responsibilities including the approval authority of the Board of Directors can be found on the Company's website [www.fnsyrus.com](http://www.fnsyrus.com) under the topic of the Board Charter.

### 7.3 Sub-committees

The Board of Directors established sub-committees to help screen and supervise 4 specific tasks: Executive and Risk Oversight Board, Audit Committee, Nomination, Remuneration, and Corporate Governance Committee, and Technology Committee. The sub-committees will meet in accordance with the rules set forth in the charter of each sub-committee and in the corporate governance policy. The meeting date of each committee is set in advance throughout the year. The duties and responsibilities of each sub-committee appear in the charter of each sub-committee and can be found on the website [www.fnsyrus.com](http://www.fnsyrus.com) under the topic Charter, which can be summarized as follows:

### • Executive and Risk Oversight Board (“Executive Board”)

The Executive Board consists of a number of directors and may consist of other persons, who are the executives of the Company. The person who will be the Chairman of the Executive Board must be a director of the Company and the CEO shall be a member of the Executive Board.

The Executive Board has an important role in driving the Company to be in accordance with the Company's strategies, policies and regulations, including supervising the Company's business. The Executive Board shall also provide advice to the Board of Directors on the Company's risk governance framework, review the adequacy and effectiveness of overall risk management policies and strategies including the acceptable level of risk at least once a year or when there is a significant change in order to assess whether the Company's risk management policies and strategies covers all types of risks including emerging risks, ensure that such policies and strategies are implemented in an efficient and effective manner, assess the risks according to the potential significant activity (SA) which reflects the risks according to the Company's business model, establish measures to control risks effectively, report to the Board of Directors about the risk status, risk management efficiency, and compliance status with a risk-aware corporate culture, as well as significant factors and problems that need to be improved to be in line with the policies and strategies for risk management, provide advice to the Board of Directors in cultivating a risk culture throughout the organization, ensure that senior executives, including the Head of the Risk Management Department, comply with risk management policies and strategies and acceptable levels of risk, comment on or participate in the assessment of the performance and effectiveness of the Chief Risk Officer or equivalent position, and perform various tasks as assigned by the Board of Directors to achieve the vision, mission, and core value of the Company.

As of 31 December 2021, the Executive Board consists of 4 members, namely Mr. Vorapak Tanyawong (Chairman of the Executive Board), Mr. Chuangchai Nawongs, Mr. Somphop Keerasuntonpong, and Mrs. Pornpring Suksantisuwan. Each person has a term of office equal to the term of office of the Company's director. The 2021 performance of the Executive Board can be found in the Report of the Executive Board presented in this Annual Report.

### • Audit Committee

The Audit Committee has duties and responsibilities to ensure that the Company's financial reporting is accurate and adequate, has an efficient internal control system, and complies with applicable laws and regulations. The Audit Committee shall also follow up on the resolution of non-compliance with laws and regulations (if any), review the operating procedures and supervision of connected transactions or transactions that may have conflicts of interest and compliance with anti-corruption and bribery policies. In addition, the Audit Committee is responsible for considering, selecting, proposing the appointment and termination of employment, and considering the auditor's remuneration annually.

As of 31 December 2021, the Audit Committee consists of 3 independent directors, Pol. Gen. Visanu Prasattongsoth (Chairman of the Audit Committee who is an independent director), Mr. Kittisak Bencharit (independent director), and Mr. Phaiboon Siripanoosation (independent director). All members of the Audit Committee have knowledge and experience in reviewing financial statements. The 2021 performance of the Audit Committee can be found in the Report of the Audit Committee presented in this Annual Report.

### • Nomination, Remuneration, and Corporate Governance Committee

The Nomination, Remuneration, and Corporate Governance Committee has 4 main responsibilities as follows: 1) Nomination: Selecting suitable candidates to serve as directors of the Company and nomination of senior executives; 2) Remuneration: Recommend appropriate remuneration of the Board of Directors and sub-committees to the Board of Directors for approval before

proposing to the shareholders' meeting for approval and ensure that senior executives receive compensation that is appropriate to their duties and responsibilities; 3) Human Resources Policy and Organizational Culture: Consider and give opinions on the Human Resources Policy to be consistent with the organization's strategy, establish policies and direct succession plans for the CEO position and senior executives; and 4) Corporate Governance: Determining policies and supervising the corporate governance of the Company to comply with the corporate governance principles of statutory regulatory bodies and other good practices, as detailed in the Nomination, Remuneration, and Corporate Governance Committee Charter.

As of 31 December 2021, the Nomination, Remuneration, and Corporate Governance Committee consisted of 5 members, namely Pol. Gen. Visanu Prasattongsoth (Chairman of the Nomination, Remuneration, and Corporate Governance Committee (independent director), Mr. Chatchaval Jiaravanon, Mr. Vorapak Tanyawong, Mr. Kittisak Bencharit (independent director), and Mr. Phaiboon Siripanoosathien (independent director). The term of office is equal to the term of office of the Company's director. The 2021 performance of the Nomination, Remuneration, and Corporate Governance Committee can be found in the Report of the Nomination, Remuneration, and Corporate Governance Committee presented in this Annual Report.

#### • Technology Committee

The Technology Committee has duties and responsibilities for overseeing strategy and direction of technology in order to be in line with the Company's strategy and to develop the potential of technology capabilities, including information and technology risks. The Technology Committee may arrange cooperation with other sub-committees as necessary, for example, with the Executive and Risk Oversight Board for technology risks. The Company stipulates that the Technology Committee consists of directors who are directors and/or executives of the Company. Most of the directors must have knowledge, expertise, and understanding of technology as a whole and should have knowledge and expertise in business and risk areas.

As of 31 December 2021, the Technology Committee consists of 4 members, 2 directors and 2 executives, namely Mrs. Pornpring Suksantisuwana (Chairman of Technology who is a non-executive directors), Mr. Chuangchai Nawongs (Director and CEO), Mr. Kosit Thammatada (Chief Technology Officer), and Ms. Supin Suravichai (Chief Operating Officer). Each member has a term of office equal to the length of office of director and/or executives of the Company. The 2021 performance of the Technology Committee can be found in the Report of the Technology Committee presented in this Annual Report.

## 7.4 Senior Executives

- There are 19 senior executives as of 31 December 2021.

Table 2: Senior Executives (Information as of 31 December 2021)

Name	Position
1. Mr. Chuangchai Nawongs	CEO
2. Mr. Somphop Keerasuntonpong	President
3. Ms. Chorpetch Riamdee	Chief Financial Officer
4. Ms. Supin Suravichai	Chief Operating Officer
5. Mr. Kosit Thammatada	Chief Technology Officer
6. Mr. Pitsanu Wathanawanapong	Executive Director of Wealth Management Department
7. Mrs. Manida Sithseree	Executive Director of Local Institution Department
8. Mrs. Nusara Rooncharoen	Executive Director of E-Business Marketing Sales Department
9. Mr. Kuntra Ladavalya Na Ayudhya	Executive Director of Brokerage Business Unit 1
10. Mr. Chatchai Chumsiri	Executive Director of Brokerage Business Unit 2
11. Mr. Nithivat Dhambhirasing	Executive Director of Brokerage Business Unit 3

12 Mr. Pasin Charuvongvatana	Executive Director of Brokerage Business Unit 4
13. Mr. Somchai Keawjaroenpisan	Executive Director of Brokerage Business Unit 5
14. Ms. Ubonrut Sripunyawitch	Executive Director of Brokerage Business Unit 7
15. Ms. Kanoknapat Sithivaraporn	Executive Director of Brokerage Business Unit 8
16. Mr. Pannatat Samitthisakda	Executive Director of Brokerage Business Unit 10
17. Mr. Somyot Kittisukcharoen	Executive Director of Brokerage Business Unit 15
18. Ms. Raveewan Chaiyakit	Executive Director of Brokerage Business Unit 16
19. Mr. Anuwat Sae-tang	Executive Director of Brokerage Business Unit 18

## Senior Executives' Compensation

The Nomination, Remuneration, and Corporate Governance Committee is responsible for presenting the compensation of executives, including the CEO and senior executives for the Board of Directors to consider and approve. The Board considered that the remuneration was appropriate according to the Company's policy, linked to the Company's operating results both short term and long term, and in accordance with the performance of each executive by comparing with performance indicators including financial indicators, customer indicators, work process improvement and development indicators, and personnel development indicators, for the Company's sustainable success under transparent rules and according to the scope of responsibility of the position as well as the Company's competitiveness compared to other leading financial institutions and companies in Thailand.

In 2021, the Company has executives according to the definition of the Office of the Securities and Exchange Commission (i.e., the first four managers or persons holding a management position after the manager who hold a position equivalent to a person holding a management position include 19 executives in accounting or finance at the level of department manager or equivalent), who receive compensation in the form of salaries, bonuses, and allowances in the total amount THB 266.91 million.

In addition, the executives receive other benefits and welfare according to the Company's regulations and similar to employees such as benefits related to medical treatment, health check, life and accident insurance, loan welfare, contributions to provident funds, etc. In 2021, the Company's provident fund contributions of executives according to the definition of the Securities and Exchange Commission, totaling 19 people, THB 4.16 million.

## 7.5 Employees and Employee Compensation

As of the end of 2021, the Company has a total number of 753 employees, with expenses and compensation to employees totaling THB 1,243 million, car allowance, bonus, social security, and contributions to the provident fund, etc.

In this regard, the Company has the number of employees in the past 3 years according to the main line of work and classified by level as follows:

Line of work	Details					
	2019		2020		2021	
	Management level	Operation level	Management level	Operation level	Management level	Operation level
Front Office	14	517	14	490	15	550
Back Office	4	142	4	167	4	184

In addition, in 2021, the Company also encourages its employees to join the provident fund (PVD), with the proportion of employees participating in the provident fund as follows:

Name of company	Number of employees participating in PVD (persons)	Proportion of employees participating in PVD (%)
Finansia Syrus Securities Public Company Limited	657	87.25
FSS International Investment Advisory Securities Company Limited	10	90.91

## 7.6 Support unit for the performance of the Board of Directors

The Company provides support and gives importance to the departments and personnel responsible for taking care of the Company to be able to comply with various relevant regulations accurately and completely and to support the work of the Board of Directors in terms of rules and regulations and good corporate governance. There are related departments and personnel as follows:

### (1) Internal Audit

It is an independent and impartial department, which has been established to develop and enhance internal control including the Company's policies and operations to ensure that business operations are in compliance with regulations. It also has duties and responsibilities for regular inspections, to help identify matters that need to be considered, provide advice and recommendations on the development of internal control systems and risk management systems and guidelines for implementing good corporate governance. At present, Ms. Supreeda Sirirutsakul, Executive Vice President, Internal Audit Department, is responsible for supervising the operations of the Internal Audit Department to achieve the objectives mentioned above, which reports directly to the Audit Committee in accordance with its independent responsibilities. The Audit Committee is responsible for considering and approving the appointment, removal, transfer or termination of employment and to consider the performance of the Head of Internal Audit Department.

### (2) Compliance

It is a department that acts as a center for providing advice and opinions on official rules and regulations, policies, operating procedures, internal control of the Company, as well as being the center in liaising with the regulatory authorities. It is also responsible for defining internal policies and regulations for executives and employees to comply with in accordance with relevant laws or regulations, as well as having a duty to check the qualifications of the person nominated for the position of director or executive of the Company to ensure that they are qualified according to the laws and regulations of the regulatory bodies. At present, Mrs. Parichart Khantasima, Senior Executive Vice President, Compliance Department, is responsible for supervision by reporting on the performance of routine duties to the CEO and have the freedom to report material compliance issues directly to the Audit Committee.

### (3) Company Secretary

The Board of Directors has appointed the Company Secretary to perform duties in accordance with the provisions of the law and as assigned by the Board of Directors. At present, Ms. Phatra Kanchanapraphat is the Company Secretary, whose main duty is to support the work of the Board of Directors in all relevant aspects, including good corporate governance. The Company Secretary has the roles and duties as specified in the corporate governance policy, which can be found on the Company's website [www.fnsyrus.com](http://www.fnsyrus.com) under the topic Roles and Duties of Company Secretary.

Education, experience, and the relevant training of those acting in support of the Board of Directors' duties as mentioned above are presented in this Annual Report under the topic "Details of directors and executives of the Company"



## 8. Report on key performance in corporate governance

### (A) Compliance with Corporate Governance Principles

In 2021, the Company has complied with the principles of good corporate governance of listed companies, which can be summarized as follows:

#### 1. Rights of shareholders

The Company has complied with the Company's corporate governance policy that focuses on giving shareholders rights appropriately and being able to exercise such rights equally, such as buying and selling or transferring shares, receiving dividends, receiving the company's news and information quickly, completely, sufficiently and through easily accessible channels (Company website The Stock Exchange of Thailand website and company website Securities Depository (Thailand) Co., Ltd.). In addition, shareholders are also entitled to attend shareholders' meetings to make decisions on important matters such as dividend payments, appointment or removal of directors, director's remuneration, appointment of auditors and determine the amount of audit fees, amendment of the Articles of Association and the Memorandum of Association, and approval of special items (such as capital increase or capital reduction, acquisition or disposition of important assets, connected transactions, etc.), whereby shareholders can exercise their right to vote on each matter as detailed in the notice of the shareholders' meeting. Shareholders have fully exercised their rights under the law and the Company will not take any action that infringes or deprives the shareholders' rights. In this regard, the practice regarding the rights of shareholders can be found on the Company's website [www.fnsyrus.com](http://www.fnsyrus.com) under the topic "Corporate Governance" "Corporate Governance Policy" "Rights and Treatment of Stakeholders".

#### 1.1. Shareholders' meeting

In 2021, under the pandemic situation of Coronavirus Disease 2019 (COVID-19), the Company held the 2021 Annual General Meeting of Shareholders via electronic means on 30 April 2021, following preventive measures of COVID-19 according to the government and related authorities. The Company adheres to the principle that shareholders are entitled to the shareholders' meeting according to the law and good corporate governance rules as follows:

1) The Company has a policy for shareholders to receive information that is clear, accurate, complete, and has sufficient time to consider each matter according to the meeting agenda, as well as easy access to details of the notice of the shareholders' meeting and supporting documents for the meeting agenda. The Company published a notice of the shareholders' meeting, supporting documents, and proxy, both in Thai and English, via the Company's website on 8 April 2021 (23 days prior to the meeting date) and has assigned Thailand Securities Depository Company Limited (TSD), which is the Company's securities registrar, to send the documents for the shareholders' meeting which consists of the notice of the AGM, supporting documents in both Thai and English versions, along with the 2020 Annual Report (in QR Code format) which were sent to shareholders by post on 8 April 2021 (23 days prior to the meeting date). The notice of the shareholders' meeting consists of the date and time of the meeting (with the method of attending the meeting via electronic means), details of the meeting agenda together with facts, purpose and reason, opinion of the Board of Directors in each agenda, supporting documents, details of the voting meeting procedure, proxy, published the notice in the Thai daily newspaper for a period of 3 consecutive days, and have taken other actions as required by law. In addition, the Company has set other additional measures to prevent the spread of COVID-19 with awareness of the safety of staff and attendees as follows:



- Requesting cooperation for shareholders to authorize an independent director to attend the meeting instead of attending the meeting in person

2) The Company gives shareholders the right to know and access information without hindering, by giving shareholders the opportunity to submit questions in advance of the Annual General Meeting of Shareholders through various channels under the specified rules as announced on the Company's website, such as a letter to the Company Secretary or e-mail to [companysecretary@fnsyus.com](mailto:companysecretary@fnsyus.com). In this regard, the Nomination, Remuneration, and Corporate Governance Committee will screen for further submission to the Board of Directors for consideration.

3) The Company has a policy to facilitate all shareholders (natural persons, juristic persons, and institutional investors) to attend the shareholders' meeting so that shareholders can exercise their rights at the shareholders' meeting equally. In this regards, the Company has sent the Proxy Form B so that shareholders who are unable to attend the meeting can to authorize their representatives to attend the meeting instead. The Company has also contacted institutional investors such as fund management companies and custodian and invited to send representatives to attend the meeting as well as facilitate the examination of the attendance documents in advance.

4) The Company provides convenience to all shareholders and proxies who attend the meeting equally, by scheduling meetings on business days and hours. In addition, the company allows shareholders to register to attend the meeting 2 hours in advance of the meeting time.

5) Before commencing the agendas, the MC informed the Meeting of the voting procedures and vote count methods for acknowledgement. Persons who hold ordinary shares and proxies shall 1 share per 1 vote. In order to facilitate the voting, the Company has collected voting data of all shareholders via electronic means [via e-meeting and e-voting of Digital Access Platform Company Limited (DAP)]. In addition, the Company has arranged for representatives of independent legal advisor, namely Capital Law Office Co., Ltd. to verify the correctness of the proxy forms, counting of quorums, counting votes, and reporting votes in the meeting, which will enable the Company to report the voting results to the meeting for acknowledgment on each agenda item quickly, accurately, and transparently, with the voting logs as evidence for later review in case of disputes.

6) During the shareholders' meeting, the Chairman acts as the Chairman of the 2021 Annual General Meeting of Shareholders, where a total of 9 directors attended, including the Chairman of the various sub-committees, senior executives, and auditor to jointly provide additional information and answer questions to shareholders on related issues.

7) At the shareholders' meeting, the Chairman of the meeting gave an opportunity for shareholders to ask questions, comment, recommend matters appropriately and equally, and also answered questions and provided complete information as asked by the shareholders. The directors and executives then answered questions of shareholders on related issues. The Company Secretary is responsible for taking minutes of the meeting and voting results for each agenda. In addition, the meeting proceedings were in accordance with the agenda sent to the shareholders in advance, without switching, adding, or editing to meeting information, including no proposal to the meeting to consider other matters than those specified in the notice of the meeting.

8) After the shareholders' meeting, the Company informed the shareholders' resolutions regarding the voting results in each agenda (both Thai and English) through the SET Portal system of the Stock Exchange of Thailand and published on the Company's website within the meeting day. In addition, the Company sent the minutes of the meeting to the Stock Exchange of Thailand and published the minutes of the meeting in both Thai and English on the Company's website on 13 May 2021 (within 14 days from the date of the meeting) so that shareholders can get information quickly and thoroughly. The Company also delivered the minutes of the meeting to the Ministry of Commerce within the period specified by law. The minutes of the meeting recorded the names of directors and executives attending the meeting, voting procedures and methods, questions raised by the shareholders,

clarifications of the Board of Directors and executives, and the resolutions of the meeting, together with the votes of the shareholders who voted to approve, disagree, abstain, and those who did not have the right to vote in each agenda that required a resolution.

### **1.2 Dividend payment**

The Company has a policy to pay dividend at a rate of not less than 40% of the annual net profit according to the Company's separate financial statements. The Company will consider paying dividends after all statutory reserves and other necessary reserves have been fulfilled, no accumulated loss, and able to maintain sufficient capital as required by law and sufficient for future business necessities. In addition, the Company determines to pay interim dividends and annual dividends within 30 days from the date the Board of Directors or the shareholders' meeting has approved the dividend payment (depending on the case). In the proposal to approve the dividend payment, the Company has disclosed the dividend payment policy, rates and amounts, reasons and supporting information for shareholders to consider appropriately. At the 2021 Annual General Meeting of Shareholders, the meeting resolved to approve the dividend payment at the rate of THB 0.06 per share, totaling approximately THB 34.85 million or 42% of net profit for the year 2020 according to the separate financial statements, which is in accordance with the Company's dividend payment policy on 17 May 2021

### **1.3 Election of individual directors**

For the election of directors, the Company discloses the profile of each director to the shareholders in the notice of the shareholders' meeting such as age, education, work history, holding positions in other listed companies and limited company, date of appointment as director, information on attendance of Board of Directors' meeting and sub-committees' meeting in the past year, types of directors proposed to be appointed to provide shareholders with useful information for consideration electing qualified persons to be directors of the Company. In the case of an independent director appointment, the Company has disclosed the definition of independent director as specified by the Company, with additional information such as relationship or interest with the Company and its subsidiaries, person with authority to control the Company, or juristic persons that may have conflicts, both at present and during the period of 2 years prior to being appointed as an independent director. At the Annual General Meeting of Shareholders every year, there will be one-third of the total number of directors who retired by rotation which is in accordance with the Company's Articles of Association. At the 2021 Annual General Meeting of Shareholders, there were 3 directors who retired by rotation, which the Company proposed for shareholders to consider and vote for individual directors in order to allow shareholders to have the right to independently choose the directors they wish and no need to elect the entire group of directors. In the process of voting, the Company has counted the votes in the same way as other agenda items, and has clearly disclosed the resolutions in the minutes of the meeting by clearly showing the voting results of the shareholders' meeting for the election of directors individually.

### **1.4 Communication between the shareholders of the Company**

The Company does not hinder the communication between the shareholders. The shareholders can freely communicate and access information between them. Shareholders can request a copy of the list of shareholders of the Company at the Department of Business Development, Ministry of Commerce.

## **2. Fair treatment of shareholders**

The Company has a policy to support all shareholders. Major shareholders, minority shareholders, institutional shareholders, and foreign shareholders are entitled to equal and fair treatment under the limitation of the law. This is one of the Company's Corporate

Governance Policies that is used to treat shareholders equally as presented on the Company's website [www.fnsyrus.com](http://www.fnsyrus.com) under the topic "Corporate Governance" "Corporate Governance Policy".

## **2.1 Granting the right of shareholders to propose agenda and names of persons to be elected as directors and words in advance**

The Company gives the opportunity to all shareholders to have the right to propose matters for inclusion as an agenda and to nominate qualified persons to be considered for election as directors in the Annual General Meeting of Shareholders. The rules are clearly defined and published on the Company's website, which shareholders can propose agenda, list of persons to be elected as directors, and questions in advance through various channels, including a letter to the Company Secretary or email to [companysecretary@fnsyrus.com](mailto:companysecretary@fnsyrus.com). In this regard, the Nomination, Remuneration, and Corporate Governance Committee will screen for further submission to the Board of Directors for consideration and the result of consideration will be notified back to the shareholders who proposed the matter. In the event that the Board of Directors agrees with the matter proposed by the shareholders, it will be included in the agenda of the Annual General Meeting of Shareholders.

For the 2021 Annual General Meeting of Shareholders, the Company gave the opportunity for shareholders to propose agenda, list of persons to be elected as directors, and questions for a period of approximately 2 months before the end of the Company's accounting period that is, between 2 November and 30 December 2020. There was no shareholder proposing any agenda, name of person, or any question to the Company.

## **2.2 Appointment of proxies to attend the shareholders' meeting**

At every shareholder meeting, the Company has prepared a proxy form for shareholders to choose from in 3 formats, which are prescribed by the Department of Business Development, Ministry of Commerce, namely Proxy Form A., Form B., and Form C., Conditions and documents that the Company stipulates for the appointment of proxy is clear and does not cause any difficulty for the shareholders to appoint another person to attend the meeting on their behalf. For the 2021 shareholders' meeting, the Company has delivered Proxy Form A, which is a general proxy form, and Proxy Form B, which clearly defines the various items to be appointed as proxy, together with the notice of the meeting of shareholders. An alternative has been proposed to Shareholders to appoint proxies to attend the shareholders' meeting on their behalf. The Company proposed 1 independent director of the Company who is a person who has no conflict of interest regarding the agenda of the shareholders' meeting to be a proxy from the shareholders, whose information is presented completely. In this regard, shareholders are able to choose to appoint independent director of the Company as proxy according to the names proposed or other persons as the shareholders deem appropriate. In addition, shareholders who wish to use the Proxy Form C. can download the said proxy form from the Company's website.

## **3. Roles of Stakeholders**

**3.1. Treatment of stakeholders:** As the first Thai company with a long history and a large financial institution, the Company is therefore very aware of having guidelines that show responsibility to different groups of stakeholders, which can be summarized as follows:

### **Customers**

The Company values and treats customers responsibly by focusing on providing quality financial services, maintaining a sustainable relationship with customers, no bribery, benefits, gifts, assets, and any form of entertainment that implies such intent to benefit customers incorrectly, providing products and services that are suitable for the needs and capabilities of the customers, ensuring clear and timely disclosure of information about the Company's products and services, which cover conditions and risks

involved, correct service and interest rates in order for customers to understand and have enough information to make decisions. Advertising and public relations must be communicated transparently with clear messages and does not cause misunderstanding. In addition, there are channels and procedures for receiving complaints and manage issues that customers complain clearly and appropriately, such as receiving complaints by telephone or service branches, etc.

### **Employees**

As personnel are valuable resources and are critical to the success of sustainable business operations, the Company places importance on human resource management on the basis of equality and fairness, develop skills that support advancement and are essential for working in the digital age, as well as enhancing employee engagement, contributing to continuous development in order to attract and retain potential personnel. The Company has established a compensation policy based on job value and is comparable with leading financial institutions and other industries, and provides welfare and benefits that promote good quality of life. The company also attaches importance to respecting human rights without discrimination on the grounds of gender, age, race, religion or disability. In addition, the Company is aware of respect and not infringement of intellectual property rights. The policies and guidelines are stated in the Code of Conduct for Employees. For 2021, the Company has announced the Work From Home (WFH) policy to increase flexibility in working for employees during the Covid-19 epidemic and create a new way of work in line with the digital age. WFH not only reduces the risk of infection and allows employees to balance work and personal life, it is still an opportunity to build skills of the future such as self-learning, digital knowledge, and use of technology problem solving, communication, etc. The Company has modified the form of employee skill development to suit WFH with a proportion of online training and more learning platforms.

### **Shareholders**

Operation of the Company is based on strong capital from shareholders. Therefore, the Company recognizes and places importance on the transparency of information disclosure in accordance with good and accepted standards, promotes equal treatment of shareholders, and creates returns for shareholders at an appropriate level in the long run, as well as the risk management details are shown in this Annual Report.

### **Community and Environment**

Realizing that countries and businesses cannot develop and sustainably survive in an unbalanced society and environment, the Company places importance on holistic social development on the basis. In 2021, the Company continues to promote age-appropriate learning, perfect health, career and income stability, living under a good environment, and alleviating suffering in the midst of a crisis through cooperation with various organizations and network partners, as well as the participation of communities and employees. The company also aims to encourage entrepreneurs and people of all groups to have access to financial products and services, along with enhancing financial literacy suitable for each group of people. For environmental management within the organization, the Company has complied with laws, regulations, environmental standards, and operating with care for the environment, save the environment, use natural resources efficiently and effectively, conserve natural resources, reduce environmental impact according to the following guidelines:

- Reduce
- Reuse/ Recycle
- Replenish

## Regulators

The Company operates its business by adhering to good corporate governance principles, honesty and fairness, responsible, transparent and accountable by operating in accordance with corporate governance guidelines both in terms of fair customer service practices ( Market Conduct) and also long- term stable business operations, by developing the overall organizational capability to have knowledge and understanding of risks and be prepared to deal with uncertainty and change to create sustainable growth and returns.

## Business Partners

The Company operates according to the conditions provided to its partners with honesty. There is a transparent procurement process and fraud prevention. In accordance with the Company's procurement process, the Company provides a process for evaluating and selecting suppliers or service providers on the basis of fair competition under equal treatment. In addition to considering the factors of quality, price, service, and credibility, the Company also attaches importance to business operations that are legal and ethical standards of business partners, and does not get involved with any business partner found to have a history or involvement with corruption.

## Competitors

The Company treats its competitors on the basis of ethics and transparency, treating competitors with integrity, responsibility, respect the interests of competitors, does not act in a manner that impedes fair price competition, and respecting the intellectual property rights of others, as well as does not to infringe on such rights in order for all parties to receive fair treatment in business operations.

## Creditors

The Company strictly complies with the conditions and agreements provided to the creditors, whether it is about terms of guarantees and capital management, including liquidity management to ensure the Company's stability, strength, and readiness to repay debts to creditors. If there is a case where one of the conditions cannot be complied with, the Company has a policy to notify the creditors as soon as possible in order to jointly find a solution, using the principle of reasonableness and responsibility. The Company is committed to repaying debts and making any payments to creditors within the specified period and maintaining a good relationship with creditors.

## 3.2 Anti-Corruption

The Company has been certified since 2014 as a member of "Thailand's Private Sector Collective Action Coalition Against Corruption (CAC)" to express our intention and commitment to combat all forms of corruption and promote the corporate culture of zero tolerance of corruption and bribery, which required renewal of memberships every three years. Each renewal required a self-assessment on rigorous anti-corruption standards. In 2021, the Company has been renewed membership for another 3 years.

### Anti-corruption practices

1) Announcing the Anti-Corruption and Bribery Policy as a guideline for anti-corruption and communicate to directors, executives, and employees at all levels to be aware of their duties and responsibilities and to apply guidelines for the operation to achieve maximum efficiency;

2) In 2021, the Company still has and strictly adheres to the No Gift Policy to foster a transparent and ethical corporate culture and prevent corruption.

3) The Company communicates with external agencies and stakeholders about anti-corruption and bribery policy through the Company's website and has promoted this principle to business partners which is an important participant in the Company's business to join in implementing such principles and ideas in order to expand the results to society, the Company has prepared a "Code of Conduct for Business Partner" for its business partners to be used as a guideline for further practice.

4) The Company has opened channels for receiving complaints and reporting any wrongdoing or corruption and bribery risks such as Whistleblower, etc. and has also established guidelines for monitoring and evaluating the implementation of the Anti-Corruption Policy by assessing corruption and bribery risks as part of the measures that require periodic monitoring. In addition, the Audit Committee has been assigned to monitor internal control systems that prevent the risks of corruption and bribery sufficiently and report the results to the Board of Directors.

### **3.3. Contact Channels for Stakeholders**

The Company has given the opportunity for each group of stakeholders to contact the relevant departments of the Company directly through the following channels:

- Customers can contact through branch staff or staff in charge, and through the customer service center at 02 782 2400 or contact in writing to senior management. The Company has recorded, followed up, and replied within the specified period. In addition, the Company has also appointed a Complaint Management Committee, which plays an important role in formulating remedial measures and supervising relevant departments to complete the resolution of customer complaints within an appropriate time frame.

- The Company has opened a channel to contact and receive complaints and report of misconduct by employees across multiple channels, where employees can offer their opinions, report, or complain about things that are considered unfair corruption incident or suspected fraud or improper practice directly through their supervisors. It can also be done through other channels as follows.

- o The Whistleblower Policy provides a policy for receiving complaints, clues about corruption, or non-compliance with regulations, rules, codes of conduct, actions that may cause damage to customers and the Company, including in the event that the complainant may not receive fairness in their work in order to demonstrate transparency and compliance with good governance in the Company's management. Employees can report the matter in many ways including electronic mail (compliance@fnsyrus.com) Compliance Department, Finansia Syrus Securities Public Company Limited, 719, 8th Floor, Mint Tower, Banthat Thong Road, Wang Mai Subdistrict, Pathumwan District, Bangkok 10330. A summary of the results of this action will be reported to the Audit Committee for acknowledgment every quarter.

In this regard, the Company has measures to protect employees who are complaining or whistleblowers. The Company will strictly maintain confidentiality of employees who complain or whistleblowers to prevent being affected by complaints. The Company will appoint an independent working team to investigate complaints or suspicious behavior, which, if found to have true wrongdoing, will send such matter into the complaint management process. The steps to be taken are as follows:

- Employees present their opinions, report complaints, or point out fraudulent channels through various channels determined by the Company and the proposed matter will be kept secret.

- The working team receives complaints and investigates the facts initially. Then report the progress to the whistleblower in the event that the informant can be identified.

- The working team forwards the matter that is found to be of fact guilty to the relevant agencies to appoint a committee to investigate according to the Company regulations or refer the matter to the Financial and Security Crime Prevention Agency for further action.

In 2021, there were 2 cases of complaints, comprising of inappropriate behavior in the workplace 0 case, non-compliance with regulations and guidelines 0 case, dishonest behavior 0 case, exploitation of benefits 1 case, system complaint 1 case, of which 2 complaints were reviewed and resolved. There is no case under consideration. The Company has established guidelines for punishing the offenders as appropriate, which consists of written warning, wage deduction, and dismissal by giving a written warning in 1 case.

In dealing with complaints from customers, employees, and other stakeholders mentioned above, the Company has a clear operating procedure. Complaints will be kept confidential, which will be examined and find solutions which will be reported to the Audit Committee and the Board of Directors.

## **4. Disclosure and Transparency**

### **4.1 Disclosure Policy and Practices**

The Company has established policies and practices regarding disclosure of information in the Company's corporate governance policy. The main principles for disclosing information on various matters are as follows:

- 1) Information disclosed must be sufficiently accurate, clear, and timely;
- 2) Compliance with regulations relating to information disclosure must be done accurately and completely;
- 3) Compliance with regulations relating to information disclosure must be done accurately and completely;

4) Any information that will affect the trading price of the Company's securities or can be regarded as important for investors to make investment decisions or will affect the rights of shareholders, the Company will immediately disclose to the public through the Stock Exchange of Thailand, the official authorities, shareholders and the public, as well as to set a time for disclosure of information such as the disclosure of the annual financial statements audited by the auditor, which shall be done within 60 days from the end of the Company's fiscal year. Disclosure of the quarterly financial statements that have been reviewed by the auditor shall be done within 45 days from the end of the quarter. The Company has prepared a management's explanation and analysis in order to provide investors with clear information and to better understand the operating results.

In addition, the Company's corporate governance policy require disclosure of the Company's shareholding of directors and executives. The changes in the Company's shareholding of directors and executives in 2021 are disclosed in the topic "Report on shareholding of directors and executives" of this annual report.

### **4.2 Investor Relations**

Investor Relations is a unit that was established for the purpose of disclosing the Company's information to investors to be accurate, adequate, clear, timely, and consistent with the Company's disclosure principles and in accordance with the relevant laws. In addition to organizing activities according to the plans that have been set, Investor Relations also act as a central point of contact with shareholders, analysts, fund management companies, and credit rating agencies. Currently, Ms. Phatra Kanchanapraphat is responsible for Investor Relations.



### 4.3 Auditors

The Audit Committee has considered the qualifications of the auditors by taking into account their independence, suitability, responsible performance of duties, and no relationship or interest or having transactions that may cause conflicts of interest with the Company, subsidiaries, executives, major shareholders, or those related to such persons and is an auditor approved by the Securities and Exchange Commission. In addition, the Audit Committee determines the amount of audit fees each year that is appropriate for the scope of the audit. The Audit Committee will present to the Board of Directors for consideration of qualified auditors, together with the amount of the audit fee before presenting to the shareholders' meeting to appoint auditors and determine the audit fee at the Annual General Meeting of Shareholders in 2021. An audit fee for the Company and its subsidiary was THB 2,400,000.

## 5. Responsibilities of the Board

### • Nomination of Directors and Senior Executives

The Nomination, Remuneration, and Corporate Governance Committee is responsible for recruiting qualified candidates in accordance with the Company's business strategy to hold positions of directors and members of sub-committees based on knowledge, skill, expertise, and past work experience that can meet the needs of vacant positions. The Board Skill Matrix is used as a tool to assess the qualifications of all directors for consideration, including the independence of directors in the case of recruitment of independent director. The Company will examine the qualifications of the nominated persons that are not contrary to the relevant laws and must be consistent with the Company's policy in limiting directorship in other companies. The Nomination, Remuneration, and Corporate Governance Committee will consider the list of suitable persons from the Director Pool of the Thai Institute of Directors Association, nominations by each director, directors who accepted the extension of the directorship, and the nomination by the shareholders who have been screened as having the qualifications as prescribed by relevant laws and regulations (if any) to be presented to the Board of Directors. After the Board of Directors has approved the list of directors proposed above, the Company will discuss and seek approval from the Office of the Securities and Exchange Commission before proposing to the shareholders' meeting (as the case may be) to consider the appointment.

As for the guidelines for nomination and selection of directors in accordance with the Company's strategy and business operations, the Nomination, Remuneration, and Corporate Governance Committee has set the individual characteristics needed for each director and the knowledge and expertise they would like to have. The Board of Directors can be divided into 3 groups: (1) Knowledge, expertise, or experience in macro management (2) Knowledge, expertise, or specific experience (3) Knowledge, expertise, or experience in other fields that will be beneficial to the performance of the Board of Directors.

In addition, the Nomination, Remuneration, and Corporate Governance Committee regularly review the Board Skill Matrix to ensure they are appropriate and up-to-date in order to effectively consider the nomination of persons who should be nominated as new directors. In addition to the selection of directors, the Nomination, Remuneration and Corporate Governance Committee is also responsible for reviewing the appointment of senior executives to present to the Board of Directors for approval, before proposing the Securities and Exchange Commission for approval. The Nomination, Remuneration, and Corporate Governance Committee is also responsible for overseeing the determination of policies, criteria, and procedures for nomination and remuneration of directors, CEO, and executives. In the selection and appointment of directors and executives, overseeing the setting of policies, criteria and methods for selecting directors, CEO, and senior executives, the Board of Directors, the Nomination, Remuneration, and Corporate Governance Committee, and related executives act without discrimination on race, religion, gender, marital status, or impairments in physical fitness.



### • Term of Office

One-third of the Board of Directors must retire at every annual general meeting of shareholders. The director who has been in office for the longest time will retire. In the event that the directors who vacate office cannot be divided by one-third, the number closest to one-third shall be used. However, a retired director may be re-elected for another term. In addition, for transparency and in accordance with corporate governance principles, the Company has determined that an independent director can hold office for a period of not more than 9 years, unless there is a reasonable reason to continue holding the position. At the 2021 Annual General Meeting of Shareholders, independent directors with a term of office of nine years have been renewed for another term, Pol. Gen. Visanu Prasattongsoth and Mr. Phaiboon Siripanoosatien. The term of office of the committee members, which consists of 4 committees, namely the Executive and Risk Oversight Board, the Audit Committee, the Nomination, Remuneration, and Corporate Governance Committee, and the Technology Committee is determined according to the charter of each committee.

### • Directorships of Other Companies

The Company has established a policy for directors' position in other companies in accordance with the best practices of the various regulatory agencies. Directors will be able to hold directorship positions in listed companies both in Thailand and abroad, with the total not exceeding 5 listed companies. The position of director in the Company shall be included as one of the listed companies in the SET. This is in line with the principles of good corporate governance for listed companies (CG Code) year 2017 and the principles of good corporate governance of the Thai Institute of Directors Association.

### • Director Orientation

When a new director is appointed, the Company requires an orientation for the new director so that the person who has been appointed as the Company's director have the opportunity to receive information about the Company's vision, strategy, business goals, and important actions, as well as guidelines for being a director of a securities company and a director of a listed company, which will have senior executives of the Company participate in the orientation such as CEO and/or senior executives.

### • Director, Executive, and Employee Development

#### o Director Development

The Company recognizes the necessity and encourages directors to receive training and develop necessary knowledge to accommodate competition and changes of business operations. The Company encourages directors to regularly attend training and seminars in order to increase their knowledge in various fields related to their assigned roles and responsibilities, both as directors and member of sub-committees, both organized by the SEC, SET, Thai Institute of Directors Association, and other agencies and organizations, as well as participating in activities that help promote awareness of good corporate governance. The Company regularly informs the directors of training courses or various seminars.

Information on training and seminar of each director in 2021

Name	Topic	Organized by
1. Mrs. Pornpring Suksantisuwan	Board Governance & Culture Seminar	The Securities and Exchange Commission

## o Executive and Employee Development

In 2021, the Company continues to focus on developing executives and employees to be ready for change, by focusing on the development of new work skills. The Company has adjusted the development model for executives and employees to increase the proportion of online learning, virtual classroom, and through the Company's learning platform in order to meet the uncertain situation.

## • Board and CEO Assessment

### o Board and Sub-committees Assessment

The performance assessment of the Board of Directors is held every year and is divided into 4 parts: 1) Performance assessment of the entire Board of Directors, 2) Performance assessment of the sub-committees, 3) Performance assessment of individual directors, and 4) Performance assessment of the CEO. The Company Secretary will send an assessment form to all directors at the end of each year. A summary of the assessment results is compiled and presented to the Nomination, Remuneration, and Corporate Governance Committee meetings before reporting the results and any recommendations received from the assessment to the Board of Directors for acknowledgment and discussion to improve effectiveness of the work of the Board of Directors.

In 2021, the Company has provided the performance assessment of the Board of Directors in self-evaluation and cross-evaluation manner as follows:

1) Performance assessment of the entire Board of Directors: The topics of the assessment include Board structure, data management, working process of the Board of Directors, acting as a shareholder representative and social responsibility, environment and corporate governance, management of the Company's performance, strategy of the Board of Directors, management performance, development of Company directors, and risk management.

2) Performance assessment of the sub-committees: The main topic of the assessment consists of the performance of duties as stipulated in the sub-committee's charter, relevant rules and regulations, promotion of communication, participation, and careful decision-making in sub-committee meetings, number of times and duration of meetings, access to information about the issues discussed at the meeting, and setting up a meeting schedule in advance with the regular agenda presented. To clearly reflect the performance of each sub-committee, all directors can assess the performance of all sub-committees.

3) Performance assessment of individual directors: The main topics of the assessment include participation, knowledge, and competence, teamwork, honesty, and support that is beneficial to the performance of the Board of Directors.

4) Performance assessment of the CEO: An assessment of the CEO's performance will cover a number of dimensions, including ensuring that the Company operate efficiently, encourage all personnel to participate and express their opinions in the performance regularly, etc., including working with the directors in issuing policies for efficient business operations.

From the performance assessment of the Board of Directors for the year 2021, it was found that all 4 parts had a very good average score, i.e. the average performance of the Board of Directors, sub-committees, individual director, and CEO "Excellent". To be precise, the work of the Board of Directors together with the Management related to the decision making on the strategy, major projects, and actions on personnel, technology, and risk management have greatly improved. In addition, due to the COVID-19 situation, the Board of Directors has worked with the Management in a timely manner to determine measures to support the impact of the situation that occurs. The work methods of Board meetings have also been adjusted in accordance with

the changing situation and technology. In addition, the directors also gave suggestions on various developments to enable the Board of Directors to perform their duties more efficiently under today's complex and rapidly changing business environment. The Board of Directors will use the results obtained from the assessment to develop the Board's operations further.

#### • Succession Planning for CEO and senior executives

The Board of Directors assigns the Nomination, Remuneration, and Corporate Governance Committee to be responsible for proper management continuity, including considering the Succession Plan, especially in the position of CEO and senior executives, to ensure that the Company has a plan for recruiting, selecting, and preparing personnel to replace key positions that are important to the Company's business operations when the person holding such position is appointed, relocated, retired, resigned for any other reason causing that position to become vacant. The Company also has a Succession Plan process by categorizing important job positions into 2 categories: 1) critical position and 2) strategic position.

#### • Board of Directors' Meetings

The Company holds the Board of Directors meeting in accordance with the rules and procedures stipulated in the Board Charter and Corporate Governance Policy, with the meeting date set in advance throughout the year. The agenda of the Board of Directors meeting will be determined by the Chairman, directors and CEO can jointly propose meeting agendas through coordination with the Company Secretary. In each meeting of the Board of Directors, the Company will send a meeting invitation letter, agenda, and supporting documents for the meeting to the directors at least 5 business days prior to the meeting except in the case of necessity and urgency to preserve the rights or benefits of the Company so that the directors have enough time to study the information. In addition, if the director wants to know more information, they can request information by contacting the Company Secretary. At every Board meeting, the CEO attends the meeting and presents the relevant agenda to provide detailed information to the directors. In addition, the Board of Directors has also stated in the Board Charter that while the Board will vote at the Board Meeting, there should be no less than two-thirds of the total number of directors present at the meeting.

For the year 2021, there are a total of 13 Board of Directors' meetings, 12 of which are pre-scheduled and 1 special meeting, which is in-person meeting and electronic meeting. The total number of directors attending the meeting is 95.72% and each director attends more than 75%, which is in accordance with the Board of Directors' charter. Details of meeting attendance of each director in each committee in 2021 are shown in Table 5.

#### • Director Remuneration

The Board of Directors has a policy to provide directors' remuneration at an appropriate level and in line with the duties of the directors to perform in accordance with the expectations of various stakeholder groups and in accordance with relevant laws and regulations. In this regard, the Company must recruit experienced and qualified directors, as well as determine the remuneration that reflects the duties, responsibilities, and risks involved of each director. The Nomination, Remuneration, and Corporate Governance Committee is responsible for recommending the appropriate remuneration of directors and sub-committees to the Board of Directors for submission to the Annual General Meeting of Shareholders for approval. In 2021 the AGM resolved to approve the remuneration of directors and sub-committees in 2021 at the same rate as in 2020, with details as follows:

1. Financial remuneration		
Meeting allowance	2020	2021 (Same rate)
<b>Board of Directors</b>		
Chairman	THB 50,000/attendance	THB 50,000/attendance
Vice Chairman	THB 30,000/attendance	THB 30,000/attendance
Non-executive directors	THB 20,000/person/attendance	THB 20,000/person/attendance
<b>Sub-committees</b>		
<b>the Audit Committee</b>		
Chairman	THB 40,000/attendance	THB 40,000/attendance
Directors	THB 20,000/person/attendance	THB 20,000/person/attendance
<b>the Executive and Risk Oversight Board</b>		
Chairman	THB 40,000/attendance	THB 40,000/attendance
Directors	THB 20,000/person/attendance	THB 20,000/person/attendance
<b>Nomination, Remuneration, and Corporate Governance Committee</b>		
Chairman	THB 40,000/attendance	THB 40,000/attendance
Directors	THB 20,000/person/attendance	THB 20,000/person/attendance
<b>Technology Committee</b>		
Chairman	THB 40,000/attendance	THB 40,000/attendance
Directors	THB 20,000/person/attendance	THB 20,000/person/attendance
<b>Other sub-committees which may be formed in the future by the Board of Directors as appropriate and where necessary</b>		
Chairman	THB 40,000/attendance	THB 40,000/attendance
Directors	THB 20,000/person/attendance	THB 20,000/person/attendance
<b>Other committees</b>		
<b>Meeting allowance to be paid to members of Management Committees or other committees which may be formed in the future by Executive Board as appropriate and where necessary</b>		
Chairman	THB 20,000/attendance	THB 20,000/attendance
Directors	THB 10,000/person/attendance	THB 10,000/person/attendance
<b>Directors' bonus</b> In order to reward directors' and sub-committees' performance for the fiscal year ended 31 December 2021, the total bonus paid for all directors and sub-committees shall not exceed THB 10,000,000. In this regard, the Remuneration Committee shall be responsible for the allocation of such bonus.		
Fiscal year ending 31 December 2020	Fiscal year ended 31 December 2021	
Not exceeding THB 10,000,000 (Actual payment totaling THB 6,500,000)	Not exceeding THB 10,000,000	

A financial remuneration paid to each director are as shown in Table 3.

**Table 3** Financial remuneration of individual directors for 2021

Name	Board of Directors	Executive and Risk Oversight Board	Audit Committee	Nomination, Remuneration, and Corporate Governance Committee	Technology Committee	Directors' bonus for 2020 performance
1. Mr. Chatchaval Jiaravanon	650,000	-	-	40,000	-	1,500,000
2. Mr. Varah Sucharitakul*	330,000	440,000	-	20,000	-	1,500,000
3. Mr. Vorapak Tanyawong	-	-	-	-	-	-
4. Ms. Kanchana Vongratanakulthorn	180,000	-	-	-	-	500,000
5. Mr. Chuangchai Nawongs	-	-	-	-	-	-
6. Mr. Somphop Keerasuntonpong	-	-	-	-	-	-
7. Mrs. Pornpring Suksantisuwan	260,000	240,000	-	-	480,000	500,000
8. Pol. Gen. Visanu Prasattongsoth	260,000	-	480,000	80,000	-	1,500,000
9. Mr. Phaiboon Siripanoosatie	260,000	-	240,000	40,000	-	500,000
10. Mr. Kittisak Bencharit	240,000	-	220,000	40,000	-	500,000
<b>Total</b>	<b>2,180,000</b>	<b>680,000</b>	<b>940,000</b>	<b>220,000</b>	<b>480,000</b>	<b>6,500,000</b>

**Remark:** \* Mr. Varah Sucharitakul resigned from his position as the Vice Chairman of the Board of Directors, Chairman of the Executive and Risk Oversight Board, and Member of the Nomination, Remuneration, and Corporate Governance Committee on 16 December 2021

For other benefits, the directors are not entitled to any other benefits other than meeting allowance.

The details of the meeting attendance of each director in 2021 are shown in Table 4.

**Table 4** Details of meeting attendance of each director in 2021

Name	Position	Board of Directors	Executive and Risk Oversight Board	Audit Committee	Nomination, Remuneration, and Corporate Governance Committee	Technology Committee	Share holders' meeting
1. Mr. Chatchaval Jiaravanon	Chairman and member of the Nomination, Remuneration, and Corporate Governance Committee	13/13	-	-	2/2	-	1/1
2. Mr. Varah Sucharitakul*	Vice Chairman, Chairman of the Executive and Risk Oversight Board, and member of the Nomination, Remuneration, and Corporate Governance Committee	11/11	11/11	-	1/1	-	1/1
3. Mr. Vorapak Tanyawong	Vice Chairman, Chairman of the Executive and Risk Oversight Board, and member of the Nomination, Remuneration, and Corporate Governance Committee	0/0	0/0	-	0/0	-	0/0
4. Ms. Kanchana Vongratanakulthorn	Director	9/13	-	-	-	-	1/1
5. Mr. Chuangchai Nawongs	Director, CEO, and member of the Executive and Risk Oversight Board	13/13	12/12	-	-	-	1/1
6. Mr. Somphop Keerasuntongpong	President and member of the Executive and Risk Oversight Board	13/13	9/12	-	-	-	1/1
7. Mrs. Pornpring Suksantisuwan	Director, member of the Executive and Risk Oversight Board, and Chairman of the Technology Committee	13/13	12/12	-	-	12/12	1/1
8. Pol. Gen. Visanu Prasattongsoth	Independent director, Chairman of the Audit Committee, and Chairman of the Nomination, Remuneration, and Corporate Governance Committee	13/13	-	12/12	2/2	-	1/1
9. Mr. Phaiboon Siripanoosatie	Independent director, member of the Audit Committee, and member of the Nomination, Remuneration, and Corporate Governance Committee	13/13	-	12/12	2/2	-	1/1
10. Mr. Kittisak Bencharit	Independent director, member of the Audit Committee, and member of the Nomination, Remuneration, and Corporate Governance Committee	12/13	-	11/12	2/2	-	1/1
<b>Remark:</b> *Mr. Varah Sucharitakul resigned from his position as the Vice Chairman of the Board of Directors, Chairman of the Executive and Risk Oversight Board, and Member of the Nomination, Remuneration, and Corporate Governance Committee on 16 December 2021.							

## • Internal Control and Risk Management

The Company provides supervision of the internal control system and risk management and has an annual assessment of the sufficiency of such systems. This includes transactions related to connected transactions and the prevention of conflicts of interest. The framework for consideration of internal control practices of the Committee of Sponsoring Organizations of the Treadway Commission (COSO) has been established, which specifies five key components necessary for internal control, namely (1) Control Environment (2) Risk Assessment (3) Control Activities (4) Information & communication, and (5) Monitoring Activities

## • Oversight of the Company's Operations

The Company as a financial institution recognizes the importance of management in order to conduct business in a direction that is in line with the Company's policies and operations in order to ensure efficient business operations and operations of the financial business group.

The Board of Directors has assigned the Nomination, Remuneration, and Corporate Governance Committee to be responsible for supervising the determination of recruitment policy and setting the remuneration policy of the Company's personnel by giving advice to the Board of Directors in appointing representative directors and senior executives in the financial group in order to formulate policies and guidelines for managing the financial group in accordance with the Company's main policy, including protecting the rights and preserving the interests of the Company and shareholders.

In addition, the Board of Directors has assigned the Audit Committee to supervise and monitor the Company Comply with the Company's policy including reviewing the Company's financial reports to be accurate and to create a transparent work process and to prevent conflicts of interest.

The Board of Directors has assigned the Executive and Risk Oversight Board to control, monitor, and supervise the Company to operate in accordance with the risk management policy and transaction policy in accordance with the Company's regulations and related regulatory agencies. The Risk Management Committee, which is a committee at the management level, will scrutinize such policies to be presented to the Risk Oversight Committee for endorsement before proposing to the Board of Directors for approval. Such policies must be reviewed at least once a year or when there are significant changes in order to be able to effectively cover the risks that arise.

## • Prevention of Conflicts of Interest

The Company provides measures to manage conflicts of interest in business operations, by setting ethical standards under the following principles:

- o have supervision and prevent transactions that may have conflicts of interest or connected transactions or inappropriate related transactions by setting a policy, process of consideration and approval of transaction as well as disclose information and approve connected transactions in accordance with the rules governing the Company;

- o prepare a Report on Interests of Directors: The Company requires directors to prepare reports on their own interests and related persons to the Company through the Company Secretary every year and inform the Company whenever there is a change in information in another legal entity or changes in securities holding information (ordinary shares, debentures, warrants to purchase shares, warrants to purchase debentures), which are significant for which the Company Secretary is responsible for keeping such reports. In addition, the Company has used such information to supervise transactions between the Company and its directors, persons with power of management and/or related persons of such persons in order to comply with various relevant laws.

o Prevention of Misuse of Inside Information

- provide measures to control securities trading and disclose the presence of securities trading accounts of directors, executives, and employees who may have access to inside information, including related persons to prevent the use of information from the position, duty, or performance for unlawful gains;

- determine the separation of the place of work between departments, by separating the agencies that may have conflicts of interest to prevent data leakage.

o Related Party and Connected Transactions

- set regulations on entering into connected transactions, determine the process of careful consideration for the benefit of the Company and shareholders;

- entering into transactions between the Company and directors, executives, major shareholders, and related persons must not have characteristics that transfer the benefits of the Company to the other person(s);

- employees with interests or is involved in any transaction must not participate in the decision-making process of such transaction in order to make decisions for the full benefit of the Company.

o Giving and Receiving Gifts, Entertainments, and Other Benefits

- receiving/giving gifts, receptions and other benefits of the Company is aimed at strengthening business relationships and must be carried out with caution, prudence, reasonableness, and have appropriate value according to the season, customs, and traditions.

- do not bribe, reward, offer or claim any other improper benefits, directly or indirectly, with customers, government agencies, private sector, or third parties in order to influence the use of impartial judgment in decision-making or causing influence to others to act in their duties or causing unreasonable benefits.

• **Misuse of Inside Information for Undue Gains**

The Company sets ethical standards under the conflict of interest principle and the prevention of the use of inside information with an emphasis on confidentiality and information management for both customers and the Company and manage various information appropriately and concisely as follows:

**1. Information Management**

- protect, store, and take care of customer information, including the Company's information as required by law to be reserved and not disclosed, which must be collected and taken care of customer's personal information appropriately;

- do not disclose the information of the customers and the Company unless the consent of the customer or the Company, as the case may be, or to comply with the relevant laws.

**2. Communications**

- the Company intends to disclose the Company's information to shareholders, investors, and the general public correctly, completely, thoroughly, and timely as well as in accordance with the relevant laws and regulations.



- communicating, declaring, or providing any information related to the Company, the business of the Company and its customers, must be accurate and appropriate. Such action to the press or any media must be done by a person who is entrusted to provide information on behalf of the Company only.

#### **(a) Measures for Compliance with the Corporate Governance Policy and Practices**

The Company ensures compliance with the policies and guidelines for corporate governance as specified. It starts with creating awareness among employees and executives at all levels, both by publishing policies and procedures of important matters related to corporate governance on the Company's website, and training on specific topics such as code of conduct, risk management, anti-corruption, and corruption. The new employees must be trained in such matters and all employees must review by attending the training every year. For work related to directors and executives, the Company has assigned executives to be responsible for each aspect to supervise and support the Board of Directors to operate in accordance with relevant laws and regulations, such as Head of Audit Department, Head of Operations Department, Head of Human Resources Department, Company Secretary, and the secretary of the sub-committees. In doing so, the policies must be communicated and practice guidelines are discussed regularly with other relevant departments. The Board of Directors will monitor the corporate governance issues through reports from the sub-committees in each Board meeting.

#### **(b) Reports of Board Committees**

- Report of the Executive and Risk Oversight Board appears on page 118
- Report of the Audit Committee appears in attachment 6
- Report of the Nomination, Remuneration, and Corporate Governance Committee appears on page 118
- Report of the Technology Committee appears on page 120

### **Appendix to the Corporate Governance Report**

#### **Change of Directorship in the Board of Directors and Sub-Committees in 2021**

1. Mr. Varah Sucharitakul resigned from his position as the Vice Chairman of the Board of Directors, Chairman of the Executive and Risk Oversight Board, and Member of the Nomination, Remuneration, and Corporate Governance Committee on 16 December 2021

2. Mr. Vorapak Tanyawong took the position as the Vice Chairman of the Board of Directors, Chairman of the Executive and Risk Oversight Board, and Member of the Nomination, Remuneration, and Corporate Governance Committee, which was approved by Securities and Exchange Commission on 27 December 2021. The Company registration of a new director with the Department of Business Development, Ministry of Commerce was completed on 10 January 2022.

## **Report of the sub-committees**

### **Report of the Executive and Risk Oversight Board (Executive Board)**

The Executive Board has main duties and roles in the implementation of policies, strategies, business goals, and regulations of the Company, has the authority to control the business of the Company and perform various tasks as assigned by the Board of Directors to achieve the vision and in accordance with the Company's mission. It is responsible for promoting business management in accordance with the Company's core values which is stipulated in the Executive Board Charter, and has the power to approve the credit limit in accordance with the framework of the powers granted. The Executive Board consists of 4 directors, namely 2 non-executive directors and 2 executive directors. During the challenging period of the securities business that has continued in the past 5-6 years due to the leapfrog transformation of digital technology, the entry into the securities business of highly-skilled foreign companies, rapidly changing consumer behavior, economic volatility in 2021, and the coronavirus disease 2019 (Covid-19) epidemic situation which has a severe impact on the Thai economy and the operations of the Company, the performance of the Executive Board in 2021, therefore, focuses on and covers the following matters:

1. Business strategy for the Company to grow sustainably. The Executive Board has screened and proposed to the Board of Directors to consider the business plan for the Company to overcome the current economic crisis, by focusing on risk management in terms of credit limit considerations, cost control, closely monitoring the economic situation, coupled with a business adaptation strategy that aims to become a Company that is driven by technology. In this regard, the Executive Board has worked with the Technology Committee to implement the Company's digital transformation;

2. Approval according to scope of authority and screened for submission to the Board of Directors to consider the customer limit. This includes considering the determination of solutions to problems and acknowledging the status of credit balance account customers, as well as following up on reporting the impact on the customer's business from various situations;

3. Approval according to scope of authority and screened for submission to the Board of Directors for consideration of financial results and disclosures of financial goals, action plans, annual budgets, investments and investment guidelines, and other relevant matters important related to the business of the Company. In 2021, the Executive Board held a total of 12 meetings.

### **Report of the Nomination, Remuneration, and Corporate Governance Committee (NRCG)**

The Nomination, Remuneration and Corporate Governance Committee consists of 5 directors, 3 are independent directors and 2 are non-executive directors, with the Chairman being an independent director. The NRCG has the main responsibilities as stipulated in its Charter and Corporate Governance Policy. In 2021, the Company placed great importance on human resources policy and good corporate governance, convening a meeting of the NRCG to discuss specific human resources policies and strategies to make human resource management in line with the current business strategy. In 2021, the NRCG held 2 meetings, which carried out important tasks in terms of directors, governance, and human resources as follows:

1. Review the Corporate Governance Policy, the Board Charter, and the Nomination, Remuneration, and Corporate Governance Committee Charter in accordance with the principles of corporate governance of listed companies and international

standard corporate governance principles, and present to the Board of Directors for approval, as well as supervise the implementation of the corporate governance policy;

2. Select and nominate candidates for directorship based on the list of names nominated by directors and shareholders (if any), taking into account the Board Skill Matrix, which includes qualifications and diversity in terms of knowledge, competence, experience, and education, and also prioritize the process of verifying the qualifications of the nominees before seeking approval from the Securities and Exchange Commission, and propose to the Board of Directors and/or shareholders for approval;

3. Consider the remuneration of the Chairman of the Board, Directors, directors, and sub-committees, before proposing the Board of Directors for endorsement and to the shareholders for approval, taking into account the suitability of the duties, responsibilities, the Company's performance, overall economic conditions, and industry comparability;

4. Provide an evaluation of the performance of the Board of Directors as a whole, individual directors, sub-committees, and the Chief Executive Officer, in order to assess the performance of the Board of Directors in accordance with the principles of good corporate governance for listed companies of the Stock Exchange of Thailand;

5. Comment on human resource strategies and policies to align with the Company's business strategy, and provide guidelines for the development of the Company's personnel with appropriate number, knowledge, skills, experience, and motivation;

6. Consider the appointment of senior executives in various work groups to achieve appropriateness, transparency, balance of power, and increase efficiency in management;

7. Conduct an assessment of the Chief Executive Officer's performance, comparing to the goals and performance criteria set, and approve the compensation policy, compensation plan, and appropriate benefits for such executives, taking into account suitability for the duties, responsibilities assigned, performance, overall economic conditions, and industry comparability;

8. Oversee and advise reviewing succession planning, which is a critical process in the preparation of critical, high-impact, and strategic succession positions;

9. Determine the policies, rules, and procedures for the nomination and remuneration of directors and persons with management authority of subsidiaries, in order to obtain directors and persons with management authority that are suitable for their duties, responsibilities, job characteristics, and to ensure that the compensation for such positions is clear, transparent, and consistent with the risks, duties, responsibilities, and nature of the job;

## Technology Committee Report

The Technology Committee has roles and responsibilities to oversee the direction, overview of technology services with a strong technology architecture, use of information in accordance with future business goals, ensure good governance, stability, and the ability to tailor business services from the adoption of innovation and new technologies to become key business drivers, especially in the digital age, to support the Board of Directors in determining the Company's long-term technology strategy. The Technology Committee consists of qualified professionals with expertise in technology and business, which are 1 non-executive director, 1 executive director, the Chief Technology Officer, and the Chief Operating Officer. The Head of the Cyber Security Compliance Department is the secretary of the Technology Committee.

In 2021, the Technology Committee held a total of 12 meetings and presented the results to the Board of Directors for acknowledgment or requesting solutions on some issues, as reflected in the Technology Committee Report presented in this Annual Report.

### Technology Committee Performance (January - December 2021)

Over the past decade, business operations have increasingly turned to digital forms such as automatic depositing of money into brokerage accounts. The Company has developed rapidly to meet the changing market style. Over the past year, there was a marked increase orders through online platforms, especially during the COVID-19 pandemic, where the expansion of online business has been at a rapid rate. This is the result of consumer behaviors shifting to digital channel instead of going out in person, such as online shopping, online food ordering, and corporate meetings, which has become the new normal, making the digital channel and technology play an increasingly important role. The Company has adapted and developed technology to respond to the changing lifestyles of investors sufficiently and rapidly, and also focused on differentiation in business, to provide the best for customers, shareholders, and employees. The Technology Committee is responsible for supporting the Board of Directors' vision of business operations in line with the Company's strategy, focusing on providing comprehensive online securities trading services, architecture, platform, cybersecurity, and operating model, to support exponential growth of transactions and new customer lifestyles. The Technology Committee also oversaw information, control of technology and cyber security risks, cyclical operations, Plan-Do-Check-Act cycle, up skilling, and re-skilling of technology personnel and technology infrastructure, to support the growth of the digital platform which is fundamental to doing business in the new normal digital era.

In addition, the Technology Committee supervised the risks that may arise from operations in accordance with the Notification of the Securities and Exchange Commission Re: Guidelines for Establishment of Information Technology System and Re: Rules in Detail on Establishment of Information Technology System. It also oversaw the Personal Data Protection Act to be enacted in 2022 to provide ongoing technology readiness and compliance with the law, in particular operations of Data Protection Office. The Technology Committee reviewed technology-related policies, to make them comprehensive and up-to-date on current events before submitting them to the Board of Directors, and considered technology standards and processes. The Technology Committee focused on creating technology governance, including the different levels of risks associated with the adoption of technology as part of its operations. However, due to the rapid change in technology and widespread adoption of technology, the Technology Committee focused on providing additional information and new technology knowledge to the Board of Directors.

## 9. Internal Control and Related Person Transaction

### 9.1 Internal Control

Today's rapidly changing economic environment has resulted in securities companies facing many challenges in their business operations. The Company recognized the importance of governance, risk management, operational governance, and internal control that are efficient, effective, and consistent with international standards both in operations and information technology systems. The Company has the Audit Committee responsible for overseeing the operations in accordance with the policy and good internal control. The Compliance Group regularly monitors internal control, the results of which are reported to the Audit Committee and the Board of Directors. The Internal Audit Group is responsible for assessing the sufficiency of the internal control system according to the assessment form of the Securities and Exchange Commission (SEC) and then presenting it to the Audit Committee for endorsement before to the Board of Directors for approval. In this regard, the practice of internal control specifies the main components necessary for internal control in 5 areas: (1) internal control, (2) risk assessment, (3) operational control, 4) information system and data communication, and (5) tracking systems. The Company operated activities under each component as follows:

#### 1. Internal Control

The Company is committed to providing internal departments with a culture and environment of good and effective internal control. Employees at all levels must adhere to what is right, fair, and transparent. The Company recognizes that a good internal control system is essential to the Company and its subsidiaries to be able to sustainably achieve business objectives, in terms of efficiency and effectiveness of operations, reliability of financial reports, and compliance with laws and various regulations.

The Company assigned executives and employees at all levels to have roles, duties, and responsibilities for internal control, by establishing written policies and procedures, and establishing a good internal control structure that consists of a clearly defined organizational structure with chains of command, scope of power, duties of executives and employees, under the supervision of the Board of Directors, which are independent of management, and perform duties in supervising, developing, and maintaining effective internal controls.

The Management, as the supervisor of the Board of Directors, has encouraged the development of various tools, to create a preventive system in business operations in accordance with changes in risks as follows:

#### 1.1) Raising awareness of risks

- Communicate so that employees understand their roles, products, and processes to be performed, to prevent damage to the Company, customers, and related parties;

- Establish written policies to promote and drive guidelines "Responsibility for Risk Management and Good Control according to the Three Lines Model", an internationally recognized approach and a focus of government agencies. The Company encourages operators and supervisors in each unit (First Line), Support Unit (Second Line), and Audit Unit (Third Line) to apply such guidelines in their work, from risk assessment to control, monitoring, and evaluation. The First Line is the person

who plays the most important role in making the approach successful and effective. The Company raises awareness in a variety of ways, such as communicating with employees and organizing a workshop to put the guidelines into practice.

- Pushing concretely to have operations in line with financial institutions supervision guidelines for providing fair customer service. The Company has established a policy to provide fair customer service and has strict measures to drive operations covering from the pre-sales, during the sale, and after-sales service. Directors and senior executives of the Company have jointly established the persons responsible for overseeing operations and penalties when employees misbehave. In addition, the Company also reviewed the incentive payment policy that encourages employees at all levels to treat customers fairly, determined performance indicators, incentive payment method. The appropriateness of the policy is reviewed regularly, as a guideline for conducting with integrity, honesty, and taking responsibility for every action.

The Company continues to implement the no gift policy continuously, as a guideline for employees and executives at all levels to have appropriate practices for accepting/giving gifts, entertainment, attending meetings and seminars, work, or other interests, by urging everyone to strictly adhere to the policy.

## **1.2) Complaint system**

The Company has independent channels for receiving complaints or information about corruption, and various channels for employees and external stakeholders, to report non-compliance with the Code of Conduct, Corporate Governance Policy, regulations, laws, and anti-corruption policy. Complaints can be made via telephone, electronic mail, in writing to the Chief Executive Officer, the Chairman of the Executive Board, the Head of the Internal Audit Department, or the Head of the Human Resources Department. The Company has clearly defined procedures when receiving complaints, from gathering facts in secret, setting up a fact-checking working group, setting up an investigative committee, considering and approving punishments, and reporting complaints to the Audit Committee every quarter. Suggestions for development will also be sent to the Chief Executive Officer and the Chairman of the Executive Board. Such system promotes ethical business practices, so that the performance of employees and executives is efficient, transparent, upholding what is right and fair, accountable, and gaining confidence from all stakeholders.

With regard to external complaints, the Company has collected and used information from such complaints to analyze in depth the root causes to find solutions.

In 2021, the Covid-19 caused the Company to undergo a major change in work processes, which the Company has prepared and adapted to the situation well, such as providing work from home, communicating with employees and outsiders to have a good understanding of the practice, and using a VPN to enable remote use and support access to the work of Company that is complicated without leaking information while employees work at home, etc.

## **2. Operational control**

The Company has a written operational control policy, which is reviewed regularly or when events change significantly. This includes general controls for information systems, the operation of data centers, data networks, system development and testing, technology system maintenance, physical and technological security management. In addition, the Company has set the scope, authority, and approval authority of each level of executives in the operating regulations, such as customer credit approval regulations, procurement regulations, administrative expenses regulations and investment budget, by focusing on

clearly separating duties in various operating processes, in order to have adequate and appropriate controls for operations at all levels of the organization and balance between them, especially activities that may have an interest or a conflict of interest.

The Company attaches great importance to the development of information security systems, which includes respecting and preserving the rights of customer privacy information. The Company has established information security policy implemented in the Company and its subsidiaries, for probationary workers, temporary contract workers, business partners, and consultants, to be aware of and abide by the Confidentiality-Integrity Availability (CIA). The policy sets out clear duties and responsibilities for the development, implementation, and monitoring of IT security policy compliance, with the Technology Committee scrutinizing, supporting to operate in accordance with the policy, reviewing, and assessing the appropriate level of information security systems in accordance with the Company's strategy. The Internal Audit Department performs audit and makes recommendations on how to improve security efficiency.

The Company attaches great importance to the care and management of customer data to ensure maximum security, and has operational guidelines in accordance with the requirements of the Securities and Exchange Commission, the Anti-Money Laundering Law, other applicable laws, and the Company's fair customer service practices. The Company has prepared and reviewed the Company's and subsidiary's fair customer service practices, data governance framework, privacy policy, and data security, and the confidentiality and disclosure regulations of customers, which stipulate the rules for maintaining the security of customer data, specify the level of importance of the data, determine the duties and responsibilities of the departments involved in the care of customer data, specify approval authority involved in the use of customer data, adopt technologies to secure customer data, in order to ensure that the operations in such areas are concise and efficient. In addition, the Company maintains a level of confidentiality, data retention and destruction, control access to work systems, and management of employee rights. The Company aims to develop the potential of personnel at all levels, by bringing modern technology to enhance employee development efficiency, creating learning under a comprehensive development plan, supporting work rotation within the organization to enhance knowledge and new skills, and strengthening cooperation with educational institutions to recruit personnel to join the Company.

Due to the Company's business operations involving cooperation with many business partners, covering general procurement work, information technology procurement work, and building management work, so that the Company's operations to be done correctly and fairly, the Company, therefore, attaches great importance to the formulation of business practices. The Company has communicated the Code of Conduct for Business Partner as a guideline and supports business partners to conduct business with ethics, respect rights and freedoms, take care of labor and human rights, occupational health, safety, and environment.

### 3. Information and Communication Systems

The Company focuses on dealing with transformation over the years, where technology and innovation have been used to enhance the Company's and subsidiary's business competitiveness, ensure information and communication technology to be efficient, ready to deal with new challenges arising around the world, from financial technology, changing business environments, and investors' behavior. This led to the creation of new financial innovations in a variety of forms such as investment platforms, online money transfers, investments related to technology, while creating a mindset and upgrading skills and digital capabilities through new ways of working and learning. The Company also attaches importance to information

technology security in various transactions and maintaining confidential information of customers, so that the Board of Directors, executives, and stakeholders such as shareholders, investors, and regulators are confident that the Company have good security measures and receive important information accurately, completely, reliably, and in a timely manner.

### **3.1) Information system**

The Company continuously develops and upgrades its data governance and cybersecurity to be more rigorous, covering both work systems and digital platforms adopted by the Company, to emphasize prudence and caution in dealing with existing and emerging threats, preventing breaches of the security of customers' personal information. The Company conducts testing of information technology contingency plans at least once a year, to avoid service disruptions on key channels. In addition, the Company has increased its cloud storage efficiency to be as secure as data storage on its own premises, thereby increasing operational speed and reducing costs in maintaining the Company's network and computer systems.

### **3.2) Communication**

The Company provides communication channels within the Company and its subsidiary to disseminate policies, regulations, procedures, operating manuals, and other important information for executives and employees to know and implement properly in a timely manner. In addition, the Company has established a special communication channel to enable both internal and external parties to communicate information safely.

## **4. Tracking system**

The Company monitors and evaluates the results of internal control system to ensure that the system remains efficient, effective, can be fully monitored and evaluated, and is able to deal with the risks that change over time.

### **4.1) Compliance Group**

The Compliance Group is responsible for reviewing and monitoring the operations of all departments within the Company and its subsidiary to ensure compliance with important rules, laws, regulations, and regulatory obligations.

### **4.2) Audit Group**

The Audit Group acts independently in confidence building and consulting to ensure oversight of internal processes, risk management, good internal control, and determination of the root causes of problems arising out of the observations and risks encountered in the investigation.

Both groups report directly to the Audit Committee for consideration on a monthly basis, and follow-up efforts are made to ensure issues are resolved. The Audit Committee and the Board of Directors considered the results of the assessment of the sufficiency of the internal control system as well as discussed with the Management on the implementation of recommendations to improve internal control. The Audit Committee and the Board of Directors are of the opinion that the Company has an appropriate internal control and risk management system for the business operation which is in line with the opinion of the Company's auditors.



## 9.2 Related Person Transaction

The Company attaches great importance to preventing the use of inside information of the Company for exploitation by directors and employees. The Company has established policies, regulations, procedures for approval of connected transactions, and guidelines for entering into connected transactions and disclosure of information to prevent conflicts of interest and to operate with transparency in the case conflicts of interest arise. The Company has established rules and procedures for approval of connected transactions and transactions that may have conflicts of interest as follows:

- Strictly comply with the regulations of the Stock Exchange of Thailand, the notification of the Securities and Exchange Commission, and the notification of the Capital Market Supervisory Board relating to related transactions and transactions that may cause conflicts of interest. Especially, directors or executives involved in transactions that may cause conflicts of interest must not participate in decision-making to consider such transactions. At the same time, the Company Secretary will record the involvement of the directors or executives on the issues considered in writing in the minutes of the meeting;
- Set pricing policies and conditions for related person transactions, where prices and conditions must be the same as for transactions with unrelated third parties;
- The Board of Directors (excluding directors with related interests) is authorized to approve credit lines, investments, liabilities, transactions that are similar to granting credit lines to major shareholders, or to businesses with related interests;

### Policy or trend of future related person transactions

The Company attaches great importance to the framework of good corporate governance and has a policy in making related person transactions in accordance with the requirements of laws, regulations, notifications of the Stock Exchange of Thailand, notifications of the Securities and Exchange Commission regarding the related person transaction and acquisition or disposition of assets of listed companies, and rules of the Bank of Thailand. The Company's related transactions are considered part of the general business operation, wherein the Company has clearly and appropriately set internal approval measures and procedures.

### Disclosure of information

The Company has implemented a disclosure policy which covers information sensitive to the Company's securities prices, with an emphasis on the timely, transparent, and adequate disclosure of material information. The misuse of information both directly and indirectly is prohibited. The Company discloses related party transactions in accordance with the rules of the Stock Exchange of Thailand in the table below, which is in accordance with the rules, conditions, and procedures for disclosure of information, and has reported related person transactions to the Audit Committee every quarter.

In 2021, the Company did not have any related person transaction with a significant transaction size that must be disclosed according to the criteria of the Stock Exchange of Thailand. Information about other related person transactions is disclosed in the notes to the financial statements.

### Information relating to transactions with persons who may have conflicts

For future connected transactions, the Company must comply with the rules and regulations of the Securities and Exchange Commission, notifications of the Capital Market Supervisory Board, notifications of the Stock Exchange of Thailand, and disclosure requirements about the related person transactions in accordance with the accounting standards set by the Federation of Accounting Professions.

In 2019, 2020, and 2021, the Company has transactions with persons who may have conflicts as follows:

Persons who may have conflicts	Nature of relationship	Type of transaction	Terms and Price Policy	Necessity and Reasonableness of Connected Transactions	Value of connected transactions (THB million)		
					2019	2020	2021
1) Directors and executives	<u>List of directors as of 31 December 2019</u> 1) Mr. Chatchaval Jiaravanon 2) Mr. Varah Sucharitakul 3) Mr. Chuangchai Nawongs 4) Mr. Somphop Keerasuntonpong 5) Mrs. Pornpring Suksantisuwan 6) Mr. Yang Liu 7) Pol. Gen. Visanu Prasattongsoth 8) Mr. Phaiboon Siripanoosatien 9) Mr. Kittisak Bencharit	<b>Fee received</b> <b>Accrued expenses</b> In 2019, directors no. 1, 3, 4, 5, and 7 had securities trading account with the Company and 1 director (No. 7) had total trading value of THB 4.72 million.	According to the rate charged to general customers	The Company requires directors and executives to open an account with the Company, for which the commission charged is the same as that of general customers.  The Audit Committee has considered the aforementioned transaction and viewed that this transaction is reasonable and is at the same price as charged to the Company's customers.	-	-	-
	<u>List of directors as of 31 December 2020</u> 1) Mr. Chatchaval Jiaravanon 2) Mr. Varah Sucharitakul 3) Ms. Kanchana Vongratanakulthong	In 2020, directors no. 1, 4, 5, 6, and 8 had securities trading account with the Company and 1 director (No. 8) had total trading value of THB 39.18 million.	According to the rate charged to general customers		0.01	0.10	0.05

Persons who may have conflicts	Nature of relationship	Type of transaction	Terms and Price Policy	Necessity and Reasonableness of Connected Transactions	Value of connected transactions (THB million)		
					2019	2020	2021
	4) Mr. Chuangchai Nawongs 5) Mr. Somphop Keerasuntonpong 6) Mrs. Pornpring Suksantisuan 7) Pol. Gen. Visanu Prasattongosoth 8) Mr. Phaiboon Siripanoosatien 9) Mr. Kittisak Bencharit  <u>List of directors as of 31 December 2021</u> 1) Mr. Chatchaval Jiaravanon 2) Mr. Vorapak Tanyawong 3) Ms. Kanchana Vongratanakulthon 4) Mr. Chuangchai Nawongs 5) Mr. Somphop Keerasuntonpong 6) Mrs. Pornpring Suksantisuan 7) Pol. Gen. Visanu Prasattongosoth 8) Mr. Phaiboon Siripanoosatien 9) Mr. Kittisak Bencharit  <u>List of executives as of 31 December 2019</u> 1) Mr. Kuntra Ladavalya Na Ayudhya	<p>In 2021, directors no. 1, 2, 4, 5, 6, 7 and 8 had securities trading account with the Company and 3 directors (No. 4, 6, and 7) had total trading value of THB 4.12 million.</p> <p>In 2019, executives no. 1, 2, 3, 4, 5, 12, 13, and 16 had securities trading account with the Company and 1 executive (No.</p>	<p>According to the rate charged to general customers</p> <p>According to the rate charged to general customers</p>		-	-	-

[illegible]

[illegible]

Persons who may have conflicts	Nature of relationship	Type of transaction	Terms and Price Policy	Necessity and Reasonableness of Connected Transactions	Value of connected transactions (THB million)		
					2019	2020	2021
	10) Mr. Somyot Kittisukcharoen 11) Ms. Chorpetch Riamdee 12) Ms. Supin Suravichai 13) Ms. Ubonrut Sripunyawitch 14) Ms. Raveewan Chaiyakit 15) Mrs. Manida Sithseree 16) Mr. Pitsanu Wathanawanapong 17) Mr. Anuwat Sae-tang						
2) Top 10 major shareholders	<p>As of 31 December 2019</p> 1) Finansia Fund Management Ltd. 2) ICBC (Thai) PLC 3) MORGAN STANLEY & CO. INTERNATIONAL PLC 4) Thai NVDR Co., Ltd. 5) Mrs. Suporn Wattanavekin 6) Mr. Anucha Sihanatkathakul 7) Mr. Paitoon Manasilp 8) Mr. Kittichai Kraikorkij 9) Mr. Chamroen Rungwattanasat 10) Mrs. Kesara Manasilp	<p><b>Fee received</b></p> <p>In 2019, shareholders no. 1, 2, 5, 6, 9 and 10 had securities trading account with the Company and 4 shareholders (No. 2, 5, 6, and 10) had total trading value of THB 377 million.</p>	<p>According to the rate charged to general customers</p>	For shareholders who have securities trading accounts with the Company, the Company charges a commission which is the same as that of general customers.  The Audit Committee has considered the aforementioned transaction and viewed that this transaction is reasonable and is at the same price as charged to the Company's customers.	0.65	0.67	0.59
	<p>As of 31 December 2020</p> 1) Finansia Fund Management Ltd. 2) MORGAN STANLEY & CO. INTERNATIONAL PLC	<p>In 2020, shareholders no. 1, 3, and 6 had securities trading account with the Company and 4 shareholders (No. 3, 5, 6, and 10)</p>	<p>According to the rate charged to general customers</p>				



Persons who may have conflicts	Nature of relationship	Type of transaction	Terms and Price Policy	Necessity and Reasonableness of Connected Transactions	Value of connected transactions (THB million)		
					2019	2020	2021
3) True Vision Group Co., Ltd.	Same director as of 31 December 2019, 2020, and 2021	<b><u>Service fees</u></b> Satellite media subscriber	According to the mutually agreed rate	The Audit Committee has considered the aforementioned transaction and viewed that this transaction is reasonable and is at the same price as charged to the Company's customers.	0.62	0.45	0.35
4) True Touch Co., Ltd.	Same director as of 31 December 2019 and 2020	<b><u>Service fees</u></b> Tape recorder and phone storage	According to the mutually agreed rate	The Audit Committee has considered the aforementioned transaction and viewed that this transaction is reasonable and is at the same price as charged to the Company's customers.	1.25	2.81	-
5) FSS International Investment Advisory Securities Co., Ltd.	A subsidiary of the Company as of 31 December 2019, 2020, and 2021	<b><u>Other receivables</u></b> Utility bills <b><u>Other payables</u></b> Research fees  <b><u>Income from service fees</u></b>   <b><u>Other expenses</u></b> Preparation of analysis fees	• According to the contract	The Audit Committee has considered the aforementioned transaction and viewed that this transaction is reasonable and is at the same price as charged to the Company's customers.  In addition, the Company has also expanded its institutional customer base by applying the aforementioned analysis to make investment decisions, help increase market share, and for the Company's better	4.30  -  3.60  44.40	0.71  -  3.60  45.00	-  -  3.60  53.80



Persons who may have conflicts	Nature of relationship	Type of transaction	Terms and Price Policy	Necessity and Reasonableness of Connected Transactions	Value of connected transactions (THB million)		
					2019	2020	2021
				performance in securities trading.			
6) ICBC (Thai) PLC	A major shareholder of the Company as of 31 December 2019, 2020, and 2021	<b>Deposit</b> <input type="checkbox"/> The Company has deposits in current account and promissory notes.	<input type="checkbox"/> According to the rate charged to general customers	The Audit Committee has considered the aforementioned transaction and viewed that this transaction is reasonable and is at general interest rate.	1.00	5.36	2.04
7) Finansia Securities Co., Ltd.	Same director as of 16 December 2021	<b>Other receivables</b> Underwriting fees  <b>Prepaid expenses</b> Financial instruments recommendation service fees <b>Other liabilities</b> Financial advisory fees  <b>Fee and service income</b> Financial advisory fees  <b>Other payables</b> Financial advisory fees  Fee for issuing debt instruments	According to the contract	The acquisition of all shares in FSL will allow the Company to strengthen investment banking services and expand customer base to be more comprehensive as FSL employs experienced, reputable, and recognized financial advisors who serve large corporate clients, which is in line with the Company's strategy to be a full service securities company and create good returns for all groups of stakeholders.  The transaction is outsourcing service, operation for IPO subscription and underwriting guarantee. In this regard, the Audit Committee has	-  -  -  -  -	1.30  0.15  5.40  12.06  6.01	-  -  -  5.91  -  0.23

Persons who may have conflicts	Nature of relationship	Type of transaction	Terms and Price Policy	Necessity and Reasonableness of Connected Transactions	Value of connected transactions (THB million)		
					2019	2020	2021
				considered the aforementioned transaction and viewed that this transaction is for the benefit of the Company.			
8) Finansia PLC	Same director as of 16 December 2021	<u>Deposit</u> Rental and building fees <u>Commission receivable</u>  <u>Rent and service charges</u>	<sup>ก</sup> According to the mutually agreed rate <sup>ก</sup> According to the rate charged to general customers <sup>ก</sup> According to the mutually agreed rate	Finansia PLC has a brokerage account with the Company, for which the commission charged is the same as that of general customers. The Audit Committee has considered the aforementioned transaction and viewed that this transaction is reasonable and is at the same price as charged to the Company's customers. The rental fee is based on the market price of office buildings in the CBD.	-	-	-
					-	-	0.50
					-	-	5.00

## Part 3 Financial Statements

### Independent Auditor's Report

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#### Independent Auditor's Report

To the Shareholders of Finansia Syrus Securities Public Company Limited

#### Opinion

I have audited the accompanying consolidated financial statements of Finansia Syrus Securities Public Company Limited and its subsidiary (the Group), which comprise the consolidated statement of financial position as at 31 December 2021, and the related consolidated statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, and have also audited the separate financial statements of Finansia Syrus Securities Public Company Limited for the same period.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Finansia Syrus Securities Public Company Limited and its subsidiary and of Finansia Syrus Securities Public Company Limited as at 31 December 2021, their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

#### Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am independent of the Company in accordance with the Code of Ethics for Professional Accountants as issued by the Federation of Accounting Professions as relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

## **Key Audit Matters**

Key audit matters are those matters that, in my professional judgement, were of most significance in my audit of the financial statements of the current period. These matters were addressed in the context of my audit of the financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

I have fulfilled the responsibilities described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report, including in relation to these matters. Accordingly, my audit included the performance of procedures designed to respond to my assessment of the risks of material misstatement of the financial statements. The results of my audit procedures, including the procedures performed to address the matters below, provide the basis for my audit opinion on the accompanying financial statements as a whole.

Key audit matters and how audit procedures respond to each matter are described below.

### ***Recognition of brokerage fees income***

The Group's income mainly consisted of brokerage fees income, amounting to Baht 1,930 million as in Note 26, representing 81 percent of the Company's total revenues. The Company charges brokerage fees at percentages of trading volume, which are freely negotiated, and based on a sliding scale fee structure. Because of the size and volume of transactions, the large number of customers, the fees charged to customers being dependent on various factors, and the recognition of revenue from brokerage fees income relying primarily on data processed by information systems, I addressed the measurement and occurrence of brokerage fees as a key audit matter.

The audit procedures I performed were to assess and test, on a sampling basis, the Company's internal controls relevant to recognition of brokerage fees income, including computer-based controls relevant to the calculation of brokerage fees income. I also tested, on a sampling basis, calculation and account recording. In addition, I performed analytical procedures on brokerage fees income and examined, on a sampling basis, material manual adjustments made via journal vouchers.

***Allowance for expected credit losses on securities and derivatives business receivables***

As of 31 December 2021, securities and derivatives business receivables amounting to Baht 4,340 million, representing 62 percent of the Company's total assets. As discussed in Note 4.10 and 8 to the financial statements, the Company recognised allowance for expected credit losses on such receivables based on Thai Financial Reporting Standard No. 9. The estimation of allowance for expected credit losses on securities and derivatives business receivables is significant because management of the Company must exercise judgement to identify significant changes in credit risk and to determine assumptions used in the expected credit loss model. Moreover, the Company has a large number of customers and the balance of these receivables is significant to the financial statements. Therefore, I addressed the adequacy of allowance for expected credit losses for such receivables as a key audit matter.

I performed audit procedures on the adequacy of allowance for expected credit losses as follows:

- ๒๕
I assessed, and tested on a sampling basis, the Company's internal controls relevant to the status of account receivables, the staging in accordance with changes in credit risk of receivables, the calculation of allowance for expected credit losses and the recording. I also assessed, and tested on a sampling basis, the reasonableness of assumptions and the expected credit loss model.
- ๒๕
I examined the adequacy of allowance for expected credit losses as at the end of reporting period by testing on a sampling basis, data used in the calculation of allowance for expected credit losses, the status of outstanding receivable, the staging in accordance with changes in credit risk of receivables, the collections after the end of reporting period and the calculation of allowance for expected credit losses, as well as the adequacy and appropriate of disclosure.

### **Other Information**

Management is responsible for the other information. The other information comprise the information included in annual report of the Group, but does not include the financial statements and my auditor's report thereon. The annual report of the Group is expected to be made available to me after the date of this auditor's report.

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated.

When I read the annual report of the Group, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance for correction of the misstatement.

### **Responsibilities of Management and Those Charged with Governance for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Thai Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

## Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Thai Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Thai Standards on Auditing, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

- ๑ Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ๑ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- ๑ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- ๑ Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- ๑ Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

๙ Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the financial statements of the current year and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

I am responsible for the audit resulting in this independent auditor's report.

Ratana Jala  
Certified Public Accountant (Thailand) No. 3734

EY Office Limited  
Bangkok: 28 February 2022



**Finansia Syrus Securities Public Company Limited and its subsidiary**
**Statement of financial position**
**As at 31 December 2021**

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	Note	31 December 2021	31 December 2020	31 December 2021	31 December 2020
<b>Assets</b>					
Cash and cash equivalents	6,34.3	185,987,239	221,568,415	162,366,660	203,539,871
Receivables from Clearing House and broker-dealers	7	871,998,685	282,415,413	871,998,685	282,415,413
Securities and derivatives business receivables	8	4,339,919,213	3,759,476,374	4,339,919,213	3,759,476,374
Accrued fees and service income		3,601,711	11,734,334	3,601,711	11,734,334
Derivatives assets	9	5,748,160	685,760	5,748,160	685,760
Investments	10	714,108,150	707,618,483	714,108,150	707,618,483
Loans to employees		6,370,251	642,016	6,370,251	642,016
Investments in a subsidiary and an associate	11	135,121,728	121,190,346	113,162,491	113,162,491
Equipment	13	98,032,030	99,569,126	98,032,030	99,569,126
Right-of-use-assets	14.1	249,452,176	279,359,808	248,698,770	278,303,212
Intangible assets	15	185,427,106	214,672,070	185,427,106	214,672,070
Deferred tax assets	16.1	30,733,145	37,428,967	36,296,609	39,977,427
Other assets	17	220,713,782	210,574,772	217,267,687	208,587,456
<b>Total assets</b>		<b>7,047,213,376</b>	<b>5,946,935,884</b>	<b>7,002,997,523</b>	<b>5,920,384,033</b>
<b>Liabilities and owners' equity</b>					
<b>Liabilities</b>					
Borrowings from financial institutions	18	-	350,000,000	-	350,000,000
Payables to Clearing House and broker-dealers	19	16,168,633	303,175,543	16,168,633	303,175,543
Securities and derivatives business payables	20	3,022,980,957	1,928,433,700	3,022,980,957	1,928,433,700
Derivatives liabilities	9	18,566,953	23,383,873	18,566,953	23,383,873
Debt issued	21	507,544,828	278,975,449	507,544,828	278,975,449
Corporate income tax payable		36,207,472	-	36,207,472	-
Provision	22	34,222,603	32,582,413	34,222,603	32,582,413
Provision for long-term employee benefits	23	90,416,459	73,313,868	88,598,129	70,340,228
Lease liabilities	14.2	159,999,001	180,216,447	159,222,310	179,148,243
Other liabilities	24	469,535,832	345,690,532	457,004,850	338,371,773
<b>Total liabilities</b>		<b>4,355,642,738</b>	<b>3,515,771,825</b>	<b>4,340,516,735</b>	<b>3,504,411,222</b>

The accompanying notes are an integral part of the financial statements.

**Finansia Syrus Securities Public Company Limited and its subsidiary**
**Statement of financial position (continued)**
**As at 31 December 2021**

		(Unit: Baht)			
		Consolidated financial statements		Separate financial statements	
Note		31 December 2021	31 December 2020	31 December 2021	31 December 2020
<b>Owners' equity</b>					
Share capital					
Issued and paid-up share capital					
581,403,025 ordinary shares of Baht 1.60 each					
		930,244,840	930,244,840	930,244,840	930,244,840
Share premium					
		620,892,885	620,892,885	620,892,885	620,892,885
Capital reserve for share-based payment transactions					
		322,946	322,946	322,946	322,946
Deficit as a result of change in holding percentage in the subsidiary					
		(251,580)	(251,580)	-	-
Retained earnings					
Appropriated - statutory reserve	25	93,024,484	83,019,059	93,024,484	83,019,059
Unappropriated		1,045,076,763	803,461,496	1,017,747,866	781,246,681
Other component of owners' equity					
Exchange differences on translation of financial statements in foreign currency					
		1,522,204	(7,158,957)	-	-
Gains on investments in equity designated at fair value through other comprehensive income					
		247,767	246,400	247,767	246,400
Total equity attributable to the Company's shareholders					
		2,691,080,309	2,430,777,089	2,662,480,788	2,415,972,811
Non-controlling interests of the subsidiary					
		490,329	386,970	-	-
<b>Total owners' equity</b>					
		2,691,570,638	2,431,164,059	2,662,480,788	2,415,972,811
<b>Total liabilities and owners' equity</b>					
		7,047,213,376	5,946,935,884	7,002,997,523	5,920,384,033

The accompanying notes are an integral part of the financial statements.

# Finansia Syrus Securities Public Company Limited and its subsidiary

## Statement of comprehensive income

For the year ended 31 December 2021

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2021	2020	2021	2020
<b>Profit or loss:</b>					
<b>Income</b>					
Brokerage fees income	26	1,930,020,133	1,314,751,682	1,930,020,133	1,314,751,682
Fees and service income	27	113,984,892	122,787,047	113,984,892	122,717,047
Interest income	28	130,223,281	84,768,537	130,181,253	84,633,876
Gain and return on financial instruments	29	165,613,972	168,833,928	165,613,972	168,833,928
Shares of gain from investments in an associate	11.2	3,079,931	5,262,851	-	-
Other income	34.2	53,628,818	50,699,688	57,168,818	54,299,688
<b>Total income</b>		<b>2,396,551,027</b>	<b>1,747,103,733</b>	<b>2,396,969,068</b>	<b>1,745,236,221</b>
<b>Expenses</b>					
Employee benefits expenses	23,31	1,243,179,009	942,792,913	1,195,788,914	892,851,871
Fees and service expenses		277,955,575	231,920,233	277,873,575	231,886,233
Interest expenses	30	47,598,032	34,720,606	47,560,984	34,697,149
Expected credit losses	12,22	3,363,067	10,885,458	3,363,067	10,885,458
Other expenses	34.2	448,458,645	422,497,787	500,610,943	465,942,660
<b>Total expenses</b>		<b>2,020,554,328</b>	<b>1,642,816,997</b>	<b>2,025,197,483</b>	<b>1,636,263,371</b>
<b>Profit before income tax</b>		<b>375,996,699</b>	<b>104,286,736</b>	<b>371,771,585</b>	<b>108,972,850</b>
Income tax	16.2	(75,821,531)	(22,231,325)	(75,344,226)	(21,407,040)
<b>Profit for the year</b>		<b>300,175,168</b>	<b>82,055,411</b>	<b>296,427,359</b>	<b>87,565,810</b>
<b>Other comprehensive income (loss):</b>					
Other comprehensive income to be reclassified to profit or loss in subsequent years					
Exchange differences on translation of financial statements in foreign currency – net of income tax		8,681,161	(386,550)	-	-
Other comprehensive income to be reclassified to profit or loss in subsequent years – net of income tax		8,681,161	(386,550)	-	-
Other comprehensive income not to be reclassified to profit or loss in subsequent years:					
Actuarial loss – net of income tax		(13,568,735)	-	(15,038,367)	-
Gain on investments in equity instruments designated at Fair value through other comprehensive income – net of income tax		1,367	246,400	1,367	246,400
Other comprehensive income not to be reclassified to profit or loss in subsequent years – net of income tax		(13,567,368)	246,400	(15,037,000)	246,400
<b>Other comprehensive income (loss) for the year</b>		<b>(4,886,207)</b>	<b>(140,150)</b>	<b>(15,037,000)</b>	<b>246,400</b>
<b>Total comprehensive income for the year</b>		<b>295,288,961</b>	<b>81,915,261</b>	<b>281,390,359</b>	<b>87,812,210</b>

The accompanying notes are an integral part of the financial statements.

**Finansia Syrus Securities Public Company Limited and its subsidiary**
**Statement of comprehensive income (Continued)**
**For the year ended 31 December 2021**

		(Unit: Baht)			
		Consolidated financial statements		Separate financial statements	
Note		2021	2020	2021	2020
<b>Profit attributable to:</b>					
	The Company's shareholders	300,126,975	82,420,302	296,427,359	87,565,810
	Non-controlling interests of the subsidiary	48,193	(364,891)		
		<u>300,175,168</u>	<u>82,055,411</u>		
<b>Comprehensive income attributable to:</b>					
	The Company's shareholders	295,185,602	82,280,152	281,390,359	87,812,210
	Non-controlling interests of the subsidiary	103,359	(364,891)		
		<u>295,288,961</u>	<u>81,915,261</u>		
<b>Earnings per share</b>					
	Basic earnings per share				
	Profit attributable to shareholders of the Company	32 0.52	0.14	0.51	0.15

The accompanying notes are an integral part of the financial statements.

# Finansia Syrus Securities Public Company Limited and its subsidiary

## Statement of cash flows

For the year ended 31 December 2021

	(Unit: Baht)			
	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
<b>Cash flows from operating activities</b>				
Profit before income tax	375,996,699	104,286,736	371,771,585	108,972,850
Adjustments to reconcile profit (loss) before income tax to net cash provided by (paid for) operating activities:				
Depreciation and amortisation	144,924,190	142,573,178	144,621,000	142,416,184
Expected credit losses	3,363,067	10,885,458	3,363,067	10,885,458
(Gain) loss on disposals and write-off of equipment/ intangible assets/right-of-use-assets	(2,215,124)	4,070,134	(2,215,124)	4,070,134
Unrealised (gain) loss on revaluation of trading investments	(91,981,898)	81,993,532	(91,981,898)	81,993,532
Unrealised (gain) loss on revaluation of derivatives	32,688,828	(14,336,170)	32,688,828	(14,336,170)
Unrealised (gain) loss on revaluation of exchange rate	(3,653,023)	1,935,455	(3,653,023)	1,935,455
Share of gain from investments in an associate	(3,079,931)	(5,262,851)	-	-
Provision for long-term employee benefits	11,199,528	12,683,132	10,191,774	11,553,317
Interest income	(130,223,281)	(84,768,537)	(130,181,253)	(84,633,876)
Dividend income	(15,818,729)	(12,877,682)	(15,818,729)	(12,877,682)
Interest expenses	47,598,032	34,720,606	47,560,984	34,697,149
<b>Profit from operating activities before changes in operating assets and liabilities</b>	<b>368,798,358</b>	<b>275,902,991</b>	<b>366,347,211</b>	<b>284,676,351</b>
(Increase) decrease in operating assets				
Receivables from Clearing Houses and broker-dealers	(619,743,237)	(125,341,311)	(619,743,237)	(125,341,311)
Securities and derivatives business receivables	(576,724,601)	(1,209,812,980)	(576,724,601)	(1,209,812,980)
Derivatives assets	(3,785,440)	(653,460)	(3,785,440)	(653,460)
Investments	87,535,396	(9,064,836)	87,535,396	(9,064,836)
Loan to employees	(5,728,235)	(366,709)	(5,728,235)	(366,709)
Other assets	(5,842,862)	(23,126,195)	(4,384,083)	(20,266,950)
Increase (decrease) in operating liabilities				
Payables to Clearing Houses and broker-dealers	(287,006,910)	(359,397,286)	(287,006,910)	(359,397,286)
Securities and derivatives business payables	1,092,505,232	989,185,387	1,092,505,232	989,185,387
Derivatives liabilities	(4,969,720)	1,534,816	(4,969,720)	1,534,816
Paid for long-term employee benefits	(11,057,856)	(3,862,000)	(10,731,832)	(3,862,000)
Other liabilities	130,516,206	143,187,053	125,303,981	138,408,501
Cash received (paid) from operating activities	164,496,331	(321,814,530)	158,617,762	(314,960,477)
Proceeds on interest income	129,296,740	82,330,425	129,254,713	82,195,764
Proceeds on dividend income	15,916,809	12,858,567	15,916,809	12,858,567
Cash paid for interest expense	(19,354,638)	(24,367,596)	(19,354,638)	(24,367,596)
Cash paid for income tax expense	(31,696,116)	(4,694,151)	(31,696,116)	(4,694,151)
<b>Net cash provided by (used in) operating activities</b>	<b>258,659,126</b>	<b>(225,687,285)</b>	<b>252,738,530</b>	<b>(248,967,893)</b>

The accompanying notes are an integral part of the financial statements.

**Finansia Syrus Securities Public Company Limited and its subsidiary****Statement of cash flows (Continued)****For the year ended 31 December 2021**

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
<b>Cash flows from investing activities</b>				
Cash received (paid) from investing activities				
Proceeds on disposals of equipment	3,093,925	88,782	3,093,925	88,782
Cash paid for purchases of equipment	(41,719,556)	(45,877,916)	(41,719,556)	(45,877,916)
Cash paid for purchases of intangible assets	(9,684,727)	(7,977,624)	(9,684,727)	(7,977,624)
<b>Net cash used in investing activities</b>	<b>(48,310,358)</b>	<b>(53,766,758)</b>	<b>(48,310,358)</b>	<b>(53,766,758)</b>
<b>Cash flows from financing activities</b>				
Cash received (paid) from financing activities				
Cash received (paid) from borrowings from financial institutions	(350,000,000)	300,000,000	(350,000,000)	300,000,000
Cash received from debt issued	209,662,004	275,192,812	209,662,004	275,192,812
Cash paid for liabilities under finance lease agreement	(70,709,566)	(145,682,936)	(70,381,005)	(145,514,093)
Dividend paid	(34,882,382)	-	(34,882,382)	-
<b>Net cash provided by (used in) financing activities</b>	<b>(245,929,944)</b>	<b>429,509,876</b>	<b>(245,601,383)</b>	<b>429,678,719</b>
Net increase (decrease) in cash and cash equivalents	(35,581,176)	120,055,833	(41,173,211)	126,944,068
Cash and cash equivalents at the beginning of the year	221,568,415	101,512,582	203,539,871	76,595,803
<b>Cash and cash equivalents at the ending of the year</b>	<b>185,987,239</b>	<b>221,568,415</b>	<b>162,366,660</b>	<b>203,539,871</b>

The accompanying notes are an integral part of the financial statements

## Finansia Syrus Securities Public Company Limited and its subsidiary

## Statement of changes in owners' equity

For the year ended 31 December 2021

Consolidated financial statements											
Equity attributable to of the Company's shareholders											
Note	Retained earnings				Other component of owners' equity						
	Issued and paid-up share capital	Share premium	Capital reserve for share-based payment transactions	Deficit as a result of change in holding percentage in the subsidiary	Appropriated - statutory reserve	Unappropriated	Exchange differences on translation of financial statements in foreign currency	Gain on investments in equity instruments designated at fair value through other comprehensive income	Total equity attributable to the Company's shareholders	Non-controlling interest of the subsidiary	Total owners' equity
<b>Balance as at 1 January 2020</b>	930,244,840	620,892,885	322,946	(251,580)	78,640,769	725,419,484	(6,772,407)	-	2,348,496,937	751,861	2,349,248,798
Transfer to statutory reserve	-	-	-	-	4,378,290	(4,378,290)	-	-	-	-	-
Profit (loss) for the year	-	-	-	-	-	82,420,302	-	-	82,420,302	(364,891)	82,055,411
Other comprehensive income (loss) for the year	-	-	-	-	-	-	(386,550)	246,400	(140,150)	-	(140,150)
Total comprehensive income (loss) for the year	-	-	-	-	4,378,290	78,042,012	(386,550)	246,400	82,280,152	(364,891)	81,915,261
<b>Balance as at 31 December 2020</b>	930,244,840	620,892,885	322,946	(251,580)	83,019,059	803,461,496	(7,158,957)	246,400	2,430,777,089	386,970	2,431,164,059
<b>Balance as at 1 January 2021</b>	930,244,840	620,892,885	322,946	(251,580)	83,019,059	803,461,496	(7,158,957)	246,400	2,430,777,089	386,970	2,431,164,059
Transfer to statutory reserve	-	-	-	-	10,005,425	(10,005,425)	-	-	-	-	-
Profit for the year	-	-	-	-	-	300,126,975	-	-	300,126,975	48,193	300,175,168
Other comprehensive income (loss) for the year	-	-	-	-	-	(13,623,901)	8,681,161	1,367	(4,941,373)	55,166	(4,886,207)
Total comprehensive income for the year	-	-	-	-	10,005,425	276,497,649	8,681,161	1,367	295,185,602	103,359	295,288,961
Dividend paid	33	-	-	-	-	(34,882,382)	-	-	(34,882,382)	-	(34,882,382)
<b>Balance as at 31 December 2021</b>	930,244,840	620,892,885	322,946	(251,580)	93,024,484	1,045,076,763	1,522,204	247,767	2,691,080,309	490,329	2,691,570,638

The accompanying notes are an integral part of the financial statements

# Finansia Syrus Securities Public Company Limited and its subsidiary

## Statement of changes in owners' equity (continued)

For the year ended 31 December 2021

(Unit: Baht)

Note	Separate financial statements						Total owners' equity
	Issued and paid-up share capital	Share premium	Capital reserve for share-based payment transactions	Retained earnings		Other component of owners' equity	
				Appropriated - statutory reserve	Unappropriated	Gain on investments in equity instruments designated at fair value through other comprehensive income	
<b>Balance as at 1 January 2020</b>	930,244,840	620,892,885	322,946	78,640,769	698,059,161	-	2,328,160,601
Transfer to statutory reserve	-	-	-	4,378,290	(4,378,290)	-	-
Profit for the year	-	-	-	-	87,565,810	-	87,565,810
Other comprehensive income for the year	-	-	-	-	-	246,400	246,400
Total comprehensive income for the year	-	-	-	4,378,290	83,187,520	246,400	87,812,210
<b>Balance as at 31 December 2020</b>	930,244,840	620,892,885	322,946	83,019,059	781,246,681	246,400	2,415,972,811
<b>Balance as at 1 January 2021</b>	930,244,840	620,892,885	322,946	83,019,059	781,246,681	246,400	2,415,972,811
Transfer to statutory reserve	-	-	-	10,005,425	(10,005,425)	-	-
Profit for the year	-	-	-	-	296,427,359	-	296,427,359
Other comprehensive income (loss) for the year	-	-	-	-	(15,038,367)	1,367	(15,037,000)
Total comprehensive income for the year	-	-	-	10,005,425	271,383,567	1,367	281,390,359
Dividend paid	-	-	-	-	(34,882,382)	-	(34,882,382)
<b>Balance as at 31 December 2021</b>	930,244,840	620,892,885	322,946	93,024,484	1,017,747,866	247,767	2,662,480,788

The accompanying notes are an integral part of the financial statements



**Finansia Syrus Securities Public Company Limited and its subsidiary**

**Notes to consolidated financial statements**

**For the year ended 31 December 2021**

**1. General information**

**1.1 Company information**

Finansia Syrus Securities Public Company Limited (“the Company”) is a public company incorporated under Thai laws and domiciled in Thailand. Its major shareholders are Pilgrim Finansia Investment Holding Pte. Ltd. which held shares in the Company at the rates of 29.29% of the Company’s issued and paid-up share capital (2020: Finansia Fund Management Limited is a major shareholder which held shares in the Company at the rates of 29.29% of the Company’s issued and paid-up share capital). The Company’s registered address and head office are located at No. 999/9, 18th and 25th floors of The Offices at Centralworld, Rama 1 Road, Pathumwan Sub-district, Pathumwan District, Bangkok.

The Company has been operating its businesses in Thailand and undertaken business licenses as follows:

1. Securities brokerage
2. Securities trading
3. Investment advisory
4. Securities underwriting
5. Financial advisory
6. Derivatives brokerage
7. Securities borrowing and lending
8. Mutual fund management
9. Private fund management

As at 31 December 2021 and 2020, the Company had 24 branches and 25 branches, respectively.

## 2. Basis for preparation of financial statements

- 2.1 The financial statements have been prepared in accordance with Thai Financial Reporting Standards enunciated under the Accounting Professions Act B.E. 2547. The presentation of the financial statements has been made in compliance with the requirement of the Notification of the SEC relating to the format of the financial statements of securities companies (Version 3), No. SorThor. 6/2562 dated 8 January 2019.

The financial statements in Thai language are the official statutory financial statements of the Company. The financial statements in English language have been translated from the Thai language financial statements.

The financial statements have been prepared on a historical cost basis except where otherwise disclosed in the accounting policies.

## 2.2 Basis of consolidation

- (a) The consolidated financial statements included the financial statements of the Company and the following subsidiary company:

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			31 December 2021 (%)	31 December 2020 (%)
FSS International Investment Advisory Securities Company Limited	Advisory	Thailand	96.25	96.25

- (b) The Company is deemed to have control over an investee or a subsidiary if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns.
- (c) The subsidiary is fully consolidated as from the date of acquisition, being the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases.
- (d) The financial statements of the subsidiary are prepared using the same significant accounting policies as those of the Company.
- (e) Material balances and transactions between the Company and its subsidiary have been eliminated from the consolidated financial statements.

- (f) Non-controlling interests represent the portion of profit or loss and net assets of the subsidiary that are not held by the Company and are presented separately in the consolidated profit or loss and within owners' equity in the consolidated statement of financial position.
- (g) The net assets in the financial statements of an overseas associate are translated into Baht using the exchange rate prevailing at the end of the reporting periods. Profit or loss of the associate is translated using a monthly average exchange rate. The resulting differences are shown under the caption of "Exchange differences on translation of financial statements in foreign currency" and presented as a part of other component of owners' equity in the statements of financial position.

## **2.3 Separate financial statements**

The Company has prepared its separate financial statements, which present investments in a subsidiary and an associate under the cost method.

## **3. New financial reporting standards**

### **3.1 New financial reporting standards that became effective in the current year**

During the year, the Group has adopted the revised reporting standards and interpretations which are effective for fiscal year beginning on or after 1 January 2021. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards. The adoption of these financial reporting standard does not have any significant impact on the Group's financial statements.

### **3.2 Financial reporting standards that will become effective for fiscal years beginning on or after 1 January 2022**

The Federation of Accounting Professions issued a number of revised financial reporting standards, which are effective for fiscal years beginning on or after 1 January 2022. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and, for some standards, providing temporary reliefs or temporary exemptions for users.

The management of the Group believes that adoption of these amendments will not have any significant impact on the Group's financial statements.

## 4. Significant accounting policies

### 4.1 Revenue recognition

(a) Brokerage fees income

Brokerage fees income on securities and derivatives trading are recognised as revenue on the transaction dates.

(b) Fees and service income

Fees and service income are recognised as revenue, taking into account the stage of completion, which is measured based on service performed to date as a percentage of total service to be performed. Revenue is recognised when it is probable that the amount will be collected.

(c) Interest income

The Group recognises interest income using the effective interest rate method and recognised on an accrual basis.

The Group calculate interest income by applying the effective interest rate to the gross book value of financial assets. When financial assets are impaired, the Group calculate interest income using the effective interest rate, based on the net book value (gross book value less expected credit losses) of financial assets. If that financial assets are not credit impaired, the Group will calculate interest income on the original gross book value.

(d) Gain and return on financial instruments

*Gain (loss) on investments and derivatives*

Gain (loss) on investments and derivatives are recognised as income/expense on the transaction date.

*Dividend*

Dividend is recognised when the right to receive the dividend is established.

### 4.2 Expenses recognition

Expenses are recognised on an accrual basis.

Interest expense from financial liabilities at amortised cost is calculated using the effective interest method and recognised on an accrual basis.

### 4.3 Cash and cash equivalents

Cash and cash equivalents consist of cash on hand, all bank deposit accounts with an original maturity less than 3 months, short-term investments, promissory notes and term notes with an original maturity less than 3 months and exclude deposits used as collateral.

#### **4.4 Recognition and derecognition of customers' assets**

Cash received from customers on their cash balance accounts, credit balance accounts and derivatives trading accounts are recorded as assets and liabilities for internal control purposes. At the end of the reporting period, the Company excludes these amounts from its both assets and liabilities and presents only those belong to the Company.

#### **4.5 Receivables from/payables to Clearing House and broker-dealer**

Receivables from/payables to Clearing House and broker - dealer comprise the net receivable from/payables to Thailand Clearing House (TCH) for settlement of equity securities trading and derivatives trading, including cash collateral pledged with TCH for derivatives trading instruments and receivable/payables from overseas securities companies in respect of overseas securities trades settle through those companies.

#### **4.6 Securities and derivatives business receivables**

Securities and derivatives business receivables comprise the net securities and derivatives business receivables, and including related accrued interest receivables after deducting allowance for expected credit losses. In addition, securities business receivables comprise the net receivable balances of cash accounts, credit balance receivables for which the securities purchased are used as collateral, securities borrowing and lending receivables and guaranteed deposit receivables ( which comprise cash placed as guarantee from borrowers of securities) as well as other receivables such as overdue cash customer accounts and receivables which are subject to legal proceedings, are undergoing restructuring or are settling in installments.

#### **4.7 Securities borrowing and lending**

The Company is engaged in securities borrowing and lending, whereby the Company acts as an agent and the Company is the intermediary between the borrowers and lenders of securities.

The Company records its obligations to return borrowed securities which it has lent as "Payables under securities borrowing and lending business" presented under securities and derivatives business payables in the statement of financial position and securities lent to customers are recorded as "Receivables under securities borrowing and lending business" presented under securities and derivatives business receivables in the statement of financial position. At the end of the reporting period, the balance of payables/receivables under securities and lending business are adjusted based on the latest offer price quoted on the Stock Exchange of Thailand of the last working day. Gains or losses arising from such adjustment are included in part of profit or loss. In addition, the Company records cash paid as collateral for securities borrowing as "Guaranteed deposit receivables" and cash received as collateral for securities lending as "Guaranteed deposit payables" presented under securities and derivatives business receivables/payables, respectively. Fees from borrowing and lending are recognised on an accrual basis over the term of the lending.

## 4.8 Financial instruments

The Group initially measures financial assets at its fair value plus, in the case of financial assets that are not measured at fair value through profit or loss, transaction costs. However, accrued service income, that do not contain a significant financing component are measured at the transaction price as disclosed in the accounting policy relating to revenue recognition.

### The classification and measurement of financial assets and financial liabilities

#### Financial asset - debt instruments

The Group classify its financial assets - debt instruments as subsequently measured at amortised cost or fair value in accordance with the Group's business model for managing the financial assets and the contractual cash flows characteristics of the financial assets as follows:

- A financial asset measured at amortised cost only if both following conditions are met: the financial assets are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. These financial assets are initially recognised at fair value on trade date and subsequently measured at amortised cost and presented net of allowance for expected credit losses (if any). Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.
- A financial asset measured at fair value through other comprehensive income only if both following conditions are met: the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets as well as and the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. These financial assets are initially recognised at fair value and subsequently measured at fair value. The unrealised gains or losses from changes in their fair value are reported as a component of shareholders' equity through other comprehensive income until realised, after which such gains or losses on disposal of the instruments will be recognised as gain or losses in income statement. The gains or losses on foreign exchange, expected credit losses, and interest income which calculated using the effective interest rate method are recognised in profit or loss.

- A financial asset measured at fair value through profit or loss unless the financial assets are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows or the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. These financial assets are initially recognised at fair value and subsequently measured at fair value. Unrealised gains and losses from change in fair value, and gains and losses on disposal of instruments are recognised as gains (losses) on financial instruments measured at fair value through profit or loss.

#### Financial asset - equity instruments

The Group has classified investment in equity securities that not held for trading but held for strategic purposes or for securities with potential for high market volatility as the financial asset measured at fair value through other comprehensive income, where an irrevocable election has been made by the management. Such classification is determined on an instrument-by-instrument basis. Gains and losses arising from changes in fair value is recognised in other comprehensive income and not subsequently transferred to profit or loss when disposal, instead, it is transferred to retained earnings. Dividends on these investments are recognised in profit or loss, unless the dividends clearly represent a recovery of part of the cost of the investment, in which case, the gains are recognised in other comprehensive income.

#### Financial liabilities

The Group classifies financial liabilities as measured at amortised cost. Financial liabilities are initially recognised at fair value and subsequently measured at amortised cost except for payables under securities borrowing and lending business, derivative (losses) that measured at fair value through profit or loss.

#### **Offsetting**

Financial assets and financial liabilities are offset, and the net amount is presented in the statement of financial position when the Group has a legal right to offset the amounts and intends to settle on a net basis or to realise the asset and settle the liability simultaneously.

#### **Regular way purchases and sales of financial assets**

Regular way purchases and sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace are recognised on the trade date, i.e., the date on which the Group commits to purchase or sell the asset/the settlement date, i.e., the date on which an asset is delivered.

### **Derecognition of financial instruments**

Financial assets are recognised or derecognised on the trade date, i.e., the date on which the Group becomes a party to contractual provisions of the instrument/the settlement date, i.e., the date on which an asset is delivered to or by the Group. This includes regular way trades.

The Group derecognises a financial asset when the contractual cash flows from the asset expire or it transfers its rights to receive contractual cash flows on the financial asset in a transaction in which all or substantially all the risks and rewards of ownership are transferred. Any interest from transferred financial assets, which is created or retained by the Group, are still recognised as financial.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in profit or loss.

### **Write-off**

Debts that are determined to be irrecoverable are written off in the year in which the decision is taken. This is generally the case when the Group determines that the counterparties does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off are still subject to enforcement activities in order to comply with the Group's procedures for recovery of amount due.

## **4.9 Derivative**

### **(a) Derivative warrants**

The Company initially recognises the fair value of derivative warrants as financial liabilities. Unrealised gains or losses resulting from changes in the fair values of derivative warrants are recognised in profit or loss. The fair value of marketable derivative warrants is calculated with reference to the last offer price quoted on the Stock Exchange of Thailand on the last working day.

### **(b) Futures**

The Company initially recognises future at fair values. Gains or losses from changes in the fair value of future is included in profit or loss. The fair value of marketable futures is calculated with reference to the settlement prices quoted on Thailand Futures Exchange Public Company Limited on the last working day.



(c) Options

Options are recorded at fair value. Gains or losses from changes in the fair value of options is included in profit or loss. The fair value of marketable options is calculated with reference to the settlement prices quoted on Thailand Futures Exchange Public Company Limited on the last working day.

(d) Forward contracts

Forward contracts are recorded at fair value. Unrealised gains or losses on revaluation are included in determining income.

#### **4.10 Allowance for expected credit loss on financial assets**

The Group recognises expected credit losses of financial asset - debt instruments which are cash equivalents, receivables from clearing house and brokers, cash accounts, credit balance accounts, guarantee deposit receivables, derivatives business receivables, other securities and derivatives business receivables, investments in debt securities, and partially of other assets, which are measured at amortised cost or fair value through other comprehensive income using the General Approach. The Group recognises allowance for expected credit losses at the amount equal to the lifetime expected credit losses when there has been a significant increase in credit risk compared to initial recognition but that are not credit impaired, or credit impaired. However, when there has not been a significant increase in credit risk compared to initial recognition, the Group recognise allowance for expected credit losses at the amount equal to the expected credit losses in the next 12 months.

At every reporting date, the amount of allowance for expected credit losses will be reassessed to reflect changes in credit risk of financial assets since initial recognition of related financial instruments.

Measurement of expected credit loss is calculated from probability of default, possible loss given default and exposure at default, assessment of probability of default and loss given default depends on their historical loss experience, adjusts this for current observable data and plus on the reasonable and supportable forecasts of future economic conditions. Exposure at default is presented at gross amount of assets at reporting date. The Group has established the process to review and monitor methodologies, assumptions and forward-looking macroeconomics scenarios on a regular basis.

The allowance for expected credit losses on credit balance accounts is based on historical loss experience, adjusts this for specific factor and plus on forecasts of future economic conditions. In determining whether credit risk has increased significantly since initial recognition, the Group take into account the status of outstanding receivables and maintenance of required collateral values in the contract.

At every reporting date, the Group will determine whether credit risk of other debt instruments and deposit at financial institutions has increased significantly since initial recognition, by mainly taking into account internal and external credit rating of the counterparties as well as overdue status.

The Group assesses whether the credit risk has increased significantly from the date of initial recognition on an individual or collective basis. In order to perform collective evaluation of impairment, the Group classifies financial assets on the basis of shared credit risk characteristics, such as the type of instrument, internal credit rating, overdue status, and other relevant factors.

Financial assets are assessed to be credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the counterparties have occurred, there are indications that the borrower is experiencing significant financial difficulties, or there is a breach of contract, as well as delinquency.

For accrued fee and service income and partial other assets, the Group consider using a simplified approach to determine expected credit losses over the expected life.

Increase (decrease) in an allowance for expected credit losses is recognised as expenses during the year in profit or loss. In the case, the Group receives money from its receivables which are written-off, the Group will credit against expected credit losses in profit or loss.

#### **4.11 Investments in a subsidiary and an associate**

(a) Consolidated financial statements

Investments in an associate are accounted for in the consolidated financial statements using the equity method.

(b) Separate financial statements

Investments in a subsidiary and an associate are stated in the separate financial statements at cost net of allowance for impairment loss (if any).

#### **4.12 Equipment and depreciation**

Equipment is stated at cost less accumulated depreciation and allowance for impairment (if any).

Depreciation of equipment is calculated by reference to their cost on the straight-line method over the following estimated useful life:

Office equipment	5 years
Furniture and fixtures	5 years
Motor vehicles	5 years
Leasehold improvement	14 years

No depreciation is provided for equipment under installation.

Depreciation is included in profit or loss.

An item of equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on disposal of an asset is included in profit or loss when the asset is derecognised.

#### 4.13 Leases

At inception of contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Group applied a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. At the commencement date of the lease (i.e. the date the underlying asset is available for use), the Group recognises right-of-use assets representing the right to use underlying assets and lease liabilities based on lease payments.

##### *Right-of-use assets*

Right-of-use assets are measured at cost, less accumulated depreciation, any accumulated impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities initially recognised, initial direct costs incurred, and lease payments made at or before the commencement date of the lease, and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located less any lease incentives received.

Depreciation of right-of-use assets is calculated by reference to their costs, on the straight-line basis over the shorter of the lease term estimation and the estimated useful lives as follows:

Building and leasehold improvement	2 - 14 years
Office equipment	2 years
Motor vehicles	2 - 5 years

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost of such asset reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

***Lease liabilities***

Lease liabilities are measured at the present value of the lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be payable under residual value guarantees. Moreover, the lease payments include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising an option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the year in which the event or condition that triggers the payment occurs.

The Group discounted the present value of the lease payments by the interest rate implicit in the lease or the Group's incremental borrowing rate. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

***Short-term leases and leases of low-value assets***

A lease that has a lease term less than or equal to 12 months from commencement date or a lease of low-value assets is recognised as expenses on a straight-line basis over the lease term.

**4.14 Intangible assets and amortisation**

Intangible assets are recognised at cost. Following the initial recognition, intangible assets are carried at cost less any accumulated amortisation and allowance for impairment (if any).

Intangible assets with finite life are amortised on the straight-line basis over the economic useful lives and tested for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method of such intangible assets are reviewed at least at each financial year end. The amortisation expense is charged to profit or loss.

Intangible assets with finite useful life are amortised on the straight-line basis over the estimated period of their economic benefits as follows:

Futures Exchange membership fee	10 years
Retail brokerage business acquisition cost	2 years
Computer softwares	5 -15 years
Right to use system	5 years

No amortisation is provided for computer softwares under development and exchange membership fee.

#### **4.15 Impairment of non-financial asset**

At the end of each reporting period, the Group perform impairment reviews in respect of equipment other intangible assets and right-of-use assets whenever events or changes in circumstances indicate that an asset may be impaired. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount.

An impairment loss is recognised in profit or loss.

#### **4.16 Income tax**

Income tax represent the sum of corporate income tax currently payable and deferred tax.

##### **Current tax**

Current income tax is provided in the accounts at the amount expected to be paid to the taxation authorities, based on taxable profits determined in accordance with tax legislation.

##### **Deferred tax**

Deferred income tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts at the end of each reporting period, using the tax rates enacted at the end of the reporting period.

The Group recognise deferred tax liabilities for all taxable temporary differences while they recognise deferred tax assets for all deductible temporary differences and tax losses brought forward to the extent that it is probable that future taxable profit will be available against which such deductible temporary differences and tax losses brought forward can be utilised.

At each reporting date, the Group review and reduce the carrying amount of deferred tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax assets to be utilised.

The Group record deferred income tax directly to owners' equity if the taxes relate to items that are recorded directly to owners' equity.

#### **4.17 Borrowings from financial institution**

Borrowings from financial institution is recognised initially at the fair value of the proceeds received. Borrowings from financial institution is subsequently stated at amortised cost, using the effective interest method. Any difference between proceeds and the redemption value is recognised in the statements of comprehensive income over the period of the borrowings.

#### **4.18 Securities and derivatives business payables**

Securities and derivatives business payables are the obligations of the Company in respect of its securities and derivatives business with outside parties, such as the net payable balances of cash accounts, securities delivery obligations as a result of short sales and obligations to return assets held by the Company as collateral for securities lending.

#### **4.19 Employee benefits**

##### **(a) Short-term employee benefits**

Salaries, wages, bonuses and contributions to the social security fund are recognised as expenses when incurred.

##### **(b) Post-employment benefits**

###### Defined contribution plan

The Group and their employees have jointly established a provident fund. The fund is monthly contributed by employees and by the Group. The fund's assets are held in a separate trust fund and contributions of the Group are recognised as expenses when incurred.

###### Defined benefit plan

The Group have obligations in respect of the severance payments they must make to employees upon retirement under labor law. The Group treat these severance payment obligations as a defined benefit plan.

The obligation under the defined benefit plan is determined by a professionally qualified independent actuary based on actuarial techniques, using the projected unit credit method.

Actuarial gains and losses arising from the defined benefit plan are recognised in other comprehensive income or loss.

#### **4.20 Debt issued**

Debt issued are initially recognised at the fair value of the proceeds received. Debt issued are subsequently measured at amortised cost, using the effective interest method. Any difference between proceeds and the redemption value is recognised in the statements of comprehensive income over the period of the borrowings.

#### **4.21 Provisions for liabilities**

Provisions are recognised when the Group have a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

#### **4.22 Related party transactions**

Related parties comprise individuals or enterprises and individuals that control, or are controlled by the Group, whether directly or indirectly, or which are under common control with the Group.

They also include associated companies and individuals or enterprises which directly or indirectly own a voting interest in the Group that give them significant influence over the Group, key management personnel, directors and officers with authority in the planning and direction of the Group's operations, together with closed family members of such persons and companies which are controlled or influenced by them, whether directly or indirectly.

#### **4.23 Foreign currencies**

The consolidated and separate financial statements are presented in Baht, which is also the Group's functional currency. Items of each entity included in the consolidated financial statements are measured using the functional currency of each entity.

Transactions in foreign currencies are translated into Baht at the exchange rate ruling at the date of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated into Baht at the exchange rate ruling at the end of reporting periods.

Gains and losses on exchange are included in profit or loss.

#### **4.24 Fair value measurement**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between buyer and seller (market participants) at the measurement date. The Group apply a quoted market price in an active market to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards. Except in case of no active market of an identical asset or liability or when a quoted market price is not available, the Group measure fair value using valuation techniques that are appropriate in the circumstances and maximises the use of relevant observable inputs related to assets and liabilities that are required to be measured at fair value.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy into three levels based on categorisation of input to be used in fair value measurement as follows:

- Level 1      Use of quoted market prices in an observable active market for such assets or liabilities
- Level 2      Use of other observable inputs for such assets or liabilities, whether directly or indirectly
- Level 3      Use of unobservable inputs such as estimates of future cash flows

At the end of each reporting period, the Group determine whether transfers have occurred between levels within the fair value hierarchy for assets and liabilities held at the end of the reporting period that are measured at fair value on a recurring basis.

### **5. Significant accounting judgements and estimates**

The preparation of financial statements in conformity with financial reporting standards at times requires management to make subjective judgements and estimates regarding matters that are inherently uncertain. These judgements and estimates affect reported amounts and disclosures, and actual results could differ from these estimates. Significant judgements and estimates are as follows:

#### **5.1 Recognition and derecognition of assets and liabilities**

In considering whether to recognise or to derecognise assets or liabilities, the management is required to make judgement on whether significant risk and rewards of those assets or liabilities have been transferred, based on their best knowledge of the current events and arrangements.



## **5.2 Allowance for expected credit losses on financial assets**

The management is required to use judgement in estimation in determining the allowance for expected credit losses of financial assets. The calculation of allowance for expected credit losses of the Group is based on the criteria of assessing if there has been a significant increase in credit risk, the development of complex expected credit losses model, analysis of collective and individual receivables status including the choice of inputs the forecasted macroeconomic variables in the model. This estimation has various relevant factors; therefore, the actual results may differ from estimates.

## **5.3 Equipment and depreciation**

In determining depreciation of equipment, the management is required to make estimates of the useful life and residual values of equipment and to review estimated useful life and residual values when there are any changes.

In addition, the management is required to review equipment for impairment on a periodical basis and record impairment losses in the period when it is determined that their recoverable amount is lower than their carrying cost. This requires judgements regarding forecast of future revenues and expenses relating to the assets subject to the review.

## **5.4 Determining the lease term of contracts with renewal and termination options**

In determining the lease term, the management is required to use judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease considering all relevant facts and circumstances that create an economic incentive for it to exercise either the renewal or termination.

## **5.5 Estimating the incremental borrowing rate**

The Group cannot readily determine the interest rate implicit in the lease, therefore, the management is required to exercise judgement in estimating its incremental borrowing rate to discount lease liabilities. The incremental borrowing rate is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

## **5.6 Intangible assets**

The initial recognition and measurement of intangible assets and subsequent impairment testing require management to make estimates of cash flows to be generated by the asset or the cash generating units and to choose a suitable discount rate in order to calculate the present value of those cash flows.

## **5.7 Deferred tax assets**

Deferred tax assets are recognised for deductible temporary differences and unused tax losses to the extent that it is probable that taxable profit will be available against which the temporary differences and losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of estimated future taxable profits.

## **5.8 Post-employment benefit under defined benefit plans**

The obligation under the defined benefit plan is determined based on actuarial techniques. Such determination is made based on various assumptions, including discount rate, future salary incremental rate, mortality rate and staff turnover rate.

## **5.9 Fair value of financial instruments**

In determining the fair value of financial instruments recognised in the statement of financial position that are not actively traded and for which quoted market prices are not readily available, the management exercise judgement, using a variety of valuation techniques and models. The input to these models is taken from observable markets, and includes consideration of credit risk, liquidity, correlation and longer-term volatility of financial instruments. Change in assumptions about these could affect the fair value recognised in the statements of financial position and disclosures of fair value hierarchy.

## **5.10 Litigation**

The Group have contingent liabilities as a result of litigation whereby the management have used judgement to assess the outcome of the litigation cases. In case where the management believe that loss will not be incurred, no contingent liabilities will be recorded for such cases.

## 6. Cash and cash equivalents

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	31 December 2021	31 December 2020	31 December 2021	31 December 2020
Cash, short-term deposits, short-term note receivables and short-term investments with original maturity periods of less than 3 months	2,333,189	1,743,884	2,309,569	1,725,855
Less: Cash deposits held for customers	(2,147,026)	(1,522,278)	(2,147,026)	(1,522,278)
Less: Allowance for expected credit loss	(176)	(38)	(176)	(38)
Cash and cash equivalents	185,987	221,568	162,367	203,539

## Supplemental cash flows information

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	For the years ended 31 December			
	2021	2020	2021	2020
Non-cash items:				
Purchase of equipment and intangible assets on credit	36	12,476	36	12,476
Increasing of right-of-use assets and lease liabilities	46,148	126,691	46,148	125,477

## 7. Receivables from Clearing House and broker-dealers

(Unit: Thousand Baht)

	Consolidated and separate financial statements	
	31 December 2021	31 December 2020
Receivables from Clearing House	1,091,286	523,969
Receivables from overseas securities companies	474,425	278,096
Receivables from securities company	518	5,311
Less: Receivables from Clearing House held for customers' account	(205,956)	(311,480)
Less: Receivables from overseas securities companies for customers' account	(488,274)	(213,481)
Receivables from Clearing House and broker-dealers	871,999	282,415

## 8. Securities and derivatives business receivables

(Unit: Thousand Baht)

	Consolidated and separate financial statements	
	31 December 2021	31 December 2020
<b><u>Securities business receivables</u></b>		
Cash accounts	2,239,710	2,374,751
Credit balance accounts	1,966,260	1,161,614
Collateral receivables	103,298	94,933
Receivables under securities borrowing and lending business	13,430	50,815
Other receivables	9,899	10,738
Total securities business receivables	4,332,597	3,692,851
Add: Accrued interest receivables	9,130	4,466
Less: Allowance for expected credit losses	(8,148)	(8,148)
Securities business receivables	4,333,579	3,689,169
<b><u>Derivatives business receivables</u></b>		
Derivatives business receivables	8,340	71,307
Other receivables	5,949	6,003
Less: Allowance for expected credit losses	(7,949)	(7,003)
Derivatives business receivable	6,340	70,307
<b>Securities and derivatives business receivables</b>	<b>4,339,919</b>	<b>3,759,476</b>

## 8.1 Classification of securities and derivatives business receivables

As at 31 December 2021 and 2020, classification is as follows:

	(Unit: Thousand Baht)		
	Consolidated and separate financial statements		
	31 December 2021		
	Securities and derivatives business receivables and accrued interest	Exposure at Default	Allowance for expected credit loss
<b>Securities business receivables</b>			
Performing loans	4,331,828	4,331,828	-
Under-performing loans	-	-	-
Credit impaired loans	9,899	9,899	(8,148)
Total securities business receivables	4,341,727	4,341,727	(8,148)
<b>Derivatives business receivables</b>			
Performing loans	8,340	8,340	(2,000)
Under-performing loans	-	-	-
Credit impaired loans	5,949	5,949	(5,949)
Total derivatives business receivables	14,289	14,289	(7,949)
<b>Total securities and derivatives business receivables</b>	<b>4,356,016</b>	<b>4,356,016</b>	<b>(16,097)</b>
	(Unit: Thousand Baht)		
	Consolidated and separate financial statements		
	31 December 2020		
	Securities and derivatives business receivables and accrued interest	Exposure at Default	Allowance for expected credit loss
<b>Securities business receivables</b>			
Performing loans	3,686,579	3,686,579	-
Under-performing loans	-	-	-
Credit impaired loans	10,738	10,738	(8,148)
Total securities business receivables	3,697,317	3,697,317	(8,148)
<b>Derivatives business receivables</b>			
Performing loans	71,307	71,307	(1,000)
Under-performing loans	-	-	-
Credit impaired loans	6,003	6,003	(6,003)
Total derivatives business receivables	77,310	77,310	(7,003)
<b>Total securities and derivatives business receivables</b>	<b>3,774,627</b>	<b>3,774,627</b>	<b>(15,151)</b>

## 9. Derivatives assets and derivatives liabilities

(Unit: Thousand Baht)

	Consolidated and separate financial statements			
	31 December 2021			
	Assets		Liabilities	
	Fair value	Notional amount	Fair value	Notional amount
<b>Type of risk</b>				
Equity price				
- Derivatives warrants	-	-	16,532	780,065
- Futures <sup>(1)</sup>	-	305,923	-	456,029
- Options	5,748	119,770	2,035	123,595
<b>Total</b>	<b>5,748</b>	<b>425,693</b>	<b>18,567</b>	<b>1,359,689</b>

<sup>(1)</sup> Futures contracts are cash settlement. Real exposure is a difference between cost of futures contracts and underlying assets level on settlement date. For the fair value of outstanding futures contracts as at 31 December 2021; the fair value of derivative assets and liabilities for futures contracts are Baht 7 million and Baht 10 million, respectively included in "Receivables from Clearing House and broker-dealers".

(Unit: Thousand Baht)

	Consolidated and separate financial statements			
	31 December 2020			
	Assets		Liabilities	
	Fair value	Notional amount	Fair value	Notional amount
<b>Type of risk</b>				
Equity price				
- Derivatives warrants	-	-	22,966	4,032,458
- Futures <sup>(1)</sup>	-	640,661	-	239,150
- Options	686	10,655	418	12,235
<b>Total</b>	<b>686</b>	<b>651,316</b>	<b>23,384</b>	<b>4,283,843</b>

<sup>(1)</sup> Futures contracts are cash settlement. Real exposure is a difference between cost of futures contracts and underlying assets level on settlement date. For the fair value of outstanding futures contracts as at 31 December 2020; the fair value of derivative assets and liabilities for futures contracts are Baht 32 million and Baht 2 million, respectively included in "Receivables from Clearing House and broker-dealers".

Delivery method of the derivatives warrants is cash settlement between the close price of the underlying asset as quoted on the last trading date and the exercise price.

**10. Investments****10.1 Cost and fair value**

(Unit: Thousand Baht)

	Consolidated and separate financial statements	
	31 December 2021	31 December 2020
	Fair value/ Amortised cost	Fair value/ Amortised cost
<b>Non-collateralised investments</b>		
<b><u>Fair value</u></b>		
<b>Investments measured at fair value through profit or loss</b>		
<b>Trading securities</b>		
Marketable equity instruments in domestic market at fair value	710,917	704,428
Unit trusts	50,009	-
Less: Investments held for customers	(50,009)	-
Total	710,917	704,428
<b>Investments measured at fair value through other comprehensive income</b>		
Non-marketable equity instruments in domestic market	3,191	3,190
Total	3,191	3,190
 <b><u>Amortised cost</u></b>		
<b>Investments measured at amortised cost</b>		
Fixed deposits	2,900,097	2,101,295
Bank of Thailand bond	3,916,314	1,478,177
Less: Investments held for customers	(6,816,411)	(3,579,472)
Total	-	-
<b>Investments</b>	<b>714,108</b>	<b>707,618</b>

## 10.2 Investments in deposits at financial institutions and investments in debt securities classified by remaining periods of contracts

(Unit: Thousand Baht)

	Consolidated and separate financial statements			
	31 December 2021			
	Within 1 year	1 - 5 years	No maturity	Total
<b>Investments measured at amortised cost</b>				
Fixed deposits	2,900,097	-	-	2,900,097
Bank of Thailand bond	3,916,314	-	-	3,916,314
Less: Investments held for customers	(6,816,411)	-	-	(6,816,411)
<b>Total</b>	-	-	-	-

(Unit: Thousand Baht)

	Consolidated and separate financial statements			
	31 December 2020			
	Within 1 year	1 - 5 years	No maturity	Total
<b>Investments measured at amortised cost</b>				
Fixed deposits	2,101,295	-	-	2,101,295
Bank of Thailand bonds	1,478,177	-	-	1,478,177
Less: Investments held for customers	(3,579,472)	-	-	(3,579,472)
<b>Total</b>	-	-	-	-



### 10.3 Investments in equity instruments designated at fair value through other comprehensive income

(Unit: Thousand Baht)

Consolidated and separate financial statements					
31 December 2021					
Investments	Reason for use of alternative in presentation as mentioned	Fair value	Dividend received	Retained earning or retained losses transferred in owner's equity	Reason to transfer
Securities Industry	Intend to held for long-term	2,330	44	-	-
Others	Intend to held for long-term	861	-	-	-
Total		3,191	44	-	

(Unit: Thousand Baht)

Consolidated and separate financial statements					
31 December 2020					
Investments	Reason for use of alternative in presentation as mentioned	Fair value	Dividend received	Retained earning or retained losses transferred in owner's equity	Reason to transfer
Securities Industry	Intend to held for long-term	2,308	64	-	-
Others	Intend to held for long-term	882	-	-	-
Total		3,190	64	-	

## 11. Investments in a subsidiary and an associate

### 11.1 Details of investments in a subsidiary and an associate

Investments in a subsidiary and an associate as at 31 December 2021 and 2020 were as follows:

Consolidated financial statements							
Company's name	Nature of business	Country of incorporation	Type of investment	Percentage of shareholding		Investment value under equity method	
				31 December	31 December	31 December	31 December
				2021	2020	2021	2020
				(%)	(%)	(Thousand Baht)	(Thousand Baht)
<b>Associate</b>							
SBI Royal Securities Plc.	Securities	Cambodia	Equity securities	20.01	20.01	135,122	121,190
Total Investment in an associate						135,122	121,190
Separate financial statements							
Company's name	Nature of business	Country of incorporation	Type of investment	Percentage of shareholding		Investment value under cost method	
				31 December	31 December	31 December	31 December
				2021	2020	2021	2020
				(%)	(%)	(Thousand Baht)	(Thousand Baht)
<b>Subsidiary</b>							
FSS International Investment Advisory Securities Co., Ltd.	Advisory	Thailand	Equity securities	96.25	96.25	7,700	7,700
Total Investment in a subsidiary						7,700	7,700
<b>Associate</b>							
SBI Royal Securities Plc.	Securities	Cambodia	Equity securities	20.01	20.01	105,462	105,462
Total Investment in an associate						105,462	105,462
Total investments in a subsidiary and an associate						113,162	113,162

### 11.2 Share of gain (loss) and dividend income from an associate

(Unit: Thousand Baht)

Company's name	Consolidated financial statements				Separate financial statements	
	Share of gain (loss) from investments in an associate		Shares of other comprehensive income (loss) from investments in an associate		Dividend received during the years ended 31 December	
	for the years ended 31 December		for the years ended 31 December		years ended 31 December	
	2021	2020	2021	2020	2021	2020
<b>Associate</b>						
SBI Royal Securities Plc.	3,080	5,263	10,852	(483)	-	-
Total	3,080	5,263	10,852	(483)	-	-

During the years ended 31 December 2021 and 2020, the Company recognised shares of gain (loss) from the associate under equity method based on financial information, as prepared by the associate's management. The Company already received the 2020 financial statements of the associate which were audited by the associate's auditors, and showed the amounts that are not significantly different from the financial information prepared by the associate's management used in recognition of share of comprehensive income in that year.

### 11.3 Summarised financial information about material associate

#### Summarised information from statements of financial position

(Unit: Million Baht)

	Associate	
	SBI Royal Securities Plc.	
	31 December 2021	31 December 2020
Cash and cash equivalents	503	433
Other current assets	13	13
Non-current assets	35	31
Current liabilities	(7)	(2)
Net assets	544	475
Shareholding percentage	20.01	20.01
The Company's equity interest in the investments' net assets	110	96
Goodwill	25	25
Total investment values	135	121
Carrying values of investments in an associate (under equity method)	135	121

#### Summarised information from statements of comprehensive income

(Unit: Million Baht)

	Associate	
	SBI Royal Securities Plc.	
	For the years ended 31 December	
	2021	2020
Revenues	45	49
Profit for the year	15	26
Other comprehensive income for the year	-	-
Total comprehensive income for the year	15	26

## 12. Allowance for expected credit losses

	(Unit: Thousand Baht)	
	Consolidated and separate financial statements	
	31 December 2021	31 December 2020
<u>Allowance for expected credit losses of accounts</u>		
Cash and cash equivalents	176	38
Securities and derivatives business receivables	16,097	15,151
Other assets	2,856	2,856
<b>Total</b>	<b>19,129</b>	<b>18,045</b>

As at 31 December 2021 and 2020 Expected Credit Losses of securities and derivatives business receivables are as follows:

	(Unit: Thousand Baht)			
	Consolidated and separate financial statements			
	31 December 2021			
	Allowance for expected credit losses			Total
	12-month ECL	Lifetime ECL - not credit impaired	Lifetime ECL - credit impaired	
Beginning balance	1,000	-	14,151	15,151
Changes from revaluation of expected credit losses	-	-	(54)	(54)
Others	1,000	-	-	1,000
Ending balance	2,000	-	14,097	16,097

	(Unit: Thousand Baht)				
	Consolidated and separate financial statements				
	31 December 2020				
	Allowance for expected credit losses			Allowance for doubtful accounts	Total
	12-month ECL	Lifetime ECL - not credit impaired	Lifetime ECL - credit impaired		
Beginning balance	-	-	-	6,118	6,118
Changes from adoption of new accounting standards	-	-	6,118	(6,118)	-
Changes from revaluation of expected credit losses	-	-	8,033	-	8,033
Others	1,000	-	-	-	1,000
Ending balance	1,000	-	14,151	-	15,151

**13. Equipment**

(Unit: Thousand Baht)

Consolidated and separate financial statements						
	Office equipment	Furniture and fixtures	Leasehold improvement	Motor vehicles	Equipment under installation	Total
<b>Cost</b>						
1 January 2020	286,133	177,051	-	10,885	1,716	475,785
Additions	12,555	7,572	30,156	-	7,967	58,250
Disposals/write-off	(12,549)	(18,174)	-	-	-	(30,723)
Transfers in (out)	3,349	(4,904)	8,853	-	(7,298)	-
31 December 2020	289,488	161,545	39,009	10,885	2,385	503,312
Additions	20,980	4,027	470	-	3,802	29,279
Disposals/write-off	(23,218)	(14,194)	-	(8,745)	-	(46,157)
Transfers in (out)	1,777	1,383	1,363	-	(4,523)	-
31 December 2021	289,027	152,761	40,842	2,140	1,664	486,434
<b>Accumulated depreciation</b>						
1 January 2020	233,613	161,563	-	10,885	-	406,061
Depreciation for the year	18,861	5,715	236	-	-	24,812
Accumulated depreciation on disposals/write-off	(12,549)	(14,581)	-	-	-	(27,130)
31 December 2020	239,925	152,697	236	10,885	-	403,743
Depreciation for the year	22,655	4,397	2,885	-	-	29,937
Accumulated depreciation on disposal/write-off	(22,339)	(14,194)	-	(8,745)	-	(45,278)
31 December 2021	240,241	142,900	3,121	2,140	-	388,402
<b>Net book value</b>						
31 December 2020	49,563	8,848	38,773	-	2,385	99,569
31 December 2021	48,786	9,861	37,721	-	1,664	98,032
<b>Depreciation for the year ended</b>						
31 December 2020						24,812
31 December 2021						29,937

As at 31 December 2021 and 2020, certain equipment items have been fully depreciated but are still in use. The original costs, before deducting accumulated depreciation and allowance for impairment loss, of these assets amounted to approximately Baht 307 million and Baht 341 million, respectively.

**14. Lease**

The Group has lease contracts for used in its operation. Lease generally have lease terms between 1 - 14 years.

**14.1 Right-of-use assets**

Movement of right-of-use assets for the year ended 31 December 2021 and 2020 is summarised.

(Unit: Thousand Baht)

	Consolidated financial statements			
	Building	Office equipment	Motor vehicles	Total
<b>Cost</b>				
1 January 2020	207,795	-	30,274	238,069
Additions	118,204	1,141	7,346	126,691
Written-off	(8,527)	-	-	(8,527)
31 December 2020	317,472	1,141	37,620	356,233
Additions	31,656	-	14,493	46,149
Written-off	(43,658)	-	(4,931)	(48,589)
31 December 2021	305,470	1,141	47,182	353,793
<b>Accumulated depreciation</b>				
1 January 2020	-	-	-	-
Depreciation for the year	65,844	435	11,714	77,993
Written-off	(1,120)	-	-	(1,120)
31 December 2020	64,724	435	11,714	76,873
Depreciation for the year	63,443	437	12,177	76,057
Written-off	(43,658)	-	(4,931)	(48,589)
31 December 2021	84,509	872	18,960	104,341
<b>Net book value</b>				
31 December 2020	252,748	706	25,906	279,360
31 December 2021	220,961	269	28,222	249,452

(Unit: Thousand Baht)

	Separate financial statements			
	Building	Office equipment	Motor vehicles	Total
<b>Cost</b>				
1 January 2020	207,795	-	30,274	238,069
Additions	118,204	1,141	6,132	125,477
Written-off	(8,527)	-	-	(8,527)
31 December 2020	317,472	1,141	36,406	355,019
Additions	31,656	-	14,493	46,149
Written-off	(43,658)	-	(4,931)	(48,589)
31 December 2021	305,470	1,141	45,968	352,579
<b>Accumulated depreciation</b>				
1 January 2020	-	-	-	-
Depreciation for the year	65,844	435	11,557	77,836
Written-off	(1,120)	-	-	(1,120)
31 December 2020	64,724	435	11,557	76,716
Depreciation for the year	63,443	437	11,873	75,753
Written-off	(43,658)	-	(4,931)	(48,589)
31 December 2021	84,509	872	18,499	103,880
<b>Net book value</b>				
31 December 2020	252,748	706	24,849	278,303
31 December 2021	220,961	269	27,469	248,699

## 14.2 Lease liabilities

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	31 December 2021	31 December 2020	31 December 2021	31 December 2020
Lease Liabilities	171,803	196,805	170,986	195,660
Less: Deferred interest expenses	(11,804)	(16,589)	(11,764)	(16,512)
Total	159,999	180,216	159,222	179,148

A maturity analysis of lease payments is disclosed in Note 37 under the liquidity risk.

## 14.3 Expenses relating to lease that are recognised in profit or loss

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	For the years ended 31 December			
	2021	2020	2021	2020
Depreciation expense of right-of-use assets	76,057	78,084	75,753	77,927
Interest expense on lease liabilities	7,201	7,210	7,164	7,187
Expense relating to short-term leases	10,640	10,414	10,411	9,966
Total	93,898	95,708	93,328	95,080

The Group had total cash outflows for leases for the years ended 31 December 2021 and 2020 of Baht 80 million (separate financial statement: Baht 80 million) (2020: Baht 157 million in the consolidated financial statement and Baht 156 million in the separate financial statement).



## 15. Intangible assets

(Unit: Thousand Baht)

	Consolidated and separate financial statements				Total
	Exchange and future exchange membership fee	Retail brokerage business acquisition cost	Computer software	Computer software under development	
<b>Cost</b>					
1 January 2020	6,605	6,384	412,558	6,609	432,156
Additions	-	-	2,385	5,592	7,977
Transfers in (out)	-	-	5,612	(5,612)	-
31 December 2020	6,605	6,384	420,555	6,589	440,133
Additions	-	-	2,336	7,349	9,685
Write-off	-	-	(2,459)	-	(2,459)
Transfer in (out)	-	-	5,331	(5,331)	-
31 December 2021	6,605	6,384	425,763	8,607	447,359
<b>Accumulated amortisation</b>					
1 January 2020	5,000	6,384	174,309	-	185,693
Amortisation for the year	-	-	39,768	-	39,768
31 December 2020	5,000	6,384	214,077	-	225,461
Amortisation for the year	-	-	38,930	-	38,930
Write-off	-	-	(2,459)	-	(2,459)
31 December 2021	5,000	6,384	250,548	-	261,932
<b>Net book value</b>					
31 December 2020	1,605	-	206,478	6,589	214,672
31 December 2021	1,605	-	175,215	8,607	185,427
<b>Amortisation for the year ended</b>					
31 December 2020					39,768
31 December 2021					38,930

As at 31 December 2021 and 2020, certain computer software items have been fully amortised but are still in use. The original costs, before deducting accumulated summarised, of these assets amounted to Baht 113 million and Baht 109 million, respectively.

## 16. Deferred tax assets and income tax

### 16.1 Deferred tax assets

Deferred tax assets consisted of tax effects on the following temporary differences:

(Unit: Thousand Baht)

	Consolidated financial statements			
	31 December 2021	31 December 2020	Changes in deferred income taxes reported in the statements of comprehensive income	
			For the years ended 31 December	
			2021	2020
<b>Deferred tax assets arose from:</b>				
Allowance for expected credit losses	4,073	3,401	672	2,219
Share of profit from investments in an associate	(5,932)	(3,146)	(2,786)	(956)
Provision for long-term employee benefits	18,083	14,663	3,420	1,764
Unrealised (gain) loss on revaluation of investments and derivatives	765	12,041	(11,276)	13,544
Unutilised tax loss	-	849	(849)	(41,452)
Others	13,744	9,621	4,123	2,685
<b>Deferred tax assets</b>	<b>30,733</b>	<b>37,429</b>	<b>(6,696)</b>	<b>(22,196)</b>
Recognised as income tax revenue (expenses):				
- Recognised in profit or loss			(7,918)	(22,231)
- Recognised in other comprehensive income			1,222	35
<b>Total</b>			<b>(6,696)</b>	<b>(22,196)</b>

(Unit: Thousand Baht)

	Separate financial statements			
	31 December 2021	31 December 2020	Changes in deferred income taxes reported in the statements of comprehensive income	
			For the years ended 31 December	
			2021	2020
<b>Deferred tax assets arose from:</b>				
Allowance for expected credit losses	4,073	3,401	672	2,219
Provision for long-term employee benefits	17,720	14,068	3,652	1,538
Unrealised (gain) loss on revaluation of investments and derivatives	765	12,041	(11,276)	13,544
Unutilised tax loss	-	849	(849)	(41,452)
Others	13,739	9,618	4,121	2,682
<b>Deferred tax assets</b>	<b>36,297</b>	<b>39,977</b>	<b>(3,680)</b>	<b>(21,469)</b>
Recognised as income tax revenue (expenses):				
- Recognised in profit or loss			(7,440)	(21,407)
- Recognised in other comprehensive income			3,760	(62)
<b>Total</b>			<b>(3,680)</b>	<b>(21,469)</b>

**16.2 Income tax**

Income tax for the years ended 31 December 2021 and 2020 are made up as follows:

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	For the years ended 31 December			
	2021	2020	2021	2020
<b>Current income tax</b>				
Current income tax charge	(67,904)	-	(67,904)	-
<b>Deferred tax</b>				
Relating to origination and reversal of temporary differences	(7,918)	(22,231)	(7,440)	(21,407)
Income tax reported in the statements of comprehensive income	(75,822)	(22,231)	(75,344)	(21,407)

Reconciliations between income tax and the product of accounting profits and the applicable tax rate are as follows:

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	For the years ended 31 December			
	2021	2020	2021	2020
Accounting profit before tax	375,997	104,287	371,772	108,973
Applicable tax rate	20%	20%	20%	20%
Accounting profit before tax multiplied by income tax rate	(75,200)	(20,857)	(74,354)	(21,795)
Effects of:				
Revenue or expense that are not taxable or not deductible in determining taxable profits	(996)	392	(990)	388
Tax losses not recognised as deferred tax assets	374	(1,766)	-	-
Income tax reported in the statements of comprehensive income	(75,822)	(22,231)	(75,344)	(21,407)

As at 31 December 2021, the subsidiary has unused tax losses totaling Baht 7 million, on which deferred tax assets have not been recognised because there is an uncertainty in future taxable profits of the subsidiary which may not be sufficient to allow utilisation of the unused tax losses.

That unused tax losses will gradually expire by 2025.

**17. Other assets**

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	31 December 2021	31 December 2020	31 December 2021	31 December 2020
Interest receivables	5,905	9,644	5,905	9,644
Prepaid expenses	32,489	26,313	32,309	26,070
Deposits	15,814	20,980	15,813	20,979
Contribution to the compensation fund for clearing and securities delivery system	135,182	115,461	135,182	115,461
Deposit asset for protecting the clearing system	5,000	5,000	5,000	5,000
Advances paid	3,217	8,143	3,217	8,118
Dividend receivables	238	336	238	336
Other receivable - related party	-	-	-	705
Withholding tax receivables	13,491	18,640	10,225	16,217
Others	12,234	8,914	12,234	8,913
<b>Total</b>	<b>223,570</b>	<b>213,431</b>	<b>220,123</b>	<b>211,443</b>
Less: Allowance for expected credit losses	(2,856)	(2,856)	(2,856)	(2,856)
<b>Other assets</b>	<b>220,714</b>	<b>210,575</b>	<b>217,267</b>	<b>208,587</b>

**18. Borrowings from financial institutions**

(Unit: Thousand Baht)				
Consolidated and separate financial statements				
31 December 2020				
Interest rate per annum (percent)	Remaining period to maturity			Total
	Less than 1 year	1 - 5 years	More than 5 years	
<b>Financial institutions</b>				
Promissory notes	0.95 - 1.85	350,000	-	350,000
<b>Total</b>		<b>350,000</b>	<b>-</b>	<b>350,000</b>

**19. Payables to Clearing House and broker - dealers**

(Unit: Thousand Baht)	
	Consolidated and separate financial statements
	31 December 2021      31 December 2020
Payables to Clearing House	-      291,002
Payables to overseas securities companies	16,169      12,174
<b>Payables to Clearing House and broker - dealers</b>	<b>16,169      303,176</b>

## 20. Securities and derivatives business payables

(Unit: Thousand Baht)

	Consolidated and separate financial statements	
	31 December 2021	31 December 2020
<b><u>Securities business payables</u></b>		
Cash accounts payable	2,875,730	1,779,866
Collateral payables	13,430	50,815
Securities borrowing and lending payables	103,298	87,415
Securities business payable	2,992,458	1,918,096
<b><u>Derivatives business payables</u></b>		
Derivatives business payables	30,523	10,338
<b>Securities and derivatives business payables</b>	<b>3,022,981</b>	<b>1,928,434</b>

## 21. Debt issued

(Unit: Thousand Baht)

	Consolidated and separate financial statements				
	31 December 2021				
	Interest rate/discount	Remaining period to maturity			
	Per annum (percent)	Less than 1 year	1 - 5 years	More than 5 years	Total
Debt issued					
Debentures	3.60	-	507,545	-	507,545
Total		-	507,545	-	507,545

(Unit: Thousand Baht)

	Consolidated and separate financial statements				
	31 December 2020				
	Interest	Remaining period to maturity			
	rate/discount				
	Per annum	Less than		More than	
	(percent)	1 year	1 - 5 years	5 years	Total
Debt issued					
Bills of exchange					
(Zero - coupon note with Baht					
280 million face value)	3.25	278,975	-	-	278,975
Total		278,975	-	-	278,975

## 22. Provisions

(Unit: Thousand Baht)

	Consolidated and separate financial statements			
	Allowance for			Total
	Decommissioning cost	expected credit losses	Others	
Balance as at 1 January 2020	-	-	-	-
Increase during the year	30,768	1,814	-	32,582
Balance as at 31 December 2020	30,768	1,814	-	32,582
Increase (decrease) during the year	(2,638)	2,279	2,000	1,641
Balance as at 31 December 2021	28,130	4,093	2,000	34,223

## 23. Provision for long-term employee benefits

Provision for long-term employee benefits under a defined benefit plan are as follows:

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	For the years ended 31 December			
	2021	2020	2021	2020
Provision for long-term employee benefit				
at the beginning of the year	73,314	64,493	70,340	62,649
Included in profit or loss:				
Current service cost	12,051	11,087	11,093	10,003
Interest cost	1,564	1,596	1,515	1,550
Past service costs	(2,417)	-	(2,417)	-
Included in other comprehensive income:				
Actuarial (gain) loss arising from:				
Demographic assumption changes	25,126	-	24,731	-
Financial assumption changes	6,413	-	6,291	-
Experience adjustments	(14,578)	-	(12,224)	-
Benefits paid during the year	(11,057)	(3,862)	(10,731)	(3,862)
Provision for long-term employee benefit				
at the end of the year	90,416	73,314	88,598	70,340

Long-term employee benefits expenses included in the profit or loss were as follows:

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	For the years ended 31 December			
	2021	2020	2021	2020
Current service cost	12,051	11,087	11,093	10,003
Interest cost	1,564	1,596	1,515	1,550
Past service costs	(2,417)	-	(2,417)	-
Total long-term employee benefit expenses	11,198	12,683	10,191	11,553

As at 31 December 2021, the Group expects to pay Baht 2 million, of long-term employee benefits during the next year (the Company only: Baht 2 million).

As at 31 December 2021, the Group's weighted average durations of the liabilities for long-term employee benefit is 12 years (the Company only: 12 years).

Significant actuarial assumptions are summarized below:

	(Unit: % per annum)	
	Consolidated and separate financial statements	
	31 December 2021	31 December 2020
Discount rate	0.48 - 3.44	1.22 - 2.43
Salary increase rate	1.2 - 7.0	1.2 - 7.0
Turnover rate	0.0 - 30.0	0.0 - 33.0

The result of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligation as at 31 December 2021 and 2020 are summarised below:

	Consolidated financial statement			
	31 December 2021			
	Provision for		Provision for	
	employee		employee	
	benefits were		benefits were	
	increased		increased	
	(decreased) by		(decreased) by	
	assumption		assumption	
	(% per annum)	(Million Baht)	(% per annum)	(Million Baht)
Discount rate	1.0	(7.1)	1.0	7.8
Salary increase rate	1.0	7.9	1.0	(7.1)
Turnover rate	20.0	(6.7)	20.0	7.8

Consolidated financial statement				
31 December 2020				
	Provision for employee benefits were		Provision for employee benefits were	
	increased	Decrease in	increased	
Increase in assumption	(decreased) by	assumption	(decreased) by	
(% per annum)	(Million Baht)	(% per annum)	(Million Baht)	
Discount rate	1.0	(4.3)	1.0	4.8
Salary increase rate	1.0	6.2	1.0	(5.7)
Turnover rate	20.0	(8.5)	20.0	10.4

Separate financial statement				
31 December 2021				
	Provision for employee benefits were		Provision for employee benefits were	
	increased	Decrease in	increased	
Increase in assumption	(decreased) by	assumption	(decreased) by	
(% per annum)	(Million Baht)	(% per annum)	(Million Baht)	
Discount rate	1.0	(6.9)	1.0	7.6
Salary increase rate	1.0	7.7	1.0	(6.9)
Turnover rate	20.0	(6.5)	20.0	7.5

Separate financial statement				
31 December 2020				
	Provision for employee benefits were		Provision for employee benefits were	
	increased	Decrease in	increased	
Increase in assumption	(decreased) by	assumption	(decreased) by	
(% per annum)	(Million Baht)	(% per annum)	(Million Baht)	
Discount rate	1.0	(4.1)	1.0	4.6
Salary increase rate	1.0	5.9	1.0	(5.4)
Turnover rate	20.0	(8.1)	20.0	10.0



## 24. Other liabilities

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	31 December	31 December	31 December	31 December
	2021	2020	2021	2020
Accrued expenses	427,580	307,234	414,334	300,124
Withholding tax payable	10,773	9,573	10,759	9,559
Value added tax payable	9,625	11,362	9,354	11,168
Other payables	1,439	1,439	2,439	1,439
Employee retention payables	2,902	2,212	2,902	2,212
Others	17,217	13,871	17,217	13,870
Total other liabilities	469,536	345,691	457,005	338,372

## 25. Statutory reserve

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside to a statutory reserve at least 5% of its net profit after deducting accumulated deficit brought forward (if any), until the reserve reaches 10% of the registered capital. The statutory reserve is not available for dividend distribution. As at 31 December 2021, the statutory reserve has fully been set aside.

## 26. Brokerage fees income

(Unit: Thousand Baht)

	Consolidated and separate financial statements	
	For the years ended 31 December	
	2021	2020
Brokerage fee from securities business	1,789,856	1,188,652
Brokerage fee from derivatives business	138,119	120,644
Other brokerage fee	2,045	5,456
Total	1,930,020	1,314,752

## 27. Fees and service income

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	For the years ended 31 December			
	2021	2020	2021	2020
Underwriting fee	64,862	57,501	64,862	57,501
Financial advisory fee	13,782	17,200	13,782	17,200
Borrowing and lending fee	1,431	2,326	1,431	2,326
Research fee	4,634	3,168	4,634	3,098
Selling agent fee	26,148	38,253	26,148	38,253
Others	3,128	4,339	3,128	4,339
Total	113,985	122,787	113,985	122,717

## 28. Interest income

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	For the years ended 31 December			
	2021	2020	2021	2020
Interest income on margin loans	93,921	40,947	93,921	40,947
Interest income from deposits in financial institution and Bank of Thailand bonds	36,236	43,789	36,914	43,654
Interest income on staff loans	66	33	66	33
Total	130,223	84,769	130,181	84,634

## 29. Gain and return on financial instruments

(Unit: Thousand Baht)

	Consolidated and separate financial statements	
	For the years ended 31 December	
	2021	2020
Gain (loss) on investments	221,026	(21,179)
Gain (loss) on derivatives	(71,231)	177,135
Dividend income	15,819	12,878
Total	165,614	168,834

**30. Interest expense**

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	For the years ended 31 December			
	2021	2020	2021	2020
Borrowings from financial intuitions	4,611	5,546	4,611	5,546
Debt issued	18,907	-	18,907	-
Lease liabilities	7,201	7,211	7,164	7,187
Customer’s deposits	16,879	21,964	16,879	21,964
Total	47,598	34,721	47,561	34,697

**31. Provident fund**

The Group and their employees have jointly established provident fund in accordance with the Provident Fund Act B.E. 2530. The Group and employees of each company contributed to the funds monthly at the rates of 5% to 10% of basic salary. The funds, which are managed by two asset management companies, will be paid to employees upon termination in accordance with the fund rules. During the years ended 31 December 2021 and 2020, the group contributed Baht 22 million to the fund (separate financial statement: Baht 20 million) (2020: Baht 22 million in the consolidated financial statement and Baht 20 million in the separate financial statement).

**32. Earnings per share**

Basic earnings (loss) per share for the year was calculated by dividing profit (loss) (excluding other comprehensive income) attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the year.

**33. Dividends**

Dividends	Approved by	Total dividends paid	Dividend per share
		(Million Baht)	(Baht)
Dividend for 2020	Annual General Meeting of the shareholders on 30 April 2021	35	0.06

### 34. Related party transactions

#### 34.1 The relationships

Name	Relationship
FSS International Investment Advisory Securities Company Limited	Subsidiary
SBI Royal Securities Plc.	Associate
Pilgrim Finansia Investment Holding Pte. Ltd. <sup>(1)</sup>	Major shareholder of the Company
True Vision Group Public Company Limited	Having common director
Finansia Public Company Limited	Having common director until 16 December 2021
Finansia Securities Company Limited	Having common director until 16 December 2021
Finansia Fund Management Limited	Major shareholder of the Company until 16 December 2021
Industrial and Commercial Bank of China (Thai) Public Company Limited	Shareholder

<sup>(1)</sup> Pilgrim Finansia Investment Holding Pte. Ltd. is major shareholder of the Company since 16 December 2021 by holding 29.29% of the Company's issued and paid-up capital.

#### 34.2 Significant transactions during the years

During the years, the Group had significant business transactions with related parties, which have been concluded on commercial terms and base agreed upon in the ordinary course of businesses between the Group and those related parties. Below is a summary of those transactions.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements		
	For the years ended 31 December		For the years ended 31 December		
	2021	2020	2021	2020	Transfer Pricing Policy
<b>Transactions with subsidiary</b>					
(eliminated from the consolidated financial statements)					
Other income	-	-	3,600	3,600	Contract value
Other expenses	-	-	53,800	45,000	Contract value
<b>Transactions with related parties</b>					
Directors and executive employees					
Brokerage fees income	54	95	54	95	Similar rates charged to general customers
Related companies and person					
Brokerage fees income	123	323	123	323	Similar rates charged to general customers
Fees and service income	6,421	13,903	6,421	13,903	Contract value
Rental and service expenses	5,351	529	5,351	529	As mutually agreed
Other expenses	577	5,400	577	5,400	Contract value
Dividend paid	13,705	-	13,705	-	As declared

### 34.3 Outstanding balances

The balances of accounts as at 31 December 2021 and 2020 between the Group and their related parties are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	31 December 2021	31 December 2020	31 December 2021	31 December 2020
<b>Cash and cash equivalents</b>				
Industrial and Commercial Bank of China (Thai) Public Company Limited	2,043	5,355	2,043	5,355
<b>Other receivables</b>				
FSS International Investment Advisory Securities Company Limited	-	-	-	705
Finansa Securities Company Limited	-	1,303	-	1,303
<b>Prepaid expenses</b>				
Finansa Securities Company Limited	-	153	-	153
<b>Accrued expenses</b>				
FSS International Investment Advisory Securities Company Limited	-	-	1,000	5,300
<b>Other liabilities</b>				
Finansa Securities Company Limited	-	5,400	-	5,400

### 34.4 Directors and key management's remunerations

During the years ended 31 December 2021 and 2020, the Group had employee benefit expenses incurred for their directors and key management as below.

	(Unit: Million Baht)			
	Consolidated financial statements		Separate financial statements	
	For the years ended 31 December			
	2021	2020	2021	2020
Short-term employee benefits	279	205	263	186
Post-employment benefits	10	9	9	8
Total	289	214	272	194

### **35. Commitments and contingent liabilities**

#### **35.1 Capital commitments**

As at 31 December 2021, the Company had capital commitments of approximately Baht 15 million (31 December 2020: Baht 16 million) relating to the installation of software and equipment.

#### **35.2 Litigation**

As at 31 December 2021, the Company has been sued for compensation totaling approximately Baht 16 million. Final judgements have not yet been reached in respect of these cases. The management of the Company estimates that the Company may have some potential losses. The Company, hence, set up provision for potential loss on lawsuits of approximately Baht 2 million in the financial statements.

### **36. Segment information**

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the chief operating decision maker in order to make decisions about the allocation of resources to the segment and assess its performance.

For management purposes, the Group are summarise into business units based on their products and services and have 3 reportable segments as follows:

- Securities and derivatives brokerage segment, which provide service according to securities brokering, derivative brokering and securities borrowing and lending.
- Investment banking segment, which provide service according to underwriting, investment advisory and financial advisory.
- Proprietary trading segment, which provide service according to investment.

No operating segments have been aggregated to form the above reportable operating segments.

The chief operating decision maker monitors the operating results of the business units separately for the purpose of making decisions about resource allocation and assessing performance. Segment performance is measured based on operating profit or loss and on a basis consistent with that used to measure operating profit or loss in the financial statements.

The following table presents information by operating segment for the years ended 31 December 2021 and 2020:

(Unit: Million Baht)

	For the years ended 31 December									
	Securities and derivatives brokerage segment		Investment banking segment		Proprietary trading segment		Elimination of inter-segment transactions		Consolidation	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
Revenues from external	2,163	1,432	51	55	97	103	(54)	(45)	2,257	1,545
Profit (loss) from operating by segment	807	396	25	24	38	31	1	(1)	871	450
Unallocated income and expenses:										
Interest and dividend income									130	85
Other income									54	51
Operating expenses									(679)	(482)
Income tax expenses									(76)	(22)
Profits for the years attributable to the Company									300	82

The following table presents segment assets, classified by operating segments, as at 31 December 2021 and 2020:

(Unit: Million Baht)

Segment assets	Securities and derivatives brokerages segment	Investment banking segment	Proprietary trading segment	Total segments	Unallocated assets	Total
31 December 2021	5,212	2	714	5,928	1,119	7,047
31 December 2020	4,042	-	708	4,750	1,197	5,947

### Geographic information

The Group is operated in only Thailand and as a result all of the revenues and assets as reflected in these financial statements pertain to the aforementioned geographical segment.

### Major customers

During the years ended 31 December 2021 and 2020, the Group does not have revenue generated from any customer more than 10 percent of the consolidated revenues.

## **37. Risk management**

### **Financial risk management objectives and policies**

The Group's financial instruments principally comprise cash and cash equivalents, receivables from clearing house and brokers, securities and derivatives business receivables, derivatives assets, investments, loans to employee, borrowings from financial institutions, payables to clearing house and brokers, securities and derivatives business payables, derivatives liabilities and debt issued. The financial risks associated with these financial instruments and how they are managed is described below.

### **37.1 Credit risk**

Credit risk is the risk that the counterparty will be unable to meet its contractual obligations or have a significant increase in credit risk and unable to pay principal and interest.

The Group is exposed to credit risk primarily with respect to securities and derivatives business receivables, accrued fee and service income from asset management business, deposits with banks and financial institutions, receivables from clearing house and brokers and investments in debt instruments. The maximum exposure to credit risk is limited to the carrying amounts as stated in the statement of financial position.

In relation to impairment of financial assets, TFRS 9 requires the Group to prepare an expected credit loss model. The Group has established and maintain an appropriate credit loss model. The Group periodically reviews the parameters and the data used in the credit loss model.

#### **Securities and derivatives business receivables**

The Company manages the risk by establishing securities trading and credit approval limit for client, performing credit review, requiring collateral and monitoring the credit risk. In addition, the Company does not have high concentration of credit risk since it has a large customer base.

#### **Deposits with banks and financial institutions and investments in debt instruments.**

The credit risk on deposits with banks and financial institutions and investments in debt instruments is limited because the Group has deposit with banks and financial institutions having high credit-ratings assigned by credit-rating agencies. For investments in debt instruments, the Group invests in government bonds or Bank of Thailand bonds which have low credit risk



## 37.2 Market risk

Market risk is the risk that the future cash flows or fair value of financial instruments will fluctuate due to changes in market variables related primarily to interest rate, foreign currency and equity instruments price.

The Group manage their risk exposure as follows.

### 37.2.1 Interest rate risk

The Group's exposure to interest rate risk relates primarily to their cash and cash equivalents, securities and derivative business receivables, borrowings from financial institutions and debt issued. However, the Group's financial assets and liabilities are mostly bear floating interest rates or fixed interest rates which are close to the market rate due to the short-term in nature, therefore the interest rate risk of the Group is limited.

Significant financial assets and liabilities as at 31 December 2021 and 2020 classified by type of interest rates are summarised in the table below, with those financial assets and liabilities that carry fixed interest rates further classified based on the maturity date, or the repricing date if this occurs before the maturity date.

(Unit: Million Baht)

Consolidated financial statement									
31 December 2021									
Outstanding balances of financial instruments									
	Floating interest rate	Fixed interest rate			Non-performing receivables	Non-interest bearing	Total	Interest rate (% p.a.)	
		Repricing or maturity dates						Floating	Fixed
		At call	Less than 1 year	1 - 5 years					
<b>Financial assets</b>									
Cash and cash equivalents	45	-	-	-	-	141	186	0.05 - 0.35	-
Receivables from Clearing									
House and broker - dealers	-	-	-	-	-	872	872	-	-
Securities and derivatives									
business receivables	1,966	103	-	-	16	2,255	4,340	4.75 - 5.50	-
Derivative assets	-	-	-	-	-	6	6	-	-
Loans to employees	6	-	-	-	-	-	6	2.47 - 3.43	-
<b>Financial liabilities</b>									
Payables to Clearing House and									
broker - dealers	-	-	-	-	-	16	16	-	-
Securities and derivatives									
business payables	-	13	-	-	-	3,010	3,023	-	0.20 - 0.30
Derivatives liabilities	-	-	-	-	-	19	19	-	-
Debt issued	-	-	-	508	-	-	508	-	3.60

(Unit: Million Baht)

Consolidated financial statement									
31 December 2020									
Outstanding balances of financial instruments									
	Fixed interest rate						Interest rate (% p.a.)		
	Repricing or maturity dates								
	Floating interest rate	At call	Less than 1 year	1 - 5 years	Non-performing receivables	Non-interest bearing	Total	Floating	Fixed
<b>Financial assets</b>									
Cash and cash equivalents	122	-	-	-	-	100	222	0.05 - 0.75	-
Receivables from Clearing									
House and broker - dealers	-	-	-	-	-	282	282	-	-
Securities and derivatives									
business receivables	1,162	95	-	-	15	2,487	3,759	4.75 - 5.25	-
Derivative assets	-	-	-	-	-	1	1	-	-
Loans to employees	1	-	-	-	-	-	1	3.43	-
<b>Financial liabilities</b>									
Borrowings from financial									
institutions	-	350	-	-	-	-	350	-	0.95 - 1.85
Payables to Clearing House and									
broker - dealers	-	-	-	-	-	303	303	-	-
Securities and derivatives									
business payables	-	51	-	-	-	1,877	1,928	-	0.30
Derivatives liabilities	-	-	-	-	-	23	23	-	-
Debt issued	-	-	279	-	-	-	279	-	3.25

(Unit: Million Baht)

Separate financial statement									
31 December 2021									
Outstanding balances of financial instruments									
	Fixed interest rate						Interest rate (% p.a.)		
	Repricing or maturity dates								
	Floating interest rate	At call	Less than 1 year	1 - 5 years	Non-performing receivables	Non-interest bearing	Total	Floating	Fixed
<b>Financial assets</b>									
Cash and cash equivalents	23	-	-	-	-	139	162	0.05 - 0.125	-
Receivables from Clearing									
House and broker - dealers	-	-	-	-	-	872	872	-	-
Securities and derivatives									
business receivables	1,966	103	-	-	16	2,255	4,340	4.75 - 5.50	-
Derivative assets	-	-	-	-	-	6	6	-	-
Loans to employees	6	-	-	-	-	-	6	2.47 - 3.43	-
<b>Financial liabilities</b>									
Payables to Clearing House									
and broker - dealers	-	-	-	-	-	16	16	-	-
Securities and derivatives									
business payables	-	13	-	-	-	3,010	3,023	-	0.20 - 0.30
Derivatives liabilities	-	-	-	-	-	19	19	-	-
Debt issued	-	-	-	508	-	-	508	-	3.60

(Unit: Million Baht)

Separate financial statement									
31 December 2020									
Outstanding balances of financial instruments									
Fixed interest rate									
Repricing or maturity dates									
Interest rate (% p.a.)									
Floating interest rate	At call	Less than 1 year	1 - 5 years	Non-performing receivables	Non-interest bearing	Total	Floating	Fixed	
<b>Financial assets</b>									
Cash and cash equivalents	105	-	-	-	99	204	0.05 - 0.75	-	
Receivables from Clearing House and broker - dealers	-	-	-	-	282	282	-	-	
Securities and derivatives business receivables	1,162	95	-	15	2,487	3,759	4.75 - 5.25	-	
Derivative assets	-	-	-	-	1	1	-	-	
Loans to employees	1	-	-	-	-	1	3.43	-	
<b>Financial liabilities</b>									
Borrowings from financial institutions	-	350	-	-	-	350	-	0.95 - 1.85	
Payables to Clearing House and broker - dealers	-	-	-	-	303	303	-	-	
Securities and derivatives business payables	-	51	-	-	1,877	1,928	-	0.30	
Derivatives liabilities	-	-	-	-	23	23	-	-	
Debt issued	-	-	279	-	-	279	-	3.25	

### Interest rate sensitivity

The following table demonstrates the sensitivity of the Company's profit before tax to a reasonably possible change in interest rates on that portion of floating rate of margin loans account receivables affected as at 31 December 2021 and 2020, with all other variables held constant for 1 year.

	2021		2020	
	Interest rate increase (decrease)	Effect on profit before tax	Interest rate increase (decrease)	Effect on profit before tax
	(%)	(Thousand Baht)	(%)	(Thousand Baht)
Margin loans account receivables	0.25%	4,916	0.25%	2,904
	(0.25%)	(4,916)	(0.25%)	(2,904)

*The impact analysis is not a prediction or forecast of future market conditions. Actual events or results may differ from the analysis.*

### 37.2.2 Foreign exchange risk

The Company's exposure to foreign currency risk arises from brokerage service for securities listed in stock exchange in overseas and revenue and expense transactions that are denominated in foreign currencies.

The significant balances of financial assets and liabilities denominated in foreign currencies as at 31 December 2021 and 2020 are summarised below:

(Unit: Million unit)

Foreign currency	Financial assets		Financial liabilities		Average exchange rates	
	31 December 2021	31 December 2020	31 December 2021	31 December 2020	31 December 2021	31 December 2020
(Baht per 1 foreign currency unit)						
Vietnamese dong	256,679.3	94,684.3	244,204.5	86,777.4	0.0015	0.0013
Hong Kong dollar	11.4	11.0	11.3	10.9	4.2886	3.8753
United States dollar	2.9	3.7	2.7	1.9	33.4199	30.0371
Euro	0.3	0.1	0.3	0.1	37.8948	36.8764

In addition to the above, as of 31 December 2021 and 2020, the Company has no foreign forward contract.

### 37.2.3 Equity instruments price risk

The Company's exposure to equity instruments price risk that volatility on the Stock Exchange of Thailand and The Thailand Futures Exchange will substantially reduce the value of its investments and collateral for securities and derivatives business receivables. However, the Company manages the market risk by analysing the market risk inherent in their various transactions, setting appropriate policies to manage such risk, and controlling risk to conform with policies.

### 37.3 Liquidity risk

Liquidity risk is the risk that the Group will be unable to liquidate its financial assets and/or procure sufficient funds to discharge their obligations in a timely manner, resulting in the Group incurring a financial loss.

The Group manage liquidity risk through monitoring and planning of their cash flows, including the arrangement of credit facilities with financial institutions, in order to ensure that they will have sufficient funds for their operations.

As at 31 December 2021 and 2020, remaining periods to maturity of financial instruments, counted from the reporting period-end dates, are as follows:

(Unit: Million Baht)

Consolidated financial statement						
31 December 2021						
At call	Within 1 year	1 - 5 years	Over 5 years	No maturity	Non-performing receivables	Total
<b>Financial assets</b>						
Cash and cash equivalents	186	-	-	-	-	186
Receivables from Clearing						
House and broker - dealers	-	872	-	-	-	872
Securities and derivatives						
business receivables	103	2,255	-	-	1,966	4,340
Derivative assets	-	6	-	-	-	6
Loans to employees	6	-	-	-	-	6
<b>Financial liabilities</b>						
Payables to Clearing House and						
broker - dealers	-	16	-	-	-	16
Securities and derivatives						
business payables	13	3,010	-	-	-	3,023
Derivatives liabilities	-	19	-	-	-	19
Debt issued	-	-	508	-	-	508
Leased liabilities	-	56	104	-	-	160

(Unit: Million Baht)

Consolidated financial statement						
31 December 2020						
At call	Within 1 year	1 - 5 years	Over 5 years	No maturity	Non-performing receivables	Total
<b>Financial assets</b>						
Cash and cash equivalents	222	-	-	-	-	222
Receivables from Clearing						
House and broker - dealers	-	282	-	-	-	282
Securities and derivatives						
business receivables	95	2,487	-	-	1,162	3,759
Derivative assets	-	1	-	-	-	1
Loans to employees	1	-	-	-	-	1
<b>Financial liabilities</b>						
Borrowings from financial						
institutions	350	-	-	-	-	350
Payables to Clearing House and						
broker - dealers	-	303	-	-	-	303
Securities and derivatives						
business payables	51	1,877	-	-	-	1,928
Derivatives liabilities	-	23	-	-	-	23
Debt issued	-	279	-	-	-	279
Leased liabilities	-	54	124	2	-	180

(Unit: Million Baht)

Separate financial statement						
31 December 2021						
At call	Within 1 year	1 - 5 years	Over 5 years	No maturity	Non-performing receivables	Total
<b>Financial assets</b>						
Cash and cash equivalents	162	-	-	-	-	162
Receivables from Clearing						
House and broker - dealers	-	872	-	-	-	872
Securities and derivatives						
business receivables	103	2,255	-	-	1,966	4,340
Derivative assets	-	6	-	-	-	6
Loans to employees	6	-	-	-	-	6
<b>Financial liabilities</b>						
Payables to Clearing House and						
broker - dealers	-	16	-	-	-	16
Securities and derivatives						
business payables	13	3,010	-	-	-	3,023
Derivatives liabilities	-	19	-	-	-	19
Debt issued	-	-	508	-	-	508
Leased liabilities	-	56	103	-	-	159

(Unit: Million Baht)

Separate financial statement						
31 December 2020						
At call	Within 1 year	1 - 5 years	Over 5 years	No maturity	Non-performing receivables	Total
<b>Financial assets</b>						
Cash and cash equivalents	204	-	-	-	-	204
Receivables from Clearing						
House and broker - dealers	-	282	-	-	-	282
Securities and derivatives						
business receivables	95	2,487	-	-	1,162	3,759
Derivative assets	-	1	-	-	-	1
Loans to employees	1	-	-	-	-	1
<b>Financial liabilities</b>						
Borrowings from financial						
institutions	350	-	-	-	-	350
Payables to Clearing House and						
broker - dealers	-	303	-	-	-	303
Securities and derivatives						
business payables	51	1,877	-	-	-	1,928
Derivatives liabilities	-	23	-	-	-	23
Debt issued	-	279	-	-	-	279
Leased liabilities	-	54	123	2	-	179

### 38. Fair value measurement of financial instruments

#### 38.1 Fair value of financial instruments

As of 31 December 2021 and 2020, the Group had the assets and liabilities that were measured at fair value using different levels of inputs as follows:

(Unit: Million Baht)

	Consolidated and separate financial statements				
	31 December 2021				
	Book value	Fair value			Total
		Level 1	Level 2	Level 3	
<b>Financial assets</b>					
<b>Financial assets measured at fair value</b>					
Securities and derivatives business					
receivables					
Receivables under securities borrowing and lending business	13	13	-	-	13
Derivative assets <sup>(1)</sup>					
Options	6	6	-	-	6
Investments					
Marketable equity instruments in domestic market	711	711	-	-	711
Non-marketable equity instruments in domestic market	3	-	-	3	3
<b>Financial liabilities</b>					
<b>Financial liabilities measured at fair value</b>					
Securities and derivatives business					
payables					
Payables under securities borrowing and lending business	103	103	-	-	103
Derivatives liabilities <sup>(1)</sup>					
Derivatives warrants	17	17	-	-	17
Options	2	2	-	-	2

<sup>(1)</sup> Futures contracts are cash settlement. Real exposure is a difference between cost of futures contracts and underlying assets level on settlement date. For the fair value of outstanding futures contracts as at 31 December 2021; the fair value of derivative assets and liabilities for futures contracts are Baht 7 million and Baht 10 million, respectively included in "Receivables from Clearing House and broker-dealers", were measured at fair value by using Level 1 of input.

(Unit: Million Baht)

Consolidated and separate financial statements					
31 December 2020					
	Book value	Fair value			Total
		Level 1	Level 2	Level 3	
<b>Financial assets</b>					
<b>Financial assets measured at fair value</b>					
Securities and derivatives business					
receivables					
Receivables under securities borrowing					
and lending business	51	51	-	-	51
Derivative assets <sup>(1)</sup>					
Options	1	1	-	-	1
Investments					
Marketable equity instruments in					
domestic market	704	704	-	-	704
Non-marketable equity instruments in					
domestic market	3	-	-	3	3
<b>Financial liabilities</b>					
<b>Financial liabilities measured at fair value</b>					
Securities and derivatives business					
payables					
Payables under securities borrowing and					
lending business	87	87	-	-	87
Derivatives liabilities <sup>(1)</sup>					
Derivatives warrants	23	23	-	-	23

<sup>(1)</sup> *Futures contracts are cash settlement. Real exposure is a difference between cost of futures contracts and underlying assets level on settlement date. For the fair value of outstanding futures contracts as at 31 December 2020; the fair value of derivative assets and liabilities for futures contracts are Baht 32 million and Baht 2 million, respectively included in "Receivables from Clearing House and broker-dealers", were measured at fair value by using Level 1 of input.*

During the current year, there is no transfer within the fair value hierarchy.

The Group estimating the fair value of financial instruments as follows:

- (a) Fair value of receivables/payables under securities borrowing and lending business is determined using the latest offer price of the last working day.
- (b) Fair value of derivative warrants in the domestic market is determined using the latest offer price of the last working day.



- (c) The fair value of marketable futures and options are calculated with reference to the settlement prices quoted on Thailand Futures Exchange Public Company Limited on the last working day.
- (d) Fair value of marketable-equity instruments in the domestic market is determined using the latest bid price of the last working day. Fair value of non-marketable-equity instruments in the domestic market is determined using current book value of investee.
- (e) Financial assets and liabilities that are not measured at fair value, which mostly have short-term maturity periods or carrying interest rates close to the market interest rates, their fair value are estimated approximate their carrying amounts in the statement of financial position.

### **39. Capital management**

The primary objectives of the Company's capital management are to maintain the Company's ability to continue as a going concern, to have an appropriate financial structure and to maintain net liquid capital in accordance with the rules laid down by the Office of the Securities and Exchange Commission.

### **40. Event after the reporting period**

- 1) On 24 February 2022, the Board of Directors of the Company has resolved to approve as follows:
  - 1.1) FSS International Investment Advisory Securities Company Limited ("FSSIA"), a subsidiary of the Company in which the Company holds 96.25 percent to acquire ordinary shares in Finansia Securities Limited ("FSL") in the amount of 39,999,995 shares with a par value of Baht 10 per share, representing approximately 100 percent of all issued shares of FSL, at the purchase price of Baht 12.2547 per share, totaling Baht 490,187,938.73, from Finansia Public Company Limited ("FNS") and Finansia Fund Management Company Limited and
  - 1.2) The Company or the person authorised by the Company to acquire ordinary shares in FSSIA in the amount of 3,000 shares with a par value of Baht 100 per share, representing 3.75 percent of all issued shares of FSSIA, at the purchase price of Baht 163.28 per share, totaling Baht 489,840 in order to avoid cross holding between FSL and FSSIA following the Investment in FSL.

The Company expects that the Investment in FSL and FSSIA shall be completed by the second quarter of 2022 after all conditions precedent under the Share Sale and Purchase Agreement have been satisfied. However, the acquisition of shares of FSSIA and FSL remains uncertain as it shall occur after the approval of the acquisition of such shares has been obtained from the shareholders' meeting of FNS.

- 2) On 28 February 2022, the Board of Directors of the Company passed a resolution to propose to the Annual General Meeting of Shareholders 2022 for approval as follows:
  - 2.1 For approval the payment of a dividend of Baht 0.10 per share, or a total of Baht 58 million, to the ordinary shareholders.
  - 2.2 For approval the Company's shareholding and management restructuring plan and other relevant arrangements (the "Restructuring Plan"), whereby pursuant to the Restructuring Plan, (1) the Company shall procure the establishment of a public limited company as a holding company under the name "Finansia X Public Company Limited" ("Hold Co.") (2) after the Restructuring Plan has been initially approved by the Stock Exchange of Thailand (the "SET") and the Company has obtained approval by the Office of the Securities and Exchange Commission (the "SEC Office") to change the shareholding structure, including permission from the SEC Office for Hold Co. to issue and offer new securities under the Notification of the Capital Market Supervisory Board No. TorJor. 34/2552 Re: Criteria for Offering for Sale of Newly Issued Securities with a Tender Offer for the Existing Securities of Listed Companies for Restructuring of Shareholding and Management (as amended) (the "Notification No. TorJor. 34/2552"), and obtained a resolution approving the delisting of the Company's shares from the SET, Hold Co. shall make a tender offer for all securities of the Company subject to payment of the consideration in the form of its newly issued ordinary shares in exchange for the Company's ordinary shares at the ratio of 1 ordinary share of the Company to 1 ordinary share of Hold Co., and in case that, upon the end of period for tender offer for securities, it appears that the amount of shares accepted for sale through the tender offer for securities is less than 75 percent of the total voting rights of the Company, Hold Co. will cancel the tender offer for securities (3) after completion of the tender offer for securities, Hold Co. shall list its ordinary shares as listed securities on the SET in place of the Company's securities which will be delisted from the SET on the same day and (4) after completion of the listing of Hold Co.'s securities on the SET in place of the Company's securities, Hold Co., as a direct shareholder of the Company, plans to acquire all subsidiary's shares held by the Company, whether directly or indirectly, as of the completion date of the shareholding restructuring, comprise ordinary shares of FSS International Investment Advisory Securities Company Limited ("FSSIA") and Finansia Securities Limited ("FSL") and any new entities established in the future to expand the financial business, such as Digital Asset Broker, ICO Portal, among others, at the book value price to shift the management of all companies in the group to be under the direct management of Hold Co..

#### **41. Approval of financial statements**

These financial statements were authorised for issue by the Company's Board of Directors on 28 February 2022.

## Attachment 1

### Details of the Company's directors



#### Mr. Chatchaval Jiaravanon

Age: 60 years old

Nationality: Thai

#### Current positions

- Chairman of the Board of Directors
- Authorized Director

#### Education

- Bachelor of Business Administration, University of Southern California, USA

#### Training

- Director Accreditation Program (DAP) 71/2008
- Corporate Governance for Capital Market Intermediaries (CGI) 13/2016
- Executive Course (9), Capital Market Academy, the Stock Exchange of Thailand

#### Experience

- Director, True Visions Corporation PLC
- Chairman, ACL Securities Co., Ltd.
- Chairman, Metrostar Property PLC

#### Date of appointment

- 23 July 2002

#### Relationship with directors/executives

- – None –

#### Positions in 6 other listed companies

- Director and Member of the Audit Committee, Frasers Property (Thailand) PLC
- Director, Aeon Thanasinsap (Thailand) PLC
- Chairman, Beryl 8 Plus PLC
- Director, SVI PLC
- Director, True Corporation PLC
- Director, WP Energy PLC

#### Positions in 43 non-listed companies/organizations

#### Positions as a director/executive in other businesses that may cause conflicts of interest to the Company

- – None –

#### Holding of the Company's shares

- Direct: None
- Spouse and minor children: None

#### Penalty history in the last 5 years

- – None –



## Mr. Vorapak Tanyawong

Age: 57 years old

Nationality: Thai

### Current positions

- Vice Chairman of the Board of Directors
- Chairman of the Executive and Risk Oversight Board
- Member of the Nomination, Remuneration, and Corporate Governance Committee

### Education

- MBA in Finance, University of Missouri, Kansas City, USA
- B. S. in Management Science & Computer System, Oklahoma State University, Stillwater, USA

### Training

- Director Certification Program (DCP) 152/2011
- EXAM 33/2012
- Role of the Nomination and Governance Committee (RNG) 3/2012
- Successful Formulation Executive of Strategy (SFE) 15/2012

### Experience

- President, Krungthai Bank PLC
- Senior Advisor, McKinsey & Company, Inc. Thailand
- Director, Finansia PLC

### Date of appointment

- 10 January 2022

### Relationship with directors/executives

- – None –

### Positions in other listed companies

- – None –

### Positions in 2 non-listed companies/organizations

### Positions as a director/executive in other businesses that may cause conflicts of interest to the Company

- – None –

### Holding of the Company's shares

- Direct: None
- Indirect: Pilgrim Finansia Investment Holding Pte. Ltd. (the Company's major shareholder) in the proportion of 60 percent of the paid-up capital
- Spouse and minor children: None

### Penalty history in the last 5 years

- – None –



## **Ms. Kanchana Vongratanakulthon**

Age: 66 years old

Nationality: Thai

### **Current positions**

- Director

### **Education**

- Bachelor of Business Administration, Sukhothai Thammathirat Open University

### **Training**

- Director Accreditation Program (DAP) 161/2019

### **Experience**

- Executive Vice President, Recovery & Credit Card Management Division, ICBC (Thai) PLC

### **Date of appointment**

- 28 May 2020

### **Relationship with directors/executives**

- – None –

### **Positions in other listed companies**

- Independent Director and Member of the Audit Committee, UBIS (Asia) PLC

### **Positions in 4 non-listed companies/organizations**

### **Positions as a director/executive in other businesses that may cause conflicts of interest to the Company**

- – None –

### **Holding of the Company's shares**

- Direct: None
- Spouse and minor child: None

### **Penalty history in the last 5 years**

- – None –



## Mr. Chuangchai Nawongs

Age: 61 years old

Nationality: Thai

### Current positions

- Authorized Director
- Chief Executive Officer
- President
- Member of the Executive and Risk Oversight Board

### Education

- Master of Business Administration, Bangkok University

### Training

- Director Accreditation Program (DAP) 23/2004
- Corporate Governance for Capital Market Intermediaries (CGI) 2/2015

### Experience

- Director, ACL Securities Co., Ltd.
- Managing Director Finansia Securities Co., Ltd.

### Date of appointment

- 19 June 2009

### Relationship with directors/executives

- – None –

### Positions in other listed companies

- – None –

### Positions in 3 non-listed companies/organizations

### Positions as a director/executive in other businesses that may cause conflicts of interest to the Company

- – None –

### Holding of the Company's shares

- Direct: None
- Indirect: Pilgrim Finansia Investment Holding Pte. Ltd. (the Company's major shareholder) in the proportion of 40 percent of the paid-up capital
- Spouse and minor children: None

### Penalty history in the last 5 years

- – None –



## Mr. Somphop Keerasuntonpong

Age: 55 years old

Nationality: Thai

### Current positions

- Authorized Director
- President
- Member of the Executive and Risk Oversight Board

### Education

- MBA General Administration, Pittsburg State University, USA

### Training

- Director Accreditation Program (DAP) 16/2004
- Corporate Governance for Capital Market Intermediaries (CGI) 3/2015
- Executive Course (9), Capital Market Academy, the Stock Exchange of Thailand

### Experience

- Managing Director, Syrus Securities PLC

### Date of appointment

- 2 June 2003

### Relationship with directors/executives

- – None –

### Positions in other listed companies

- Independent Director and Member of the Audit Committee, Energy Absolute PLC

### Positions in non-listed companies/organizations

- – None –

### Positions as a director/executive in other businesses that may cause conflicts of interest to the Company

- – None –

### Holding of the Company's shares

- Direct: None
- Spouse and minor children: None

### Penalty history in the last 5 years

- – None –





## Mrs. Pornpring Suksantisuwan

Age: 64 years old

Nationality: Thai

### Current positions

- Authorized Director
- Chairman of the Technology Committee
- Member of the Executive and Risk Oversight Board

### Education

- Master of Business Administration, American University of Human Sciences
- Bachelor of Accountancy, Chulalongkorn University

### Training

- Director Accreditation Program (DAP) 48/2005
- Director Certification Program (DCP) 105/2008
- Corporate Governance for Capital Market Intermediaries (CGI) 2/2015
- Driving Company Success with IT Governance (ITG) 10/2019
- Executive Course (7), Capital Market Academy, the Stock Exchange of Thailand

### Experience

- President, Finansia Syrus Securities PLC
- Authorized Director, SBI Thai Online Securities Co., Ltd.
- Director and Chief Executive Officer, ACL Securities Co., Ltd.
- Director, SBI Royal Securities PLC, Phnom Penh, Kingdom of Cambodia
- Member of the Sub-committee of Securities Investor Protection Fund (SIPF)
- Member of the Sub-committee of Derivatives Investor Protection Fund (DIPF)

### Date of appointment

- 16 October 2008

### Relationship with directors/executives

- – None –

### Positions in other listed companies

- – None –

### Positions in 4 non-listed companies/organizations

### Positions as a director/executive in other businesses that may cause conflicts of interest to the Company

- – None –

### Holding of the Company's shares

- Direct: None
- Spouse and minor children: None

### Penalty history in the last 5 years

- – None –



## Pol. Gen. Visanu Prasattongsoth

Age: 60 years old

Nationality: Thai

### Current positions

- Independent Director
- Chairman of the Audit Committee
- Chairman of the Nomination, Remuneration, and Corporate Governance Committee

### Education

- Master of Business Administration, University of San Francisco, USA
- Master of Political Science, Sukhothai Thammathirat Open University

### Training

- Director Accreditation Program (DAP) 11/2004
- Audit Committee Program (ACP) 7/2005
- Financial Statement for Director (FND) 19/2005
- Advanced Audit Committee Program (AAP) 21/2015
- Corporate Governance for Capital Market Intermediaries (CGI) 3/2015

### Experience

- Assistant Commissioner General, Royal Thai Police
- Independent Director, SBI Thai Online Securities Co., Ltd.
- Commissioner of Office of Human Resources, Royal Thai Police
- Commissioner of Information and Communication Technology, Royal Thai Police
- Deputy Commissioner of Office of Inspector General, Royal Thai Police
- Deputy Commissioner of Office of Human Resources, Royal Thai Police
- Deputy Commissioner of Immigration Bureau, Royal Thai Police

### Date of appointment

- 16 September 2009

### Relationship with directors/executives

- – None –

### Positions in 2 other listed companies

- Director, Bangkok Airways PLC
- Independent Director, Chewathai PLC

### Positions in 8 non-listed companies/organizations

### Positions as a director/executive in other businesses that may cause conflicts of interest to the Company

- – None –

### Holding of the Company's shares

- Direct: 3,655,614 shares
- Spouse and minor children: None

### Penalty history in the last 5 years

- – None –



## Mr. Phaiboon Siripanoosatie

Age: 59 years old

Nationality: Thai

### Current positions

- Independent Director
- Member of the Audit Committee
- Member of the Nomination, Remuneration, and Corporate Governance Committee

### Education

- Master of Political Science, Sukhothai Thammathirat Open University

### Training

- Director Certificate Program (DCP) 105/2008
- Audit Committee Program (ACP) 28/2009
- Successful Formulation Executive of Strategy (SFE) 13/2011
- How to Develop a Risk Management Plan (HRP) 4/2013
- Corporate Governance for Capital Market Intermediaries (CGI) 5/2015
- Driving Company Success with IT Governance (ITG) 10/2019

### Experience

- Executive Director, the Office of Small and Medium Enterprises Promotion (OSMEP)
- Director and Member of the Audit Committee, ACL Securities Co., Ltd.
- Director, Government Savings Bank
- Director, Electricity Generating PLC
- Director, Trinity Plus Co., Ltd.
- Director, Provincial Electricity Authority
- Executive Director, Drive Performance Management Geo-Informatics and Space Technology Development Agency (GISTDA), Ministry of Science and Technology

### Date of appointment

- 28 February 2008

### Relationship with directors/executives

- – None –

### Positions in 3 other listed companies

- Director, Amanah Leasing PLC
- Director, MCOT PLC
- Director, Eastern Water Resources Development and Management PLC

### Positions in 3 non-listed companies/organizations

### Positions as a director/executive in other businesses that may cause conflicts of interest to the Company

- – None –

### Holding of the Company's shares

- Direct: None
- Spouse and minor children: None

### Penalty history in the last 5 years

- – None –



## Mr. Kittisak Bencharit

Age: 72 years old

Nationality: Thai

### Current positions

- Independent Director
- Member of the Audit Committee
- Member of the Nomination, Remuneration, and Corporate Governance Committee

### Education

- Director and Member of the Audit Committee, ACL Securities Co., Ltd.

### Training

- Director Certificate Program (DCP) 70/2006
- Audit Committee Program (ACP) 32/2010
- Corporate Governance for Capital Market Intermediaries (CGI) 0/2014
- Advanced Audit Committee Program (AAP) 19/2015
- Board that Make a Difference (BMD) 5/2017
- Strategic Board Master Class (SBM) 6/2019

### Experience

- Director and Member of the Audit Committee, ACL Securities Co., Ltd.

### Date of appointment

- 22 October 2009

### Relationship with directors/executives

- – None –

### Positions in 3 other listed companies

- Independent Director and Member of the Audit Committee, Thonburi Medical Centre PLC
- Independent Director and Member of the Audit Committee, Exotic Food PLC
- Advisor of CEO and Directors, Premier Enterprise PLC

### Positions in 3 non-listed companies/organizations

### Positions as a director/executive in other businesses that may cause conflicts of interest to the Company

- – None –

### Holding of the Company's shares

- Direct: None
- Spouse and minor children: None

### Penalty history in the last 5 years

- – None –

## Details of the Company's executives



### Ms. Supin Suravichai

Age: 56 years old

Nationality: Thai

#### Current positions

- Chief Operating Officer (COO)

#### Education

- Master Degree, Association of Chartered Certified Accountants London School of Accountancy

#### Training

- Thai Institute of Directors (IOD)

#### Experience

- RHB Securities (Thailand) PLC

#### Date of appointment

- 1 December 2017

#### Relationship with directors/executives

- – None –

#### Director positions in 1 other companies

- Botany Matters Co., Ltd.

#### Positions in other companies

- – None –

#### Positions as a director/executive in other businesses that may cause conflicts of interest to the Company

- – None –

#### Holding of the Company's shares

- Direct: None
- Spouse and minor children: None

#### Penalty history in the last 5 years

- – None –



## Mr. Kosit Thammatada

Age: 50 years old

Nationality: Thai

### Current positions

- Chief Technology Officer (CTO)

### Education

- Bachelor Degree, Faculty of Science, King Mongkut's University of Technology Thonburi

### Experience

- Managing Director, AEC Securities PLC
- Executive Vice President, Finansia Syrus Securities PLC

### Date of appointment

- 21 November 2016

### Relationship with directors/executives

- – None –

### Director positions in other companies

- – None –

### Positions in other companies

- – None –

### Positions as a director/executive in other businesses that may cause conflicts of interest to the Company

- – None –

### Holding of the Company's shares

- Direct: None
- Spouse and minor children: None

### Penalty history in the last 5 years

- – None –



## Mr. Somchai Keawjaroenpisan

Age: 58 years old

Nationality: Thai

### Current positions

- Deputy Head of Brokerage Business and Executive Director of Brokerage Business Unit 5

### Education

- Master of Business Administration (Finance), Kasetsart University

### Experience

- Senior Executive Vice President, Finansia Syrus Securities PLC
- Senior Executive Vice President, Finansia Securities Co., Ltd.

### Date of appointment

- 20 February 2014

### Relationship with directors/executives

- – None –

### Director positions in other companies

- – None –

### Positions in other companies

- – None –

### Positions as a director/executive in other businesses that may cause conflicts of interest to the Company

- – None –

### Holding of the Company's shares

- Direct: None
- Spouse and minor children: None

### Penalty history in the last 5 years

- – None –





## **Mrs. Nusara Rooncharoen**

Age: 55 years old

Nationality: Thai

### **Current positions**

- Deputy Head of Brokerage Business and Executive Director of E-Business Marketing Sales Department

### **Education**

- Master of Business Administration, Siam University

### **Experience**

- Executive Director, Finansia Syrus Securities PLC
- Senior Executive Vice President, Finansia Syrus Securities PLC
- Executive Vice President, Finansia Securities Co., Ltd

### **Date of appointment**

- 1 August 2018

### **Relationship with directors/executives**

- – None –

### **Director positions in other companies**

- – None –

### **Positions in other companies**

- – None –

### **Positions as a director/executive in other businesses that may cause conflicts of interest to the Company**

- – None –

### **Holding of the Company's shares**

- Direct: None
- Spouse and minor children: None

### **Penalty history in the last 5 years**

- – None –





## Mr. Kuntra Ladavalya Na Ayudhya

Age: 53 years old

Nationality: Thai

### Current positions

- Executive Director of Brokerage Business Unit 1

### Education

- Master of Finance, University of La Verne, USA

### Training

Executive Course (21), Capital Market Academy, the Stock Exchange of Thailand

- Top Executive Program in Commerce and Trade (TEPCoT) (10)

### Experience

- Senior Executive Vice President, Syrus Securities PLC

### Date of appointment

- 21 February 2005

### Relationship with directors/executives

- – None –

### Director positions in other companies

- – None –

### Positions in other companies

- – None –

### Positions as a director/executive in other businesses that may cause conflicts of interest to the Company

- – None –

### Holding of the Company's shares

- Direct: 85 shares
- Spouse and minor children: None

### Penalty history in the last 5 years

- – None –



## Mr. Chatchai Chumsiri

Age: 61 years old

Nationality: Thai

### Current positions

- Executive Director of Brokerage Business Unit 2

### Education

- Bachelor of Marketing, Bangkok University

### Experience

- Senior Executive Vice President, Syrus Securities PLC

### Date of appointment

- 1 September 2008

### Relationship with directors/executives

- – None –

### Director positions in other companies

- – None –

### Positions in other companies

- – None –

### Positions as a director/executive in other businesses that may cause conflicts of interest to the Company

- – None –

### Holding of the Company's shares

- Direct: 25,029 shares
- Spouse and minor children: None

### Penalty history in the last 5 years

- – None –



## Mr. Nithivat Dhambhirasing

Age: 61 years old

Nationality: Thai

### Current positions

- Executive Director of Brokerage Business Unit 3

### Education

- Executive MBA Sasin, Chulalongkorn University (EMBA)

### Training

- Diploma in National Defence for the Joint State-Private Sector Course 2012, Thailand National Defence College
- Advanced Certificate Course in Public Economics Managed for Executives
- Diploma of Capital Market Academy
- Diploma of Environmental Governance for Executive Officer

### Experience

- Managing Director, Finansia Securities Co., Ltd.

### Date of appointment

- 19 February 2010

### Relationship with directors/executives

- – None –

### Director positions in other companies

- – None –

### Positions in other companies

- – None –

### Positions as a director/executive in other businesses that may cause conflicts of interest to the Company

- – None –

### Holding of the Company's shares

- Direct: None
- Spouse and minor children: None

### Penalty history in the last 5 years

- – None –



## Mr. Pasin Charuvongvatana

Age: 55 years old

Nationality: Thai

### Current positions

- Executive Director of Brokerage Business Unit 4

### Education

- Bachelor of Business Administration, Ramkhamhaeng University

### Experience

- Managing Director, Finansia Securities Co., Ltd.

### Date of appointment

- 1 January 2021

### Relationship with directors/executives

- – None –

### Director positions in other companies

- – None –

### Positions in other companies

- – None –

### Positions as a director/executive in other businesses that may cause conflicts of interest to the Company

- – None –

### Holding of the Company's shares

- Direct: None
- Spouse and minor children: None

### Penalty history in the last 5 years

- – None –



## **Ms. Ubonrut Sripunyawitch**

Age: 59 years old

Nationality: Thai

### **Current positions**

- Executive Director of Brokerage Business Unit 7

### **Education**

- Bachelor of Laws, Ramkhamhaeng University

### **Experience**

- Finansia Syrus Securities PLC

### **Date of appointment**

- 1 February 2018

### **Relationship with directors/executives**

- – None –

### **Director positions in other companies**

- – None –

### **Positions in other companies**

- – None –

### **Positions as a director/executive in other businesses that may cause conflicts of interest to the Company**

- – None –

### **Holding of the Company's shares**

- Direct: 41 shares
- Spouse and minor children: None

### **Penalty history in the last 5 years**

- – None –



## Ms. Kanoknapat Sithivaraporn

Age: 50 years old

Nationality: Thai

### Current positions

- Executive Director of Brokerage Business Unit 8

### Education

- Master of Business Administration (International Business), The George Washington University, Washington D. C, USA

### Training

- Executive Development Program (EDP) 8/2011, Thai Listed Companies Association

### Experience

- Senior Executive Vice President, Finansia Syrus Securities PLC
- Executive Vice President, Retail Sales Department, Far East Securities Co., Ltd.
- Asset Manager, Special Asset Management, Tisco Financial PLC

### Date of appointment

- 1 August 2015

### Relationship with directors/executives

- – None –

### Director positions in other companies

- – None –

### Positions in other companies

- – None –

### Positions as a director/executive in other businesses that may cause conflicts of interest to the Company

- – None –

### Holding of the Company's shares

- Direct: None
- Spouse and minor children: None

### Penalty history in the last 5 years

- – None –



## Mr. Pannatat Samitthisakda

Age: 57 years old

Nationality: Thai

### Current positions

- Executive Director of Brokerage Business Unit 10

### Education

- Master of Public and Private Management, National Institute of Development Administration

### Experience

- Senior Executive Vice President, Finansia Syrus Securities PLC
- Assistant Managing Director, Globlex Securities Co., Ltd.
- Senior Executive Vice President (Securities), KGI Securities (Thailand) PLC

### Date of appointment

- 1 July 2013

### Relationship with directors/executives

- – None –

### Director positions in other companies

- – None –

### Positions in other companies

- – None –

### Positions as a director/executive in other businesses that may cause conflicts of interest to the Company

- – None –

### Holding of the Company's shares

- Direct: None
- Spouse and minor children: None

### Penalty history in the last 5 years

- – None –



## Mr. Somyot Kittisukcharoen

Age: 47 years old

Nationality: Thai

### Current positions

- Executive Director of Brokerage Business Unit 15

### Education

- Master of Finance, Bangkok University

### Experience

- Executive Director, Finansia Syrus Securities PLC

### Date of appointment

- 1 January 2017

### Relationship with directors/executives

- – None –

### Director positions in other companies

- – None –

### Positions in other companies

- – None –

### Positions as a director/executive in other businesses that may cause conflicts of interest to the Company

- – None –

### Holding of the Company's shares

- Direct: None
- Spouse and minor children: None

### Penalty history in the last 5 years

- – None –





## **Ms. Raveewan Chaiyakit**

Age: 51 years old

Nationality: Thai

### **Current positions**

- Executive Director of Brokerage Business Unit 16

### **Education**

- Master of Science Program in Applied Statistics, National Institute of Development Administration

### **Date of appointment**

- 1 March 2018

### **Relationship with directors/executives**

- – None –

### **Director positions in other companies**

- – None –

### **Positions in other companies**

- – None –

### **Positions as a director/executive in other businesses that may cause conflicts of interest to the Company**

- – None –

### **Holding of the Company's shares**

- Direct: None
- Spouse and minor children: None

### **Penalty history in the last 5 years**

- – None –



## Mr. Anuwat Sae-tang

Age: 42 years old

Nationality: Thai

### Current positions

- Executive Director of Brokerage Business Unit 18

### Education

- Bachelor's degree - Bachelor of Business Administration, Kasetsart University
- Master's Degree - Master of Management, College of Management, Mahidol University

### Date of appointment

- 22 January 2021

### Relationship with directors/executives

- – None –

### Director positions in other companies

- – None –

### Positions in other companies

- – None –

### Positions as a director/executive in other businesses that may cause conflicts of interest to the Company

- – None –

### Holding of the Company's shares

- Direct: None
- Spouse and minor children: None

### Penalty history in the last 5 years

- – None –



## **Mrs. Manida Sithseree**

Age: 53 years old

Nationality: Thai

### **Current positions**

- Executive Director of Local Institution Department

### **Education**

- Master of Business Administration, University of Southern California

### **Experience**

- Head of Local Institution Department, CIMB Securities (Thailand) Co., Ltd.

### **Date of appointment**

- 1 May 2018

### **Relationship with directors/executives**

- – None –

### **Director positions in other companies**

- – None –

### **Positions in other companies**

- – None –

### **Positions as a director/executive in other businesses that may cause conflicts of interest to the Company**

- – None –

### **Holding of the Company's shares**

- Direct: None
- Spouse and minor children: None

### **Penalty history in the last 5 years**

- – None –



## Mr. Pitsanu Wathanawanapong

Age: 50 years old

Nationality: Thai

### Current positions

- Executive Director of Wealth Management Department

### Education

- Master of Business Administration, Srinakharinwirot University

### Date of appointment

- 16 July 2018

### Relationship with directors/executives

- – None –

### Director positions in other companies

- – None –

### Positions in other companies

- – None –

### Positions as a director/executive in other businesses that may cause conflicts of interest to the Company

- – None –

### Holding of the Company's shares

- Direct: None
- Spouse and minor children: None

### Penalty history in the last 5 years

- – None –

## Details of the Person Assigned to the Highest Responsibilities in Accounting and Finance



### Ms. Chorpetch Riamdee

Age: 46 years old

Nationality: Thai

#### Current positions

- Chief Financial Officer

#### Education

- Bachelor's degree in Accounting, Srinakharinwirot University
- Master of Business Administration in Finance, Ramkhamhaeng University

#### Training

- Training course focus on TFRS 9, TFRS 15, and TFRS 16: Summary, impact, practice, and case study conducted by the Stock Exchange of Thailand
- New TFRS conducted by NYC Management Co., Ltd. (7 hours)

#### Experience

- 2017 Vice president of Accounting and Finance Department, Asia Plus Group Holding PLC
- 2017 Vice president of Accounting and Finance Department, Land and Houses Securities PLC

#### Date of appointment

- 15 August 2017

#### Relationship with directors/executives

- – None –

#### Director positions in other companies

- – None –

#### Positions in other companies

- – None –

#### Positions as a director/executive in other businesses that may cause conflicts of interest to the Company

- – None –

#### Holding of the Company's shares

- Direct: None
- Spouse and minor children: None

#### Penalty history in the last 5 years

- – None –

## Ms. Doungdaun Noiwan

Age: 53 years old

Nationality: Thai

### Current positions

- Chief Accountant

### Education

- Bachelor of Accountant, Ramkhamhaeng University
- Master of Business Administration, Chulalongkorn University

### Training

- Update TFRS9 & TFRS16 Overall
- TFRS15 & TFRS16
- Preparation of consolidated financial statements

### Experience

- 2020-Present Executive Vice President, Finansia Syrus Securities PLC
- 2017-2019 Deputy Managing Director, Kingsford Holdings PLC
- 2016-2017 Vice President, Accounting Department, AEC Securities PLC

### Date of appointment

- 17 March 2020

### Relationship with directors/executives

- – None –

### Director positions in other companies

- – None –

### Positions in other companies

- – None –

### Positions as a director/executive in other businesses that may cause conflicts of interest to the Company

- – None –

### Holding of the Company's shares

- Direct: None
- Spouse and minor children: None

### Penalty history in the last 5 years

- – None –

## Details of the Company Secretary

### Ms. Phatra Kanchanapraphat

Nationality: Thai

#### Current positions

- Company Secretary

#### Education

- Master of Business Administration, National Institute of Development Administration

#### Training

- Financial Advisors Course, Association of Thai Securities Companies
- Successful Formulation and Execution Strategy Course (SFE) 25/2015
- Company Secretary Program Course (CSP) 68/2016
- Board Reporting Program (BRP) 19/2016
- Effective Minute Taking (EMT) 34/2016
- Company Reporting Program (CRP) 14/2016

#### Experience

- Vice President, Corporate Finance Department, ACL Securities Co., Ltd.

#### Date of appointment

- 1 October 2015

#### Relationship with directors/executives

- – None –

#### Director positions in other companies

- – None –

#### Positions in other companies

- – None –

#### Positions as a director/executive in other businesses that may cause conflicts of interest to the Company

- – None

#### Holding of the Company's shares

- Direct: None
- Spouse and minor children: None

#### Penalty history in the last 5 years

- – None –

#### Duties and Responsibilities of the Company Secretary

- Prepare and maintain the following documents:
  - a. Registration of directors
  - b. Notice of the Board of Directors' meetings, minutes, and the Company's annual report
  - c. Notice of the shareholders' meetings and the minutes
- Maintain report on vested interest reported by the Board or Management and send a copy of the report under section 89/14 to the Chairman of the Board and the Chairman of the Audit Committee within 7 working days from the date the Company received the report
- Take other actions as announced by the Capital Market Supervisory Board

In addition, there are other duties as the Company (or the Board of Directors) assigned as follows:

- provide advice on legal, related regulations, and regulatory practices in carrying out the activities of the Board in accordance with the law
- responsible for arranging the Board of Directors' and shareholders' meetings
- coordinate with internal departments of the Company to comply with the resolutions of the Board of Directors' meetings and the resolutions of the shareholders' meeting
- liaise with regulatory agencies such as the SEC, the SET, and supervise the disclosure of information and information reporting to regulatory agencies and the public to be correct and complete according to the law
- other duties as assigned by the Company

**Positions of Directors and Executives in Subsidiary, Associated Company, and Related Company**

Companies	FSS	Subsidiary	Associated Company	Related Company
Name-Surname	Finansia Syrus Securities PLC	FSS International Investment Advisory Securities Co., Ltd.	SBI Royal Securities PLC	PILGRIM FINANSIA INVESTMENT HOLDING PTE. LTD
1. Mr. Chatchaval Jiaravanon	X			
2. Mr. Varah Sucharitakul	✓		✓	
3. Mr. Vorapak Tanyawong*	✓			✓
4. Ms. Kanchana Vongratanakulthorn	✓			
5. Mr. Chuangchai Nawongs	✓	X	✓	
6. Mr. Somphop Keerasuntonpong	✓			
7. Mrs. Pornpring Suksantisuwan	✓	✓		
8. Pol. Gen. Visanu Prasattongsoth	✓			
9. Mr. Phaiboon Siripanoosatien	✓			
10. Mr. Kittisak Bencharit	✓			

Remark: ✓ means director      X means chairman of the board      // means executive director

\* Mr. Vorapak Tanyawong has been appointed as a director to replace Mr. Varah Sucharitakul, approved by the SEC on 27 December 2021 and the registration of directors has been completed on 10 January 2022 (Mr. Varah Sucharitakul's resignation was effective on 16 December 2021).



## Attachment 2

### Details of Directors of Subsidiaries

As of 31 December 2021

List of Directors of Subsidiaries

Name of Directors	Subsidiary	Related Company
	FSS International Investment Advisory Securities Co., Ltd.	First Starch International Co.,Ltd.
Mr. Chuangchai Nawongs	X	
Mrs. Pornpring Suksantisuwan	✓	
Mr. Suwat Sinsadok	✓	✓

Remark: ✓ means director

X means chairman of the board

// means executive director

### Attachment 3

#### Details about the Head of Internal Audit Department and the Head of Compliance Department

**Name:** Mrs. Parichart Khantasima

**Position:** Senior Executive Vice President, Compliance Department

**Education:** Master's degree Faculty of Public Administration, Major in Project Management and Public Policy, National Institute of Development Administration  
Bachelor's degree Faculty of Business Administration, Major in Accounting, Ramkhamhaeng University

**Experience:** 2018 – present Compliance and Internal Audit Department, Finansia Syrus Securities Public Company Limited  
2015 – 2018 Internal Audit Department, Capital Nomura Securities Public Company Limited  
2012 – 2015 Internal Audit Department, RHB OSK Securities Public Company Limited  
2009 – 2012 Compliance and Risk Management, One Asset Management Limited  
2006 – 2009 Compliance and Risk Management, Finansia Fund Management Limited

**Training Program:** 2020 Standard Course on Anti-Money Laundering and Counter Terrorism Financing for those in charge of reporting  
2021 ASCO Compliance Training Program

#### Duties and Responsibilities of the Head of Compliance Department

1. supervise the operations of various departments to ensure strict compliance with the laws, related regulations, the Company's regulations, as well as general codes of conduct;
2. serve as a consultant and give advice on compliance with the laws, related regulations, the Company's regulations, as well as general codes of conduct for various departments;
3. organize training for employees to have knowledge and understanding of the laws, related rules, and the Company's regulations, as well as general codes of conduct;
4. establish regulations as well as rules and procedures for operation of the Company's securities to be in accordance with relevant laws and regulations as well as general codes of conduct;
5. coordinate with regulatory agencies such as the Securities and Exchange Commission, the Stock Exchange of Thailand, and other related organizations.

**Name:** Ms. Supreeda Sirirutsakul

**Position:** Executive Vice President, Internal Audit Department

**Education:** Master's degree Faculty of Business Administration, Finance Department,  
Dhurakij Pundit University  
Bachelor's degree Faculty of Accountancy,  
Dhurakij Pundit University

**Experience:** 2018 – present Internal Audit Department, Finansia Syrus Securities Public Company Limited  
2016 – 2018 Compliance Department, RHB Securities (Thailand) Public Company Limited  
2015 – 2015 Internal Audit Department, Siam Commercial Bank Public Company Limited  
2013 – 2014 Compliance Department, Apple Wealth Securities Public Company Limited  
2011 – 2013 Compliance Department, Finansia Syrus Securities Public Company Limited  
2009 – 2011 Compliance Department, Globlex Securities Company Limited

**Training Program:** 2020 Standard Course on Anti- Money Laundering and Counter Terrorism Financing for those in charge of reporting  
2021 ASCO Compliance Training Program

### Scope of work of the Internal Audit Department

1. evaluate the effectiveness and efficiency of the operations performed by the inspected department, recommend continuous improvements in risk management, control, and governance;
2. review the operating system according to standards and/or laws, rules, regulations, and orders prescribed by regulators to ensure that it can lead to targeted performance, objectives, and in accordance with the Company's policy;
3. prepare annual internal audit work plan presented to the Audit Committee for approval;
4. examine, evaluate, and monitor the operations of various departments of the Company in accordance with the policies, regulations, orders, and requirements of the law;
5. examine the internal control system and risk management in the operating procedures of each department to ensure that there is an appropriate, concise, and sufficient internal control system to manage risks at a controllable level and in accordance with the corporate governance process;
6. check information technology systems to check the IT general controls and IT application controls;
7. provide advice, review, and suggest ways to improve internal control, risk management, and corporate governance for executives and audited departments,
8. report in its entirety all material facts detected to the Audit Committee and Chief Executive Officer;
9. monitor and verify the implementation of audit recommendations by regulatory bodies and auditor;

10. prepare an audit report to be presented to the Management for consideration and to the Audit Committee for acknowledgment on a regular basis when there is an Audit Committee meeting;
11. in the event that the audit results show that there are behaviors believed to be fraudulent, the Internal Audit Department must promptly report the results of the audit to the Chief Executive Officer and the Audit Committee;
12. perform any other audit tasks as assigned by the Audit Committee, Board of Directors, or Chief Executive Officer;
13. determine, review, and update the Internal Audit Department's operating manual to be up-to-date.

## Attachment 4

### Assets for business undertaking

#### Assets for business undertaking

##### Intangible assets

##### Under the Securities Act

Type of license	No.	Dated	Type of business	Commencement date
Type A	LorKor-0029-01	22 March 2019	Private fund management	18 February 2020
Type A	LorKor-0029-01	22 March 2019	Securities brokerage	22 March 2019
Type A	LorKor-0029-01	22 March 2019	Securities dealing	22 March 2019
Type A	LorKor-0029-01	22 March 2019	Investment advisory service	22 March 2019
Type A	LorKor-0029-01	22 March 2019	Securities underwriting	22 March 2019
Type A	LorKor-0029-01	22 March 2019	Securities borrowing and lending (Principal and Agent)	22 March 2019

##### Under the Derivatives Act

Type of license	No.	Dated	Type of business	Commencement date
Sor-1	Sor1-0029-01	10 August 2018	Derivatives brokerage	10 August 2018
Sor-1	Sor1-0029-01	10 August 2018	Derivatives dealing	13 March 2019

### Lease contract


Type of assets	Nature of ownership	Obligation
<b><u>Head Office</u></b> 999/9 The Offices at Central World 18 <sup>th</sup> , 25 <sup>th</sup> Floor, Rama I Road, Pathumwan, Bangkok 10330	Lease contract Period: 1 February 2020 – 31 January 2023	No obligation
<b><u>Alma Link Office</u></b> 25 Alma Link Building, 9 <sup>th</sup> 14 <sup>th</sup> 15 <sup>th</sup> Floor, Soi Chidlom, Ploenchit Road, Lumpini, Pathumwan, Bangkok 10330	Lease contract Period: 1 November 2021 – 31 October 2022 (9th and 15th floor = 827 sq m.) : 15 August 2020 – 14 August 2023 (14th floor = 788 sq m.)	No obligation
<b><u>Central Pinklao 1 Branch</u></b> 7/129 221 Central Pinklao, Tower A, 16th Floor, Room 21601/1, Baromratchachonanee Road, Arunamarin, Bangkok Noi, Bangkok 10700	Lease contract Period: 17 December 2019 – 16 December 2022	No obligation
<b><u>Bangkapi Branch</u></b> 3105 N Mark Building, 3rd Floor, Room A3 R02, Ladprao Road, Klongchan, Bangkapi, Bangkok 10240	Lease contract Period: 4 September 2020 – 3 September 2023	No obligation
<b><u>Bang Na Branch</u></b> 589 Tower 1 Office Building, 19th Floor, 589/105, Moo 12, Bang Na Trad Road, Bang Na, Bangkok 10260	Lease contract Period: 4 July 2021 – 3 July 2024	No obligation
<b><u>Sindhorn 1 Branch</u></b> 130-132 Sindhorn Tower 1, 2nd Floor, Wireless Road, Lumpini, Pathumwan, Bangkok 10330	Lease contract Period: 1 July 2021 – 30 June 2024	No obligation
<b><u>Kian Gwan</u></b> 140/1 Kian Gwan House II, 18th Floor, Wireless Road, Lumpini, Pathumwan, Bangkok, 10330	Lease contract Period: August 16, 2019 – August 15, 2022	No obligation
<b><u>Prachachuen Branch</u></b> 105/1 B Building, 4th Floor, (Unit no. B403) Tessaban Songkroh Road, Ladyao, Jatujak, Bangkok 10900	Lease contract Period: 1 April 2019 – 31 March 2022	No obligation

<b><u>Rattanaibet Branch</u></b> 576 Rattanaibet Road, Bang Krasor, Nonthaburi 11000 (Unit no. SH127)	Lease contract Period: 1 December 2021 – 30 November 2022	No obligation
<b><u>Samutsakhon Branch</u></b> 813/30 Norasing Road, Mahachai, Samutsakhon, Samutsakhon, 74000	Lease contract Period: 1 August 2019 – 31 July 2022	No obligation
<b><u>Rangsit Branch</u></b> 1/832, 2, 2.5, 3 Floor, Moo 17, Kukod, Lamlookka, Pathumthani 12130	Lease contract Period: 1 November 2021 – 31 October 2024	No obligation
<b><u>Khon Kaen Branch</u></b> 311/1 Klang Muang Road, Nai Muang, Khon Kaen 40000	Lease contract Period: 15 November 2021 – 14 November 2023	No obligation
<b><u>Hadyai Branch</u></b> 106 New Season Hotel, Prachathipat Road, Hadyai, Songkla 90110	Lease contract Period: 16 March 2021 – 15 March 2022	No obligation
<b><u>Chiang Mai Branch</u></b> 310 Chiang Mai Land, Changklan Road, Changklan, Muang Chiang Mai, Chiang Mai 50100	Lease contract Period: 1 June 2021 – 31 May 2023	No obligation
<b><u>Surat Thani Branch</u></b> 173/83-84 Moo 1, Wat Pho Bang Yai Road, Makham Tia, Muang Surat Thani, Surat Thani 84000	Lease contract Period: 8 February 2020 – 7 February 2023	No obligation
<b><u>Mae Sai Branch</u></b> 119 Moo 10, Mae Sai, Chiang Rai 57130	Lease contract Period: 1 July 2019 – 30 June 2022	No obligation
<b><u>Phuket Online Branch</u></b> 22/18 Luang Phor Wat Chalong Road, Talad Yai, Muang Phuket, Phuket 83000	Lease contract Period: 18 June 2021 – 17 June 2022	No obligation
<b><u>Trang Branch</u></b> 59/28 Huayyod, Tubtieng, Muang Trang, Trang 92000	Lease contract Period: 9 April 2021 – 8 April 2022	No obligation
<b><u>Pattani Branch</u></b> 300/69-70 Moo 4, Roo Samilea, Muang Pattani, Pattani 94000	Lease contract Period: 9 April 2021 – 8 April 2022	No obligation
<b><u>Chiang Rai Branch</u></b> 758 Phahonyothin Road, Wiang, Mueang Chiang Rai, Chiang Rai 57000	Lease contract Period: 1 November 2021 – 31 October 2022	No obligation

<b><u>Udonthani Branch</u></b> 197/29 , 213/3 Udonusadee Road, Mak Khaeng, Muang, Udonthani 41000	Lease contract Period: 1 October 2021 – 30 September 2022	No obligation
<b><u>Nakhon Ratchasima Branch</u></b> 198/1 Trok Samorai, Nai Muang, Muang, Nakhon Ratchasima 30000	Lease contract Period: 1 November 2019 – 31 October 2022	No obligation
<b><u>Mint Tower (Back Office)</u></b> 719 Mint Tower 6th, (Unit No. 601, 603), 7th, 8th, 9th Floor BanThat Thong Road, Wangmai, Pathumwan, Bangkok, 10330	Lease contract Period: 29 January 2020 – 28 November 2034	No obligation
<b><u>Chaeng Wattana Branch</u></b> 99, 99/9 Central Plaza Chaengwattana Office Tower, 19th Floor, Room 1904, Moo 2, Bang Talat, Pakkred, Nonthaburi 40000	Lease contract Period: 1 March 2020 – 28 February 2023	No obligation
<b><u>Sathorn Branch</u></b> 48/29 , 48/32 TISCO Tower, 16th Floor, North Sathorn Road, Silom, Bangrak, Bangkok 10500	Lease contract Period No. 48/32: 1 January 2021 – 31 December 2023 No. 48/29: 1 May 2021 – 31 December 2023	No obligation



**Significant trademarks, copyrights, or other intellectual properties**

Type of trademark/copyright	Name of owner	Type of product/service	Registration number/ Country of registration	Period of protection
Trademark / Service mark  	Finansia Syrus Securities Public Company Limited	Class 42 Software and application services via the internet	Registration no. 191123771 Application no. 180113112 Thailand	10 years Registered on 3 May 2018
		Class 9 Computer program and software	Registration no. 191123789 Application no. 180113110 Thailand	10 years Registered on 3 May 2018
		Class 36 Brokerage service, investment banking service, investment advisory service, bond service, futures trading service, securities borrowing and lending service, foreign securities trading service	Registration no. 191123790 Application no. 180113111 Thailand	10 years Registered on 3 May 2018

## Attachment 5

### Policies and guidelines for corporate governance and Code of Conduct

#### Corporate Governance Policy of Finansia Syrus Securities Public Company Limited

##### Introduction

In addition to strictly complying with the laws and rules or regulations related to securities business operations and listed companies on the Stock Exchange of Thailand, Finansia Syrus Securities Public Company Limited (“**Company**”) has also complied with the Company's corporate governance policy, which consists of Articles of Association, policies, and internal regulations related to the Company, including the principles of good corporate governance. The objective is to enhance the management of the Company to be efficient, transparent, and fair to all parties involved, build confidence for all stakeholders such as shareholders, regulators, customers, employees, as well as society and the environment, as well as increase the competitiveness of the Company under the framework of ethics and social responsibility which will lead the Company and society to grow together in a sustainable way. In this regard, the Company requires that the corporate governance policy must be approved by the Board of Directors as a practice principle for the Board of Directors, executives, and employees.

#### Part 1 – Vision, Core Value, and Code of Conduct

##### 1.1 Vision

The Board of Directors of Finansia Syrus Securities Public Company Limited (“**Board of Directors**”) has set a vision of being a company that will “create wealth and by raising the investment level” by setting goals for stakeholders as follows:

- Customers: Being a financial service provider in the capital market that meets the needs of customers
- Employees: Being a company that cares about employees
- Shareholders: Being a company that provides a sustainable return on investment
- Regulators: Being a company that operates business in accordance with strict rules
- Society & Environment: Being a socially and environmentally responsible company

##### 1.2 Core Value



##### H - Honesty

Be honest and dare to do the right things and be trustworthy

### **E - Engagement**

Participate and be responsible for driving the organization forward to achieve its goals

### **R - Responsibility**

Have self-responsibility, responsibility towards duties, and responsibility towards others for both words and deeds

### **O - Originality**

Contribute original ideas, embrace new things, and adapt to changing situations

## **1.3 Code of Conduct**

The Company has prepared the Company's Code of Conduct ("**Code of Conduct**") with details as follows:

1. Code of Conduct consists of business ethics and Code of Conduct for directors, executives, and employees. The objective is to focus on taking care of customers and stakeholders of the Company in order for them to receive standardized services by defining the responsibility of the Company to customers and stakeholders including management of conflicts of interest, disclosure of information, and taking care of society and environment. The Code of Conduct for directors, executives, and employees aims to focus on building good corporate governance in the organization, by laying down rules for directors, executives, and employees to follow in order to ensure that the Company's business operations comply with the policy as well as the relevant laws and regulations.
2. Code of Conduct for business partners aims at the Company's business partners to apply the principles and concepts of ethical business practices in accordance with the principles of good corporate governance and sustainable business practices in business operations in order to support ethical business operations, respect freedom, labor, and human rights, take care of health, safety, and environment, including complying with relevant laws and regulations.

The details of the Code of Conduct can be found on the Company's website at [www.fnsyrus.com](http://www.fnsyrus.com) under the topic Code of Conduct.

## **Part 2 – Corporate Governance**

### **2.1 Board of Directors**

#### **a) Powers, roles, duties, and responsibilities of the Board of Directors**

The Board of Directors has the powers, roles, duties, and responsibilities as stipulated by law, the Company's objectives, the Company's Articles of Association, resolutions of the Board of Directors Meetings, and resolutions of the shareholders' meetings. This includes setting important strategies and policies to ensure that the Company has an effective control, supervision, and audit mechanism, and monitoring the operations of the Company continuously, by taking into account fair business operation, transparency, responsibility to stakeholders under the principles of good corporate governance and create value for the Company in the long run.

The details of the duties and responsibilities of the Board of Directors can be found on the Company's website at [www.fnsyrus.com](http://www.fnsyrus.com) under the topic Corporate Governance respectively.

## **b) Board of Directors' Meeting**

The Company stipulates that the Board of Directors' meetings are held regularly. Directors must attend the Board of Directors' meeting at least 75% of the total number of meetings held each year unless there is a reasonable cause and necessity, and have the Chief Executive Officer attend the meeting every time to provide additional information to the meeting in addition to the information presented by the directly responsible management. The Chairman and the Chief Executive Officer will jointly determine the matters to be included in the meeting according to importance and urgency. Adequate time is allocated for the management to present all important information, including enough time for directors to ask questions and discuss important issues. The dates and times of the Board of Directors' meetings have been set in advance throughout the year to facilitate all directors to be able to attend the meetings.

Prior to each meeting, the Company Secretary will send the Notice of the meeting, agendas, and supporting documents for the meeting to the directors at least 5 business days (Unless there is a reason for urgent need to preserve the rights or benefits of the Company) so that the directors have enough time to study the information.

After the meeting, the Board of Directors will receive a draft minute of the meeting within 14 days in which the discussions of the meeting on important issues are recorded in detail. When the minutes of the meeting are approved by the Board of Directors' meeting, the Company Secretary will send the minutes of the meeting to the relevant supervisory authority in accordance with the prescribed rules, as well as to keep as evidence for internal and external agencies for further reference.

In addition, the Company has added options for organizing the Board of Directors' meetings through electronic means to facilitate all directors to attend the meeting. The procedures for organizing meetings via electronic means are in accordance with the Company's Articles of Association and related laws.

## **c) Structure of the Board of Directors**

The Board of Directors consists of independent directors, non-executive directors, and executive directors, with the number of directors as specified by the shareholders' meeting but must not be less than 5 persons. At least 3 directors or one-third of the total number of directors (whichever is higher) are independent directors. Executive directors must not be more than one-third of the total number of directors. The Company has set a policy for the Board of Directors to consist of individuals with diverse experiences and skills to cover and fit the business direction of the Company.

The definition of "independent director" of the Company is in accordance with the Notification of the Capital Market Supervisory Board No. TorJor. 39/2559 Re: Application for Approval and Granting of Approval for Offering of Newly Issued Shares including amendments to any such announcements (if any).

## **d) Term of Directorship**

Directors have a term of office as stipulated in the Board of Directors' Charter. In addition, in order to comply with the principles of good corporate governance, the Company stipulated that independent directors can hold office for a period of not more than 9 years, unless there is a reasonable cause to hold the position for another term.

**e) Nomination and election of directors**

The Nomination, Remuneration, and Corporate Governance Committee (“**NRCG Committee**”) will consider a list of qualified persons to be directors of the Company from the nominations of shareholders and directors and from the director pool, and will assess the skills and expertise of the directors according to the Board Skill Matrix to be consistent and appropriate with the direction and strategy of the Company. In addition, the Company attaches great importance to the process and criteria for recruiting and selecting qualified persons to serve as directors of the Company. In addition, the Company attaches great importance to the process and criteria for recruiting and selecting qualified persons to serve as directors of the Company, focusing on promoting and bringing about the diversity of people in terms of gender, nationality, ethnicity, age, educational background, work experience, skills or knowledge, as well as other differences, which are the factors in considering the nomination of the Company's directors. The objective is to provide the Board of Directors with a variety of components, bringing about different opinions and views which will benefit all stakeholders and encourage the Company to have sustainable growth. The NRCG Committee will nominate a qualified person as the Company's director to the Board of Directors and/or shareholders for approval (as the case may be). The appointment of such director must be approved by the Office of the Securities and Exchange Commission (“**SEC**”).

**f) Treatment of new directors**

The Company provides an orientation for new directors to allow the person appointed as the Company's director to have the opportunity to receive information about the vision, strategy, business goals and important operations of the Company, as well as practices for being a director of a securities company and a director of a listed company. Senior executives of the Company will participate in providing information in the orientation such as Chief Executive Officer and/or senior executives.

**g) Development of directors**

The Company recognizes the necessity and encourages its directors to receive training and develop necessary knowledge continuously to accommodate competition and changes from business operations. The Company encourages directors to attend training seminars in order to increase their knowledge in various fields related to their assigned roles and responsibilities both as directors and members of sub-committees on a regular basis. Training courses can be organized by the SEC, the Stock Exchange of Thailand, Thai Institute of Directors, and other organizations, including activities that help promote awareness of good corporate governance. In this regard, the Company regularly informs directors of training courses or seminar activities.

**h) Directorship in other companies/juristic persons**

The Company has established a policy on holding positions in other companies of directors in accordance with the guidelines of the various regulatory agencies. The Company's directors will be able to hold directorship positions in listed companies both in Thailand and abroad, which should not exceed 5 listed companies in total and the holding of directorship in the Company shall be counted as one of the listed companies on the Stock Exchange of Thailand.

In this regard, directors are obliged to notify information of their position in other companies or juristic persons whenever there is a change to the NRCG Committee and the Board of Directors.

## 2.2 Sub-committees

The Board of Directors has appointed sub-committees to serve to consider specific tasks. Currently, the Company consists of 4 sub-committees, namely Executive and Risk Oversight Board, Audit Committee, NRCG Committee, and Technology Committee.

The composition, roles, and duties of the various sub-committees are as follows: (Details about the duties and responsibilities of the 4 sub-committees can be found on the Company's website [www.fnsyrus.com](http://www.fnsyrus.com) under topic Corporate Governance and "Sub-committees Charter" respectively).

### 1. Executive and Risk Oversight Board ("Executive Board")

Executive Board consists of a number of directors and may consist of other persons, who are the executives of the Company. The person who will be the Chairman of the Executive Board must be a director of the Company and the Chief Executive Officer shall be a member of the Executive Board.

Executive Board has an important role in driving the Company to be in accordance with the Company's strategies, policies and regulations, including supervising the Company's business. The Executive Board shall also provide advice to the Board of Directors on the Company's risk governance framework, review the adequacy and effectiveness of overall risk management policies and strategies including the acceptable level of risk at least once a year or when there is a significant change in order to assess whether the Company's risk management policies and strategies covers all types of risks including emerging risks, ensure that such policies and strategies are implemented in an efficient and effective manner, assess the risks according to the potential significant activity (SA) which reflects the risks according to the Company's business model, establish measures to control risks effectively, report to the Board of Directors about the risk status, risk management efficiency, and compliance status with a risk-aware corporate culture, as well as significant factors and problems that need to be improved to be in line with the policies and strategies for risk management, provide advice to the Board of Directors in cultivating a risk culture throughout the organization, ensure that senior executives, including the Head of the Risk Management Department, comply with risk management policies and strategies and acceptable levels of risk, comment on or participate in the assessment of the performance and effectiveness of the Chief Risk Officer or equivalent position, and perform various tasks as assigned by the Board of Directors to achieve the vision, mission, and core value of the Company.

### 2. Audit Committee

The Audit Committee consists of not less than 3 directors. All Audit Committee members must be independent directors and have qualifications in accordance with the rules of the SEC, the Capital Market Supervisory Board, and the Stock Exchange of Thailand.

The Audit Committee has duties and responsibilities to ensure that the Company's financial reporting is accurate and adequate, has an efficient internal control system, and complies with applicable laws and regulations. The Audit

Committee shall also follow up on the resolution of non-compliance with laws and regulations (if any), review the operating procedures and supervision of connected transactions or transactions that may have conflicts of interest and compliance with anti-corruption and bribery policies. In addition, the Audit Committee is responsible for considering, selecting, proposing the appointment and termination of employment, and considering the auditor's remuneration annually.

### 3. **Nomination, Remuneration, and Corporate Governance Committee**

The Nomination, Remuneration, and Corporate Governance Committee ("**NRCG Committee**") was appointed by the Board of Directors, with a minimum of 3 members. The members of the NRCG Committee ("**NRCG directors**") must be independent directors or non-executive directors and the proportion of independent directors must be more than half of the total number of directors. The Board of Directors to appoint one NRCG director to be the Chairman of the NRCG Committee, who should be an independent director. The NRCG Committee has the main duties and responsibilities as follows:

#### (1) **Nomination**

The NRCG Committee shall determine policies, rules, and procedures for the nomination of directors and persons with power of management, select and nominate qualified persons to serve as the Company's directors, members of sub-committees, Chief Executive Officer, successor to the Chief Executive Officer, and the Company's advisors, as well as supervise and formulate policies and procedures for recruiting directors, Chief Executive Officer, successor to the Chief Executive Officer, and the Company's advisors. In this regard, the NRCG Committee will consider the names of qualified persons from the nominations of the shareholders and directors, including from the Director Pool, which will assess skills and expertise according to the Board Skill Matrix to be consistent and appropriate with the direction and strategy of the Company. The NRCG Committee shall also promote and bring about the diversity of people in terms of gender, nationality, race, age, educational background, work experience, skills or knowledge, as well as other differences.

In addition, the NRCG Committee is responsible for ensuring that the Company has an appropriate succession and management continuity plan for the CEO position.

#### (2) **Remuneration**

The NRCG Committee shall determine remuneration policy and other benefits including the amount of remuneration and other benefits to be given to directors, members of sub-committees, by taking into account the scope of duties and responsibilities of each individual and the risks involved, as well as determine the guidelines for the annual assessment of directors and Chief Executive Officer.

#### (3) **Human Resources Policy and Corporate Culture**

The NRCG Committee shall provide opinions on the human resource policy in accordance with the Company's business strategy, set policies, and supervise the preparation of a succession plan for the Chief Executive Officer, as well as provide opinions on plans for cultivating and developing corporate culture.

#### **(4) Corporate Governance**

The NRCG Committee shall determine the Company's corporate governance policy, follow up to ensure compliance with corporate governance policy, regularly review and update the policy to be appropriate, supervise the operations to be in line with the corporate governance principles of the governing authorities, and provide an annual assessment of individual directors, Board of Directors, and members of sub-committees.

#### **4. Technology Committee**

The Technology Committee consists of a number of directors and/or executives. Those holding positions in the Technology Committee must have expertise, experience, understanding of their duties, and responsibility, and must not have qualifications prohibited by law.

Technology Committee is responsible for overseeing the Company's technology strategy and system architecture, establish a framework for assessing the level of readiness for cyber threats, establish principles for maintaining the security of information technology systems, study the advances in technology to improve the quality of the Company's financial transactions to be on an acceptable risk level, as well as to enhance knowledge about information technology for the Board of Directors.

#### **2.3 Separation of positions between the Chairman of the Board of Directors, the Chairman of the Executive Board, and the Chief Executive Officer**

For the purpose of supervision and transparency of the operation, the Company has set the separation of powers and duties of the Chairman of the Board of Directors, the Chairman of the Executive Board, and the Chief Executive Officer clearly, which is in accordance with the principle of separation of duties between formulating corporate governance policies and routine administration. The details are as follows:

Chairman of the Board of Directors: The Board of Directors will appoint a director who is an independent director or a non-executive director to serve as the Chairman of the Board of Directors, who is responsible for supervising the Board of Directors to perform their duties efficiently, presiding over the Board of Directors' meetings, ensuring that there are meeting agendas that are important and necessary for the Company's business operations, especially on corporate strategy, allocating time for management to clearly present important information, ensuring a thorough discussion. in meetings, ensuring that the Company Secretary record the minutes of the meeting correctly, as well as supervising the corporate governance of the Company according to the specified policy. In addition, the Chairman of the Board of Directors also acts as the Chairman of the shareholders' meeting.

Chairman of the Executive Board: The Board of Directors will appoint a director to serve as the Chairman of the Executive Board, who is responsible for supervising the Executive Board to perform duties in accordance with the Executive Board's Charter, which is to supervise the Company's operations to be in accordance with the Company's strategies, policies, and regulations as well as perform various tasks as assigned by the Board of Directors. The Chairman of the Executive Board has no authority to sign to bind the Company alone.



Chief Executive Officer: The Board of Directors will appoint the Chief Executive Officer, who will be a member of the Executive Board by position, and without the power to sign to bind the Company alone. The Chief Executive Officer is the top executive of the organization, who plays a major role in overseeing the operation of the Company to be in accordance with the strategic policy and goals set by the Board of Directors, suggesting alternatives and strategies in line with changing business conditions for sustainable growth, considering, screening, and approving various matters according to the regulations set by the Company as assigned by the Board of Directors and/or sub-committees. Also, the Chief Executive Officer will be primarily responsible for creating corporate culture.

## 2.4 Directors' Remuneration

### a) Directors' Remuneration

The NRCG Committee is responsible for recommending appropriate remuneration for directors and sub-committees to the Board of Directors to consider and propose to the shareholders for approval annually. The Board of Directors has a policy to provide directors' remuneration at an appropriate level and in line with the duties of the directors to perform in accordance with the expectations of various stakeholder groups and related risks, as well as in accordance with relevant laws and regulations.

### b) CEO's Compensation

The NRCG Committee is responsible for determining and approving the CEO's compensation, taking into account the Company's performance, CEO's performance, and competitiveness of the Company compared to financial institutions and leading companies in Thailand under transparent guidelines and the scope of job responsibilities.

### c) Other benefits of directors and Chief Executive Officer

Directors receive other welfares according to the Company's regulations, such as directors and officers liability insurance, etc.

The CEO receives the same benefits and welfares as employees, such as medical treatment benefits, life and accident insurance, travel expenses, various types of loan benefits, provident fund contributions, etc.

## 2.5 Performance Evaluation of the Board of Directors and CEO

- a) The performance evaluation of the Board of Directors consists of (1) the entire group of Board of Directors, (2) individual director, (3) sub-committees, and (4) CEO.

The Company arranges an annual evaluation of the Board of Directors' performance by means of self-assessment and/or cross-assessment. The Company will use the recommendations received from the performance evaluation of the Board of Directors to improve the effectiveness of the Board of Directors for the maximum benefit of the corporate governance of the Company.

- b) The Company arranges an annual performance evaluation of the CEO, which is under the responsibility of the NRCG Committee. In assessing the CEO's performance, the NRCG Committee is responsible for scrutinizing goals and

guidelines before proposing the Board of Directors for approval, as well as follow up on the performance and evaluate the performance and present to the Board of Directors for consideration.

## 2.6 Succession Planning

The Company has assigned the NRCG Committee to consider the development plan to replace the position of Chief Executive Officer and Senior executives to ensure that there is a plan for recruiting, selecting, and preparing personnel to replace key positions that are important to business operations. In addition, the Company has prepared a development plan to replace positions with the objective of preparing manpower in both quality and quantity for the benefit of continuous and appropriate management, including to select and prepare personnel to suit the Company's key jobs, other positions that are important according to the management structure or business operations, or positions that require specific skills.

## 2.7 Company Secretary

The Board of Directors appointed the Company's qualified executive as a Company Secretary to act in relation to the Board of Directors' meetings and shareholders' meetings, as well as supporting corporate governance in accordance with the principles of good corporate governance.

Details of the duties and responsibilities of the Company Secretary can be found on the Company's website [www.fnsyrus.com](http://www.fnsyrus.com) under the topic Corporate Governance "Roles and Duties of Company Secretary".

## Part 3 – Rights and treatment of stakeholders

### 3.1 Treatment of stakeholders

The Company recognizes the rights of various stakeholders, including shareholders, customers, employees, partners, competitors, creditors, business partners, society, communities, and the environment. This is reflected through the Company's vision and Code of Conduct. The Company has a policy to ensure that each stakeholder group is fully satisfied and entitled to that right on the basis of fairness for sustainable growth together.

Stakeholders can contact the relevant departments of the Company directly, for example, customers can contact through branches or investment consultants of the Company. In addition, the Company has other communication channels to receive complaints, recommendations, and opinions, which are the central channels that can be contacted to the Company with details of communication channels with the Company defined in form 56-1 One Report.

The details of the treatment of stakeholders can be found on the Company's website [www.fnsyrus.com](http://www.fnsyrus.com) under the topic Rights and treatment of stakeholders > "Code of Conduct"

### 3.2 Treatment of shareholders

#### a) General treatment of shareholders

The Company has a policy to provide shareholders with basic rights, such as buying or transferring shares, share in the Company's profit, attending shareholders' meetings to exercise the right to vote at the meeting independently and

equally, joint decision-making on important matters, and obtaining the Company's information quickly, completely, and sufficiently through easily accessible channels.

**b) Treatment of shareholders in connection with the shareholders' meeting**

The Company aims to conduct shareholders' meetings in accordance with the relevant laws and regulations, including good corporate governance standards. This includes giving shareholders the right to nominate directors' agendas and submit questions in advance of the meeting, delivery of the notice of meeting in advance that is accurate, complete, sufficient and has a period of time for publication on the website 30 days before the date of the meeting. The Company also ensures that the shareholders' meetings are transparent, effective, and allows shareholders to exercise their rights and prepares the resolutions and meeting minutes to be disclosed on the website of the Stock Exchange of Thailand and the website of the Company within 14 days from the date of the meeting.

**c) Dividend payment**

The Company has a dividend payment policy as follows:

The Company has a policy to pay dividend at a rate of not less than 40% of the annual net profit according to the consolidated financial statements, and will consider long-term returns to shareholders. The Company will pay dividend when there is profit after all legal reserves and other necessary reserves have been allocated and there is no accumulated loss so that the Company can maintain sufficient capital fund according to the law.

However, the dividend payment is subject to change depending on the Company's future investment plans, necessities, and other appropriateness.

### **3.3 Disclosure and Transparency**

The Company has established a policy of disclosing information to shareholders and all groups of stakeholders to ensure completeness, appropriateness, equality, and timeliness, including overseeing the disclosure of confidential information and information that affects securities trading prices. The Company has assigned that the Chief Executive Officer, Chief Financial Officer, Investor Relations Manager, Company Secretary, and other persons whom the Board of Directors may consider entrusting to be transparent disclosures of the Company's information.

The Company discloses information to related parties through various channels, such as reporting to the Stock Exchange of Thailand, the SEC, on the Company's website. [www.fnsyrus.com](http://www.fnsyrus.com), meeting investors, dissemination of news through mass media, etc.

In addition, details of information disclosure to the public via the website of the Stock Exchange of Thailand and the Company can be found on the Company's website [www.fnsyrus.com](http://www.fnsyrus.com) under the topic "Investor Relations".

## Part 4 – Internal control

### 4.1 Internal control to prevent conflicts of interest and the use of inside information by directors, executives, and employees

The Board of Directors has established various actions to disclose and prevent transactions that may cause conflicts of interest, including misuse of inside information. This is set out in the Code of Conduct, Regulations on Confidentiality and Disclosure of Customer Data, Regulations on the Prevention of Use of Inside Information, and Rules on Securities Trading of Directors, and Regulations on Securities Trading of Employees, including the non-trading period of the Company's directors, executives, and employees involved in the preparation of financial statements. The period of prohibition of trading in the Company's shares is set for 1 month prior to the announcement of the quarterly financial statements, half-year financial statements, and annual financial statements, and within 24 hours after the disclosure of such financial statements. In addition, the Company also requires directors and executives (As defined in the Notification of the Capital Market Supervisory Board) to disclosure the report of securities holdings in accordance with relevant laws.

In addition, for the benefit of internal control in preventing conflicts of interest and the use of inside information of directors, the Company requires directors to prepare reports on their and related persons' interests to the Company Secretary at the end of every quarter or when there is a change in information.

Regarding entering into connected transactions that may cause conflicts of interest, the Company has a policy to set prices and conditions of transactions between the companies and related parties to be the same as for transactions with third parties. In addition, the Board of Directors (excluding directors who have interests) is also authorize to approve credit lines and investments in businesses that have interests related to the Company, directors, persons with management authority, or those related to such persons (As defined in Section 258 of the Securities and Exchange Act B.E. 2535 and amendments) . For connected transactions where value of which exceeds the specified threshold according to the announcement of the Stock Exchange of Thailand, the Board of Directors has assigned the Audit Committee the duty of reviewing the operating procedures and supervising all important transactions in order to ensure that such transactions are in compliance with the law and/or related regulations.

Details of internal control to prevent conflicts of interest and the use of inside information of directors, executives, and employees can be found on the Company's website [www.fnsyrus.com](http://www.fnsyrus.com) under the topic "Investor Relations" > "Code of Conduct" respectively.

### 4.2 Anti-Corruption and Bribery Policy

The Company recognizes the importance and is committed to anti-corruption and bribery of all forms and has established an anti-corruption and bribery policy. All directors and employees are required to comply with this policy, in particular, the prohibition on (1) soliciting, procuring, or accepting bribes for the benefit of directors or employees of the Company, or for the benefit of those who are involved with them whether it is a family member, friend, or someone involved in any other way; (2) giving bribes to government officials or other private sector officials, directly or indirectly, on behalf of or for the benefit of the Company; and (3) fraudulent use of powers and duties.

Details of anti-corruption and bribery policies can be found on the Company's website [www.fnsyrus.com](http://www.fnsyrus.com) under the topic Anti-Corruption and Bribery Policy.

## Policies, Criteria, and Methods for Nomination and Remuneration

To comply with the Corporate Governance Policy of the Stock Exchange of Thailand regarding nomination and remuneration of board of directors, sub-committees, and high-level executives to be transparent and fair to all groups of stakeholders, the Board of Directors has appointed the Nomination, Remuneration, and Corporate Governance Committee (“**NRCG Committee**”) to be responsible for formulating policies, criteria, and methods for nomination and remuneration including performing other tasks as assigned and presenting to the Board of Directors.

The policies, criteria, and methods for nomination and remuneration were latest reviewed at the Board of Directors' Meeting No. 11/2021 held on 12 November 2021.

### 1. Criteria for the nomination of new directors and the appointment process of directors, sub-committees, Chief Executive Officer, successor to Chief Executive Officer, and the Company's advisors

#### Criteria and methods for nominating directors and sub-committees

To comply with the Corporate Governance Policy of the Stock Exchange of Thailand regarding nomination and remuneration of board of directors, sub-committees, Chief Executive Officer (CEO), successor to CEO, and the Company's advisors to be transparent and fair to all groups of stakeholders, the Board of Directors has appointed the NRCG Committee to be responsible for formulating policies, criteria, and methods for nomination and remuneration including performing other tasks as assigned and presenting to the Board of Directors. The Board of Directors has established the criteria and methods for the nomination of directors, sub-committees, CEO, successor to CEO, and the Company's advisors.

#### 1.1 Nomination and Appointment of Directors and the Company's Advisors

The NRCG Committee should ensure that the nomination and appointment of directors have a transparent and clear process in order to obtain the directors who have qualifications in accordance with the specified elements as follows:

1. Provide opportunities for minority shareholders to nominate qualified persons to be considered for the election of directors and to be approved by the shareholders' meeting
2. Qualifications under the laws and related requirements namely the Public Company Limited Act. ( and amendments), Securities and Exchange Act B.E. 2535 (and amendments), Articles of Association, and the Corporate Governance Policy regarding the nomination and appointment of directors of the Stock Exchange of Thailand
3. Put emphasis on those who have skills, experience, professions, and qualifications in various fields that are essential to the business of the Company in order to ensure that the board composition is complete and useful
4. Ensure that knowledge, abilities, and experiences related to business are in accordance with the Company's business strategy, and use the Director Pool of Thai Institute of Directors Association (IOD) as a component in the nomination of new directors

5. Ensure that qualifications of the directors are in accordance with the Company's business strategy by establishing Board Skill Matrix specifying the qualifications of the directors to be nominated which must be as required by laws. The knowledge, abilities, and experiences can be divided into 3 parts as follows:
  - (1) Knowledge, expertise, or experience in macro management
  - (2) Knowledge, expertise, or experience in specific fields such as law, accounting, finance, economics, information technology, etc.
  - (3) Knowledge, expertise, or experience in other areas such as risk management, corporate governance, social responsibility and sustainability (ESG), etc.

In addition, when considering the nomination of any person as a director, the NRCG Committee must consider the ability of such person to help the Board of Directors perform their duties more carefully, the ability to make rational business decisions, the ability to think strategically which demonstrates experience in leadership, high level of professional expertise, integrity, and other suitable personal qualities.

6. Consider directors' dedication of time. In case of the same director who will be re-elected for another term, the Committee may consider his/her performance during the term of office. The type and number of listed companies in which the director holds a position as a director should be appropriate and should not exceed 5 listed companies in order to ensure the performance will not be reduced.
7. When appointing independent directors, the independence of the person nominated as an independent director will be considered in accordance with the rules prescribed by the Office of the Securities and Exchange Commission (SEC), with qualifications for independence as specified in the Corporate Governance Code.
8. Performance in the past year (if any)
9. Provide helpful recommendations or comments

#### **Director Orientation**

Newly appointed directors will receive an orientation prior to taking office. The persons assigned by the Board of Directors will participate in providing information about the Company's vision, strategy, business goals, important actions, as well as guidelines for being a director of a listed company.

#### **Director Development Plan**

The Company encourages all directors to attend training courses according to the recommendation of the Office of the Securities and Exchange Commission, organized by the Thai Institute of Directors Association (IOD), such as Directors Accreditation Program (DAP), Directors Certification Program (DCP), Advanced Audit Committee Program (AACP), etc. Most of the Company's directors have passed the training courses as mentioned above. The Company also encourages participation in training courses to educate directors, Audit Committee, executives, Company Secretary, and other related persons. The NRCG Committee is responsible for selecting training courses that are interesting for all directors.

In addition, the Company also encourages Company Secretary and Secretary to the Audit Committee to participate in training courses, listen/discuss on matters related to/in accordance with the situation and beneficial to the operation, which are organized by the Office of the SEC, the Stock Exchange of Thailand, Thai Listed Companies Association, and other relevant agencies on a regular basis.

#### **Process and criteria for evaluating the Board of Directors' performance**

The Board of Directors has assigned the NRCG Committee to determine the criteria and assess the performance of all committees each year and assigned Company Secretary to submit the assessment form to all committees every year-end at least once a year and collect and report the results of the assessment summary. All scores are taken to calculate weighted average and the results will be reported to the Board of Directors' meeting to acknowledge annually and also in One Report. The goal of evaluating the Board of Directors' performance each year is to improve the efficiency of the Board of Directors and sub-committees.

#### **Retirement of Director**

- (1) At every annual general meeting of shareholders, one-third of the number of directors at that time shall retire from office. If the number of directors cannot be divided by 3, the number closest to one-third of the number shall be chosen.
- (2) Retiring directors can be re-elected.
- (3) Any director who wishes to resign from the position shall submit a resignation letter to the Company. The resignation will be effective from the date the Company receives the resignation letter.
- (4) Directors who must retire from office in the first and second year after the registration of the Company shall be drawn by lot. In subsequent years, the director who has been in office for the longest time shall retire.
- (5) In addition to the retirement by rotation, directors will vacate their office upon:
  - (a) death;
  - (b) resignation;
  - (c) lacking qualifications or having prohibited characteristics under the Public Limited Company Act and the Securities and Exchange Act;
  - (d) The shareholders' meeting passed a resolution to remove any director from office prior to the expiration of his/her term by a vote of not less than three-fourths of the number of shareholders attending the meeting and having the right to vote, and holding shares in total of not less than half of the number of shares held by the shareholders attending the meeting and having the right to vote.
- (6) In the event that a director's position becomes vacant for reasons other than the expiration of the term, the Board of Directors shall select a person who has qualifications and does not have any prohibited characteristics according to relevant laws and announcements to replace the director in the next Board of Directors' meeting. Unless the remaining term of that director is less than 2 months, the person who replaces him/her can hold the

position of the director for the remaining term of the director he/she replaces. In this regard, not less than three-fourths of the remaining directors' votes are required to pass a resolution.

## 1.2 Nomination and Development of the CEO and Senior Executives

As the Board of Directors has assigned the NRCG Committee to consider the criteria and procedures for recruiting qualified persons to serve as the CEO and senior executives, the NRCG committee should ensure that the CEO and senior executives have knowledge, skills, experience, and qualifications necessary to drive the organization towards its goals.

- (1) The NRCG Committee should consider the criteria and procedures for recruiting qualified persons to serve as Chief Executive Officer and senior executives.
- (2) The NRCG Committee should monitor the CEO, ensuring that there are appropriate senior executives. On a minimum basis, the NRCG Committee should, together with the CEO, consider the criteria and procedures for recruiting and appointing persons, as well as approve the person proposed by the CEO to be appointed a senior executive.
- (3) The NRCG Committee should ensure that there is a succession plan for the succession of the CEO and senior executives. The CEO shall report the results of the succession plan to the NRCG Committee at least once a year for acknowledgment in order for business continuity.
- (4) The NRCG Committee should encourage the CEO and senior executives to participate in training courses in order to gain knowledge and experience beneficial to their operations.
- (5) The NRCG Committee should clearly define the policies and procedures for holding directorships in other companies of the CEO and senior executives, both the type of directorship position and the number of companies that can be held.

### Succession Plan for the CEO

1. The NRCG Committee should set a clear timeline for business succession in order to develop a business succession plan that is appropriate and timely. For example, if planning a business succession within 2 years, milestones should be established throughout the period. In addition, the succession plan should include future business plans for future generations to study and understand the policies and procedures that define the roles, duties, and responsibilities of those involved in business succession as an indicator that the successor is ready to take the position.
2. The NRCG Committee should communicate the business succession plan to those involved, including employees, business partners, and customers to understand the change in organizational leadership.
3. The NRCG Committee should determine the methods for the transfer of the CEO's position as follows:
  - 3.1 The NRCG Committee should clearly specify the date for the transfer of the position.
  - 3.2 The NRCG Committee should encourage the current CEO to realize that transfer of business to the successor is for the future of the Company, as well as ensuring employees' understanding that the Company will be more successful with the ability of the successor, and inform the successor about the Company's long-term goals.



- 3.3 The NRCG committee should hold successor responsible for important projects in order to learn from real practice and to explore the readiness of succession. Alternatively, Job shadowing could be used to allow successors to follow and learn from the current CEO every step of the way.
- 3.4 The NRCG committee should set milestones to determine succession readiness and to signal people in the organization to recognize the progress in the work of the successor.

### **Succession Plan for Senior Executives**

Persons that are designated as senior executives are Chief Financial Officer, Chief Operating Officer, Chief Technology Officer, including other Chief positions that may be appointed in the future, Assistant President - Brokerage Business, Assistant President - Investment Banking Division, Executive Director - Brokerage Business, Head of Internal Audit Department, and Head of Compliance Department. The NRCG Committee determines transfer the positions of senior executives as follows:

1. The NRCG Committee should push forward and approve the succession plan for executives, identifying and reviewing the list of successors of all senior executives, by considering the Company's long-term goals and/or changes in the organizational structure.
2. The NRCG Committee shall consider and approve a development plan for the successors of senior executives.
3. The NRCG Committee shall monitors the performance according to the development plan and review the development progress of the successors.

## **2. Criteria and Methods for Determining Remuneration of Directors, Sub-committees, the Company's Advisors, the CEO, Senior Executives, and Other Employees**

The Company has established policies, criteria, and methods for nomination and remuneration of both non-executive and executive directors clearly and transparently and within the appropriate criteria comparable to the industry. The NRCG Committee will determine the initial remuneration present to the Board of Directors' meeting for consideration before proposing the annual general meeting of shareholders (on a case-by-case basis) for further approval. The criteria and methods for determining remuneration are as follows:

### **Criteria and Methods for Determining the Remuneration of Directors and Sub-committees**

#### **1. Remuneration for directors and sub-committees**

- 1.1 The Company has set a clear and transparent remuneration policy where the remuneration is appropriate to the duties and responsibilities assigned by each director, as well as at a level sufficient to motivate and retain qualified directors.
- 1.2 The NRCG Committee will consider the type of compensation, payment method, and the amount of directors' remuneration, propose the Board of Directors for approval, and propose to the shareholders' meeting for further approval.

1.3 Compensation consists of 2 types:

- Meeting allowance
- Directors' bonus

2. Other compensation - None -

### **Criteria and Methods for Determining the Remuneration of the Company's Advisors, CEO, Senior Executives, and Other Employees**

The NRCG Committee should establish a compensation structure that encourages the Company's advisors, CEO, senior executives, and other employees at all levels to perform their duties in accordance with the objectives and main goals of the Company and in line with the Company's long-term interests.

#### **1. Remuneration structure for the Company's advisors, CEO, and senior executives**

- 1.1 The NRCG Committee should consider the appropriateness of salary, short-term performance such as bonus, and long-term performance such as Employee Stock Ownership Plan.
- 1.2 The NRCG committee should establish a compensation policy that takes into account such factors as whether the level of compensation is equal to or greater than that of the same industry, performance of the Company, etc.
- 1.3 The NRCG Committee has established a policy regarding the evaluation of the CEO and shall communicate for wide acknowledgment at least in the following matters:
  - 1.3.1 Approve the criteria for the evaluation of the CEO, which should motivate the CEO to manage the business in accordance with the objectives, main goals, strategies, and in line with the Company's long-term interests by communicating to the CEO of the evaluation criteria in advance.
  - 1.3.2 The Board of Directors, excluding executive directors, has a duty to assess the performance of the CEO annually or the Board of Directors may assign the NRCG Committee to assess the performance of the CEO. Then, the Chairman of the Board or the Chairman of the NRCG will communicate the results of the evaluation, including issues for development to the CEO for acknowledgment.
  - 1.3.3 Approve annual remuneration of the CEO by considering the evaluation results of the CEO and other factors
- 1.4 The NRCG Committee should approve the criteria and factors for assessing the performance, as well as approve the remuneration structure of senior executives, and ensure that the CEO assesses senior executives in accordance with the aforementioned evaluation principles.

#### **2. Employee Compensation**

The NRCG Committee has established the Company's remuneration policy which applies to all employees in order to ensure that the Company will be able to attract, develop potential, and retain employees in a highly competitive market. Employees are compensated at an appropriate rate and in accordance with market guidelines, which are the main

components of compensation. As a result, employees feel motivated to work towards sustainable results for the Company.

The employee compensation structure is salary, annual bonus based on performance, various benefits, and compensation in case of termination of employment ( According to the Labor Protection Act) . The types of compensation as follows:

- Salary is determined based on the role and position of each employee. This includes professional experience, responsibility, job complexity, and domestic market conditions.
- Annual bonus is determined based on performance, both financial and non-financial factors are also used to determine the individual's annual bonus, i.e., performance in accordance with the Company's guidelines and procedures, potentials, contributions, dedication to work, etc.
- Benefits are provided based on each employee's employment contract, practice in the industry, and/or employee roles and positions. The NRCG Committee should also ensure that a provident fund or other mechanism is established to ensure that employees have adequate savings for retirement, as well as encouraging employees to have knowledge and understanding of money management, choosing an investment policy that corresponds to the age range and risk level, or ensure that there is a life path investment policy.
- Compensation in case of termination of employment will be paid according to the Labor Protection Act

The supervisor will assess the performance of all employees for the past year and set new goals. Employee salary adjustment decisions are based on the results of this assessment.

### **Human Resources Management and Development Policy**

The Company realizes the importance of employees, which are important resources of the Company and are the main factor that leads the Company to success. The Company, therefore, has established a strategy and various human resource policies that focus on improving management efficiency and human resource development in accordance with the Company's direction and strategy taking into account the main factors such as analyzing the demand for manpower to support business expansion, competition and various changes in accordance with the mission, policies, and culture of the Company, develop employees at all levels to have appropriate knowledge, competence, and motivation and are treated fairly in order to retain competent employees. Therefore, the Company has established a work plan and implemented the development of employees and various policies related to personnel by focusing on the following areas:

#### **1. Performance improvement**

The Company provides personnel development in both main business and support functions, especially the main business by organizing training courses on a regular basis for skills in performing duties and for skill review.

#### **2. Employee Potential Development**

The Company believes that all employees have potential in themselves that can be utilized without limitation when given the support and opportunity. Therefore, the Company has given employees the opportunity to participate in training courses with outside organizations on interested topics without counting as a leave day.

### 3. Retaining Potential Personnel

The Company takes care of employees who are capable and have high potential in their work by providing opportunities for career advancement, set clear rules and schedule to be carried out on an annual basis. This is a tool to maintain competent personnel and to develop the capabilities of employees as well. The core competencies that the Company desires are as follows:

- Customer service: to provide good quality service and create satisfaction for customers
- Learning and self-improvement: for continuous development as a learning organization
- Ethical focus: to promote performance according to the principles of good corporate governance
- Result-oriented: to set goals and plans to achieve goals

Policies, Criteria, and Methods for Nomination and Remuneration was approved at the Board of Directors' Meeting No. 11/2021, effective from 12 November 2021 onwards.

## Audit Committee Charter

### 1. Purpose

The purpose of the audit committee is to provide a structured, systematic oversight of the Company's governance, and internal control. The Audit Committee takes responsibilities for overseeing and monitoring business operations of the Company to ensure that it has complied with the policy, as well as reviewing the accuracy and adequacy of financial statements. The Audit Committee assists the Board and the Management by providing advice and guidance on the adequacy of initiatives for:

- governance;
- internal control framework;
- oversight of the internal audit activity, external auditors, and other providers of assurance;
- financial statements.

In broad terms, the Audit Committee reviews each of the items noted above and provides the Board with independent advice and guidance regarding the adequacy and effectiveness of management's practices and potential improvements to those practices.

### 2. Composition and Qualifications

Name-Surname	Position
1. Pol. Gen. Visanu Prasattongsoth	Independent director and Chairman of the Audit Committee
2. Mr. Phaiboon Siripanoosathien	Independent director and member of the Audit Committee
3. Mr. Kittisak Bencharit	Independent director and member of the Audit Committee
Head of Compliance Department	Secretary

- The Audit Committee is appointed by the Board of Directors and comprises of at least three members. The Board of Directors shall appoint one of its members as the Chairman.
- The Audit Committee shall comprise of the Board of Directors and independent directors with qualifications as specified by the requirements of the Securities and Exchange Commission and the Stock Exchange of Thailand. At least one member must have significant knowledge and experience in the fields of accounting or finance.
- The Audit Committee may appoint a qualified officer in addition as its secretary.

### 3. Authority

The Audit Committee Charter sets out the authority of the Audit Committee to carry out the responsibilities established for it by the Board as articulated within the Audit Committee Charter. In discharging its responsibilities, the Audit Committee will have unrestricted access to members of management, employees, and relevant information it considers necessary to discharge its

duties. The Committee will also have unrestricted access to records, data, and reports. If access to requested documents is denied due to legal or confidentiality reasons, the Audit Committee and/or person(s) authorized by the Audit Committee will follow a prescribed, Board approved mechanism for resolution of the matter.

The Audit Committee is entitled to receive any explanatory information that it deems necessary to discharge its responsibilities. The management and employees should cooperate with the Audit Committee's requests.

The Audit Committee may engage independent counsel and/or other advisors it deems necessary to carry out its duties.

### 3.1 The Audit Committee is empowered to:

- 1) consider, select, and propose the appointment or discharge of external auditors and their remuneration to the Board of Directors for shareholder approval at the Annual General Meeting of Shareholders, and review the performance of external auditors annually;
- 2) resolve any disagreements between management and the auditor regarding financial reporting and other matters;
- 3) seek external consultants or professional experts to provide advice and recommendations as the Committee deems necessary and proper, at the costs of the Company.

### 3.2 Responsibilities

It is the responsibility of the Audit Committee to provide the Board with independent, objective advice on the adequacy of management's arrangements with respect to the following aspects of the management of the Company as follows:

#### 3.2.1 Organizational governance

To obtain reasonable assurance with respect to the Company's governance process, the Audit Committee will review and provide advice on the governance process established and maintained within the Company and the procedures in place to ensure that they are operating as intended.

#### 3.2.2 Fraud

To obtain reasonable assurance with respect to the Company's procedures for the prevention and detection of fraud, the Audit Committee will:

- oversee management's arrangements for the prevention and deterrence of fraud;
- ensure that appropriate action is taken against known perpetrators of fraud;
- challenge the Management and internal and external auditors to ensure that the entity has appropriate anti-fraud program and controls in place to identify potential fraud and ensure that investigations are undertaken if the fraud is detected.

#### 3.2.3 Internal Control

To obtain reasonable assurance with respect to the adequacy and effectiveness of the Company's controls in responding to risks within the Company's governance, operations, and information systems, the Audit Committee will:

- review and evaluate whether the Company has set an appropriate and effective internal control system, including control over the information technology system, internal audits, and guidelines for communicating the importance of internal control and risk management throughout the Company;

- consider the effectiveness of the Company's control framework, including information technology security and control;
- review and provide advice on the internal control of the Company as a whole.

#### 3.2.4 Compliance

The Audit Committee will:

- review the Company's compliance with the Securities and Exchange regulations and the law relating to the Company's businesses;
- review the effectiveness of the system for monitoring compliance with laws and regulations and the results of management's investigation and follow up (including disciplinary action) of any instances of non-compliance;
- review the observations and conclusions of internal and external auditors and the findings of any regulatory agencies.

#### 3.2.5 Oversight of the internal audit activity and other assurance providers

##### (1) Internal audit activity

To obtain reasonable assurance with respect to work of the internal audit activity, the Audit Committee will provide oversight related to:

- advise the Board about increases and decreases to the requested resources to achieve the internal audit plan. Evaluate whether any additional resources are needed permanently or should be provided through outsourcing;
- advise the NRCG regarding the qualifications and recruitment, appointment, and removal of Head of Compliance and Head of Audit;
- review and approve the internal audit plan and engagements work program, including reviewing internal audit resources necessary to achieve the plan;
- review the internal audit activity's performance relative to its audit plan;
- review internal audit reports and other communications to management;
- review and track management's action plans to address the results of internal audit engagements;
- review and advise management on the results of any special investigations;
- inquire the Head of Audit whether any evidence of fraud has been identified during internal audit engagements and evaluate what additional actions, if any, should be taken;
- inquire the Head of Audit about steps taken to ensure that the internal audit activity conforms with The IIA's International Standards for the Professional Practice of Internal Auditing;
- ensure that the internal audit activity has an external quality assurance review every five years;
- review the results of the independent and external quality assurance review and monitor the implementation of the internal audit activity's action plans to address any recommendations;
- advise the Board about any recommendations for the continuous improvement of the internal audit activity.

(2) External auditors

To obtain reasonable assurance with respect to work of the external assurance providers, the Audit Committee will:

- review the external auditors' proposed audit scope and approach, including coordination of audit effort with the internal audit activity;
- review the performance of the external auditors, and exercise final approval on the appointment or discharge of auditors;
- obtain statements from the external auditors about their relationships with the organization, including non-audit services performed in the past, and discuss the information with the external auditors to review and confirm their independence;
- have regularly scheduled exclusive meetings with external auditors to discuss any sensitive matters;
- monitor management's progress on action plans to obtain reasonable assurance that management has acted on the results and recommendations of internal and external audit engagements, the Audit Committee will regularly review reports on the progress of implementing approved management action plans and audit recommendations resulting from completed audit engagements.

(3) Financial statements

The Audit Committee is responsible for oversight of the independent audit of the Company's financial statements, including but not limited to overseeing the resolution of audit findings in areas such as internal control, legal, regulatory compliance, and ethics. The Audit Committee will:

- review the Company's financial reporting to ensure that it is accurate and adequate. Consider the completeness of acknowledged information and the appropriateness of accounting principles applied to financial statements;
- consider the accuracy and completeness of the Company's disclosure, especially related transactions that may involve conflicts of interest;
- review with management and the external auditors the results of audit engagements, including any difficulties encountered;
- review significant accounting and reporting issues, including complex or unusual transactions and highly judgmental areas, and recent professional and regulatory pronouncements, and understand their impact on the financial statements;
- review the annual financial statements, and consider whether they are complete, consistent with information known to committee members, and reflect appropriate accounting principles;
- review with management and the external auditors all matters required to be communicated to the Audit Committee under generally accepted external auditing standards.
- understand strategies, assumptions and estimates that management has made in preparing financial statements, budgets, and investment plans;
- understand how management develops interim financial information and the nature and extent of internal and external auditor involvement in the process;
- review interim financial reports with management and the external auditors before filing with regulators and consider whether they are complete and consistent with the information known to committee members.



(4) Other responsibilities

The Audit Committee will:

- institute and oversee special investigations as needed;
- perform other functions as assigned by the Board of Directors with the acknowledgement of the Audit Committee;
- conduct self-assessment at least once a year and present the results to the Board of Directors;
- discuss and investigate facts when notified by auditors about doubtful incidents related to corruption or violations of the provision of directors and executives' performances under Section 89/25 of the Securities and Exchange Act B.E 2559 (2016). Results of such preliminary discussion and investigation shall be reported to auditors and the SEC within a period specified by the SEC.

(5) Reporting

The Audit Committee will report to the Board annually, summarizing the Committee's activities and recommendation, which includes:

- a summary of the work the audit committee performed to fully discharge its responsibilities during the preceding year;
- a summary of management's progress in addressing the results of internal and external audit engagement reports;
- details of meetings including the number of meetings held during the relevant period and the number of meetings each member attended;
- provide information required, if any, by new or emerging corporate governance developments;
- report doubtful incidents or suspicious transactions to the Board for improvement within a reasonable time, as follows:
  - conflicts of interest and/or related person transactions;
  - fraud or significant internal control failure;
  - violation of Financial Institutions Businesses law, the Securities and Exchange law and regulations, the Bank of Thailand regulations, or other laws that relate to the business of financial institutions and securities and other laws. If the Board of Directors or management do not rectify within the time committed by the Audit Committee, the Audit Committee shall disclose in the annual report.

#### 4. Term of Office

In case of a vacant position in the Audit Committee, the NRCG shall appoint a qualified director without prohibited characteristics to replace the previous member of the Audit Committee. The new committee member shall remain in the position for the remaining term of the replaced member.

#### 5. Meeting and Voting

##### 5.1 Meetings

The Audit Committee will meet at least eight times annually or more frequently as the Committee deems necessary. The time frame between audit committee meetings should not exceed four months. If deemed appropriate, the Chairman of

the Audit Committee or person(s) authorized by the Chairman of the Audit Committee may convene an electronic meeting to facilitate meeting attendance by all directors whereby the electronic meeting procedures shall be in accordance with the Company's articles of association and applicable regulations.

## 5.2 Voting Rights

- 1) The quorum for the Audit Committee will be a majority of the members;
- 2) An Audit Committee member has one voting right. If any committee member is a stakeholder in matters under consideration, they must not take part in such consideration.

## 5.3 Meeting agenda

The Chairman will establish agendas for Audit Committee meetings in consultation with Audit Committee members, senior management, and Head of Compliance and Head of Audit.

## 5.4 Information requirements

The Audit Committee will establish and communicate its requirements for information, which will include the nature, extent, and timing of information. Information should be submitted to the Audit Committee at least 5 business days prior to the date of each meeting so that they would have sufficient time to study the information.

## 5.5 Executive sessions

The Audit Committee will schedule and hold, if necessary, a private session with the Chief Executive Officer (CEO), the Chief Financial Officer (CFO), Head of Audit, external assurance providers, and with any other officials that the audit committee may deem appropriate at each of its meetings.

## 5.6 Minutes

Minutes will be prepared in accordance with applicable law, regulation, bylaw, policy, procedure, and/or other applicable requirements.

## 5.7 Required attendance

Head of Compliance and Head of Audit are required to attend all audit committee meetings, unless there is any necessary urgency

## 5.8 Secretariat services

Head of Compliance and/or Head of Audit will facilitate and coordinate meetings as well as provide ancillary support to the Committee, as time and resources permit.

## 5.9 Conflict(s) of interest

Audit Committee members should adhere to the Company code of conduct and any values and ethics established by the Company. It is the responsibility of Audit Committee members to disclose any conflict of interest or appearance of a conflict of interest to the Committee. If there is any question as to whether audit committee member(s) should recuse themselves from a vote, the Committee should vote to determine whether the member should recuse himself or herself.

## 5.10 Orientation and training

Audit Committee members will receive formal orientation training on the purpose and charter of the Committee and on the Company's objectives. A process of continuing education will be established.

## 6. Remuneration of committee members

Payment rates and allowances for committee members' time and/or services are approved by Annual General Meeting of Shareholders (AGM).

### Nomination, Remuneration, and Corporate Governance Committee Charter

Name-Surname		Position
1.	Pol. Gen. Visanu Prasattongosoth	Chairman
2.	Mr. Chatchaval Jiaravanon	Director
3.	Mr. Vorapak Tanyawong	Director
4.	Mr. Phaiboon Siripanoosatien	Director
5.	Mr. Kittisak Bencharit	Director
Company Secretary		Secretary

## 1. Composition and Qualifications

- 1.1 The Nomination, Remuneration, and Corporate Governance Committee ("NRCG Committee") is appointed by the Board of Directors with a minimum of 3 persons. The members of the NRCG Committee ("NRCG directors") must be independent directors or non-executive directors. The proportion of independent directors must be more than half of the total number of directors. The Board of Directors shall appoint one NRCG director to be the Chairman of the NRCG who should be an independent director.
- 1.2 NRCG directors must have the appropriate knowledge, abilities, and experience, as well as having knowledge and understanding of their qualifications, duties, and responsibilities.
- 1.3 The NRCG Committee appoints the Secretary of the NRCG Committee.

## 2. Term of Office and Meeting

- 2.1 NRCG membership term is equal to the term of directorship of the Company unless the Board of Directors has a resolution otherwise.
- 2.2 The NRCG Committee shall hold meetings as it deems appropriate, but there should be at least 2 meetings per year, which shall be called by the Chairman of the NRCG Committee. In the event that the Chairman is absent or unable to perform his/her duties, the person(s) authorized by the Chairman may summon a meeting on his/her behalf.

NRCG Committee's Meetings can be held via electronic means and its notice shall be sent via electronic mail.

- 2.3 At a meeting of the NRCG Committee, no less than half of the total number of NRCG members must be present in order to constitute a quorum.
- 2.4 The Chairman of the NRCG Committee shall be the Chairman of the meeting. In the event that the Chairman is absent or is unable to perform his/her duties, the NRCG members present at the meeting shall elect one NRCG member present to preside over the meeting.
- 2.5 The decision of the NRCG Committee's meeting shall be made by a majority of the NRCG directors present at the meeting, with one NRCG member having one vote. If the votes are equal, the Chairman of the meeting shall have an additional vote as a casting vote.

In this regard, NRCG directors who have vested interest in any matter have no right to vote on that matter, except for consideration of the remuneration set forth in this Charter.

### 3. Responsibilities

The NRCG Committee has duties and responsibilities in terms of nomination and remuneration of directors, Chief Executive Officer (CEO), and the persons with management authority of the subsidiary, in terms of human resource policy and corporate culture, corporate governance operations, as well as taking any other actions as assigned by the Board of Directors, which includes the following:

#### 3.1 Nomination

##### 3.1.1 Nomination of Directors

- (1) determine policies, rules, and procedures for nomination of directors to submit to the Board of Directors for approval;
- (2) select and nominate person(s) who are qualified and in accordance with relevant regulations and laws, as well as the Company's policies to propose to the Board of Directors for appointment or propose to the Board of Directors to further propose to shareholders' meeting for appointment (case by case basis) to hold the position of the Company's director and member of the sub-committees;
- (3) ensure that the Board of directors and sub-committees are in appropriate size and composition to suit the changing environment. The NRCG Committee must ensure that mechanisms or tools such as the Board Skill Matrix are in place to support the process of selecting and nominating candidates to serve as directors so that the composition of the committee consists of persons who behave well, have knowledge and experiences in various fields that are useful and in line with the Company's strategy and business operations for both short-term, medium-term, and long-term. The Board and sub-committees must consist of persons with knowledge, abilities, skills, and experience in various fields, namely 1) macro- management 2) specializations such as law, accounting, finance, economics, information technology, etc., and 3) other areas such as risk management, corporate governance, social responsibility, sustainability, etc. Also, the NRCG Committee must ensure that the Board is diverse in terms of gender, nationality, ethnicity, age,

educational background, work experience, skills or knowledge, among other nuances, to ensure that the board structure is appropriate and diverse to support the Company to have sustainable growth.

### 3.1.2 Recruiting the CEO and Consultant of the Company

- (1) determine the policies, rules, and procedures for selecting the CEO and the Company's advisors to propose to the Board of Directors for approval;
- (2) select and nominate persons who are qualified and in accordance with relevant regulations and laws to propose to the Board of Directors to appoint the CEO and the Company's advisor.

### 3.1.3 Nomination of Directors and Executives of Subsidiaries

supervise and formulate policies, rules, and procedures for selecting directors and persons with power of management of subsidiaries in order to obtain directors and persons that are suitable for their duties, responsibilities, and job descriptions.

In addition, the NRCG Committee is also responsible for the disclosure of policies and details of the director and CEO recruitment process in the Company's annual report.

## 3.2 **Remuneration**

### 3.2.1 Director's Remuneration

- (1) determine compensation policy and other benefits including the amount of compensation and other benefits paid for the performance of duties of the Board and sub-committees, which reflects duties, responsibilities, and the risks involved, and must be clear and transparent, in accordance with the objectives and goals of the Company including the benefits of the Company in the long term. This shall be present to the Board for endorsement before proposing to the shareholders' meeting for approval, as the case may be;
- (2) ensure that directors receive remuneration that is appropriate for their duties and responsibilities. Directors who are assigned to perform additional duties and responsibilities should receive remuneration that is appropriate for their assigned duties and responsibilities;
- (3) set guidelines and provide an evaluation of the Board's performance (which consists of the Chairman, individual directors, and sub-committees) by means of self-assessment and/or annual cross-assessment to determine the annual remuneration. The evaluation results shall be used to develop the performance of directors;
- (4) ensure that the Company disclose remuneration and compensation in various forms, including remuneration paid to directors individually in the Company's annual report.

### 3.2.2 CEO's Remuneration

- (1) determine the policy and amount of compensation and other benefits which are paid for the performance of the CEO's duties that reflect the objectives, duties and responsibilities, and the risks involved with clear and transparent guidelines in accordance with the objectives and goals of the Company including long-term benefits of the Company and present to the Board for approval;
- (2) ensure that the CEO receives compensation that is appropriate for his/her duties and responsibilities;
- (3) establish guidelines for evaluating CEO performance to determine annual compensation, which must take into account the duties and responsibilities and the risks involved;

- (4) ensure that the Company disclose compensation policies and the various forms of compensation paid to the CEO who are paid as employees, including details about the factors used in the overall performance evaluation, goals, and operations, as well as the opinions of the NRCG Committee;
- (5) scrutinize the Management's proposals on compensation policies, compensation plan, and special benefits other than wages for employees and propose to the Board of Directors for approval.

### 3.2.3 Remuneration of Directors and Persons with Management Authority of Subsidiaries

supervise the determination of policies, rules, and procedures for the remuneration and any other benefits to directors and persons with management authority of the subsidiaries. The remuneration payment criteria shall be clear, transparent, and consistent with the major risks of the subsidiaries and appropriate to the duties and responsibilities and the nature of the work.

## 3.3 Human Resource Policy and Corporate Culture

- 3.3.1 comment on the human resource policy to be in line with the Company's business strategy, which includes improving and developing people to have the right amount of knowledge, skills, experience and motivation, as well as giving importance to the diversity of personnel in terms of gender, age, ethnicity, etc.;
- 3.3.2 determine policies and supervise the preparation of a succession plan for the CEO position, by identifying the person who will be the successor and set up a human resource development system for preparation;
- 3.3.3 comment on plans for cultivating and developing organizational culture.

## 3.4 Corporate Governance

- 3.4.1 determine the Company's corporate governance policy to propose to the Board for approval and follow up to ensure compliance, including regularly reviewing and improving the policy to be appropriate;
- 3.4.2 supervise the operation of the Company to be in line with the corporate governance of the legal regulatory agencies, including other corporate governance principles with international standards;
- 3.4.3 ensure that the Company has a mechanism to ensure that shareholders are entitled to their rights as provided by law, including setting rules and giving shareholders an opportunity to ask questions, propose agenda and the name of a qualified person to be nominated as a director prior to the Annual General Meeting of Shareholders and to inform the shareholders of the reasons in the event that the shareholder's proposal is not considered.

## 4. External Consultant

The NRCG Committee may employ external consultant(s) for which the Company is responsible for such expenses.

## 5. Review and update of the Charter

The NRCG Committee will review this Charter every year and will suggest amendments as it deems appropriate for the Board of Directors to approve.

<b>Definition</b>	1) "Company"	<i>means Finansia Syrus Securities Public Company Limited</i>
	2) "Chief Executive Officer"	<i>means the top management of the Company, directors who are executives of the Company, as the case may be, or persons holding equivalent positions called by other names.</i>
	3) "Persons with management authority"	<i>means</i> <i>(1) Chief Executive of the Subsidiary, Executive director of the subsidiary, as the case may be, or a person holding an equivalent position called by another name.</i> <i>(2) a person whom the Company enter into an agreement to authorize the power to manage all or part of the subsidiary.</i> <i>(3) a person who, by circumstance, has the power to control or dominate the manager, director, or management of the subsidiary.</i>
	4) "Consultant of the Company"	<i>means a person who is an advisor of the Company or a person who is like a director but is called consultant, including those who have such characteristics but called by other names as well. However, this does not include those who are hired to work for the Company, with the nature of the work that uses knowledge and technical skills or use specialized expertise such as accounting consultant, legal advisor, financial advisor, information technology consultant, tax consultant, language consultant, corporate communications consultant, insurance consultant, advanced quantitative modeling consultants, etc.</i>
	5) "Independent Director"	<i>shall have the same meaning as specified in the Notification of the Capital Market Supervisory Board No. TorJor. 39/2016 Re: Approval of Offer for sale of newly issued shares and/or the amended announcement (if any).</i>
	6) "Executive Director"	<i>means a director who performs administrative duties holding a senior management position from the position President.</i>

## Executive and Risk Oversight Board

Name-Surname	Position
1. Vice Chairman of the Board of Directors	Chairman
2. Chief Executive Officer (CEO)	Director
3. Executive Director	Director
4. Director as assigned by the Board	Director
Company Secretary	Secretary
* Number of directors as of the resolution of the Board of Directors' Meeting No. 13/2018 dated 18 December 2018.	

### 1. Composition and Qualifications

- 1.1 Executive and Risk Oversight Board ("Executive Board") is appointed by the Board of Directors with the number as the Board of Directors deems appropriate, which will consist of a number of directors and may consist of one or more people who holds the position of the Company's executive or a number of other outsiders. The Board of Directors shall appoint a member who is the Company's director as the Chairman of the Executive Board;
- 1.2 The CEO and Executive Directors are Executive Board members by position;
- 1.3 Executive Board must have the appropriate knowledge, abilities, and experience, as well as having understanding of their qualifications, duties, and responsibilities and must not have any prohibited characteristics by law;
- 1.4 Executive Board shall appoint the Secretary of the Executive Board.

### 2. Term of Office

- 2.1 An Executive Board member who is a director of the Company shall have a term of office according to the term of office as a director of the Company unless the Board of Directors has a resolution otherwise.
- 2.2 An Executive Board member who is an executive of the Company shall have the term of office according to the term of office as the Company's executive unless the Board of Directors has a resolution otherwise.
- 2.3 An Executive Board member who is an outsider and is not director or executive of the Company shall have the term of office as the Board of Directors determines.

### 3. Responsibilities

The Executive Board has duties and important roles in the implementation of strategies, policies, and regulations of the Company, to control and supervise the Company's business risk control as well as carry out various tasks as assigned by the Board of Directors, which may include authorizing significant or high-risk transactions in order to achieve the vision and mission of the Company, as well as being responsible for promoting business management in accordance with the Company's core values. In addition, the Executive Board has the powers, duties and responsibilities in the following matters:

- 1) formulate business strategies, financial goals, and annual business plan, (including short-term, medium-term and long-term plans) including the annual budget to present to the Board of Directors;



- 2) approve matters related to the business of the Company as required by the Company's regulations, including, but not limited to, the following:
  - 2.1 customer credit limit;
  - 2.2 spending money for various operations in excess of the approval limit of the executive with approval authority, in accordance with the Company's approval authority or according to the annual expenditure budget that the Board of Directors has already approved;
  - 2.3 MIS Report;
  - 2.4 work related to employees;
  - 2.5 other important matters related to the Company's business such as new business, credit balance interest policy, credit balance approval policy, accounting records, opening branches, organizational structure, etc.;
- 3) approval of being a lead underwriter and co-underwriter and transactions related to the investment banking business according to the size of the transactions specified by the Board of Directors;
- 4) appoint a management committee or other action committee as appropriate;
- 5) scrutinize all types of work to be proposed to the Board of Directors, consider excluding work that is under the responsibility and/or is the power of other sub-committees to consider and scrutinize to present directly to the Board of Directors;
- 6) acknowledge other matters, both related or not related to business administration of the Company, such as lawsuits in which the Company is the defendant, which the Executive Board deems necessary or appropriate to be presented to the Board of Directors for acknowledgment;
- 7) acknowledge reports on governance and/ or internal audits for matters relating to preventive, audit, and troubleshooting measures. In the event of an incident that may cause damage to the Company, Compliance Department shall examine and report to the Executive Board immediately;
- 8) advise the Board of Directors on the framework of risk supervision;
- 9) ensure that senior executives, including the Head of the Risk Management Department, comply with risk management policies and strategies, including acceptable levels of risk;
- 10) ensure that the Company's capital and liquidity management strategies for various risks are in line with the acceptable risk levels as approved;
- 11) review the adequacy and effectiveness of overall risk management policies and strategies, including the acceptable level of risk at least once a year or when there is a significant change. The Risk Management Committee should assess whether the Company's risk management policies and strategies cover all types of risks including emerging risks and implementing such policies and strategies effectively and efficiently;

- 12) report to the Board of Directors about the risk status, risk management efficiency, and the situation of compliance with corporate culture that takes into account risks as well as significant factors and problems that need to be improved in order to be in line with the Company's risk management policies and strategies;
- 13) participate in performance assessments of the Chief Risk Officer;
- 14) advise to the Board of Directors in cultivating a risk culture throughout the organization and supervise the compliance with the corporate culture;
- 15) ensure that investments are in accordance with the policy and investment ratio agreed with customers, including monitoring fund performance in order for investment adjustments or any other appropriate action;
- 16) determine reasonable rates of fees and expenses charged to customers and require disclosure of fees and expenses;
- 17) approve the selection of partners or service providers to undertake private fund business such as securities brokerage companies, custodian, and other entities related to private fund service transactions, including approving the review of the service provided by such service provider;
- 18) perform any other acts as assigned by the Board of Directors.

In the event that the Executive and Risk Oversight Board authorizes any person or any group of persons to act on its behalf, such attorney cannot sub-authorize another person unless the delegation of power is stated that the power can be delegated.

#### **4. Meeting and Voting**

- 4.1 Executive Board meetings must be held as deemed appropriate, but not less than 12 times a year;
- 4.2 Chairman of the Executive Board is the person who calls for a meeting of the Executive Board. In the event that the Chairman is absent or unable to perform his/her duties, the person assigned by the Chairman can call for a meeting instead;  
Executive Board meetings can be held via electronic means and its notice can be sent via electronic means;  
In this regard, at the meeting of the Executive Board, the Chairman of the meeting may allow any other person to attend the meeting.
- 4.3 Quorum of the Executive Board must have not less than half of the number of Executive Board members to constitute as a quorum. However, the attendance of the Executive Board members shall include the attendance of the meeting in person and the attendance via electronic means;
- 4.4 Resolution of the Executive Board meeting can be certified as document or through an electronic mail system (Email);
- 4.5 The decision of the Executive Board meeting shall be held by a majority vote of the Executive Board members attending the meeting, where one person has one vote. The Chairman of the meeting will abstain from voting on each agenda item. Except in the case of equal votes in any agenda, the Chairman of the meeting will exercise the right to vote as a casting vote. Any person with vested interest has no right to vote in that matter;
- 4.6 Matters to be presented to the Executive Board in relation to customer credit limit must be screened by the Risk and Credit Control Department and / or the Risk Management Committee in accordance with the approval authority. As

for matters to be presented on general operations, they must be reviewed by the CEO and/or the top management of each department and/or possibly through the relevant management committees.

The information, reports, and other details to be presented to the Executive Board meeting for consideration must be submitted to the Secretary of the Executive Board in order to collect and submit to the Executive Board before each meeting. The top executive of any department or any other person assigned by the top executive of the department is responsible for presenting to the Executive Board meeting, except that the Executive Committee order otherwise.

## Technology Committee Charter

### Purpose

The Board of Directors has assigned the Technology Committee to determine the direction and take care of the overall technology service of the Company in order to ensure compliance with future business goals, governance, stability, and the ability to adapt business services, as well as supporting the Board of Directors in formulating long-term technology strategies.

The performance of such duties will support the Company's executives to manage work quickly and in accordance with the correct policies and practices. The important issues involved are technology risks (awareness of importance of risk management and risk reduction), reviewing and giving advice on changes in the Company in order to become a technology & innovative company, and other areas including information governance, transactions that are not contrary to regulatory bodies (data protection law and related rules).

### 1. Composition, Qualifications, and Term of Office

Name-Surname	Position
1. Director as assigned by the Board	Chairman
2. Chief Executive Officer (CEO)	Director
3. Chief Technology Officer	Director
4. Chief Operating Officer	Director
Head of Cybersecurity Compliance	Secretary

- 1.1 The Technology Committee is appointed by the Board of Directors, which consists of a number of directors and may consist of a number of other executives. In this number, the Board of Directors shall appoint the Chairman of the Technology Committee.
- 1.2 Those holding positions on the Technology Committee must have expertise and experience, as well as having an understanding of duties and responsibilities and must not have qualifications prohibited by law.
- 1.3 The Technology Committee shall appoint the Secretary of the Technology Committee. The Secretary should be someone who has expertise and experience in the field of technology.
- 1.4 The member holding the position of the Company's director has the same term of office as the term of office of the Company's director unless the Board of Directors specifies otherwise.
- 1.5 The member who is an executive of the Company will have a term of office equal to the length of the executive position unless the Board of Directors specifies otherwise.

### 2. Responsibilities

The Technology Committee plays a role in formulating practical policies regarding the use of information technology and duties and responsibilities as follows:

- 2.1 oversee technology strategy and system architecture to ensure that it is consistent with the goals and objectives of the Company. This includes the integration of technology services and technology risk management, as well as promoting good performance in technology in accordance with the Company's core values;
- 2.2 review and advise on technology strategy, risk, efficiency, and budget;
- 2.3 work together with the Board of Directors in approving important matters relating to operational direction and technology policy, as well as providing advice to the Board of Directors regarding various impacts related to technology work;
- 2.4 study the technological advances that will be used to improve the quality of the Company's financial transactions to an acceptable risk level, with the aim to become a leading technology securities company;
- 2.5 In the event that the Technology Committee assigns any person or group of persons to act on its behalf, such designated persons or group of persons may not assign or subordinate to any other person unless consented by the Technology Committee;
- 2.6 have the power to call a meeting with the Company's management to manage technology-related issues;
- 2.7 The Technology Committee will present the annual report to the Board of Directors regarding "Technology Situation". In addition, when the Technology Committee sees important issues, the Committee shall present the matter to the Board of Directors, Executive and Risk Oversight Board, and Audit Committee as appropriate in order to ensure that the Board and sub-committees have a consistent opinion on technology;
- 2.8 The Technology Committee shall enhance the knowledge of information technology to the Board of Directors in order to realize the importance of technology;
- 2.9 work together with other sub-committees to supervise the transformation and governance structure;
- 2.10 determine policies and procedures related to operational control and information technology security in order to present to the Board of Directors for approval, as well as manage to communicate with executives and employees at all levels to acknowledge, accept, and comply with the specified policies;
- 2.11 review and update the content of the policy on a timely basis to reflect changes and trends in risks that may affect information security;
- 2.12 supervise the use of information technology to be in accordance with the laws, regulations, regulations, and relevant standards;
- 2.13 ensure that there is a security system to maintain confidentiality, maintaining credibility and availability of information, as well as to prevent the misuse of the information or unauthorized alteration of the information.

### **3. Meeting and Voting**

- 3.1 The Technology Committee will hold meetings as appropriate but not less than 10 times a year. At the meeting of the Technology Committee, not less than half of the total number of directors must be present in order to constitute a quorum. In this regard, the attendance of the aforementioned Technology Committee members shall include the attendance of the meeting in person and the attendance of the meeting via electronic means.
- 3.2 Technology Committee members are required to attend at least 75% of the meetings throughout the year. This includes attending the meeting in person and/or meeting via electronic means. The Chairman of the Technology Committee may allow other persons to attend the meeting or give opinions at the Technology Committee meeting.
- 3.3 Voting may be recorded in writing or in digital format.

- 3.4 The decision of the meeting shall be made by a majority vote of the number of directors attending the meeting. Each director will have one vote.
- 3.5 Technology Committee members who have vested interests in any matter must abstain from voting on that matter.
- 3.6 The Secretary of the Technology Committee will be responsible for recording the minutes of the meeting and keeping the meeting documents.

#### 4. Meeting agendas

The Chairman and Secretary of the Technology Committee will set the schedule and agenda to ensure that all technology actions are aligned with long-term strategies and business goals, including oversight of current technology operations that require regular review and future technology direction with the following agendas:

- 4.1 technology strategy
  - 4.1.1 technology architecture
  - 4.1.2 technology management consists of:
    - (1) project performance
    - (2) system performance
    - (3) system safety
    - (4) indicators such as response to user needs system usage
    - (5) budget
  - 4.1.3 technology and human resources
- 4.2 technology strategies and actions for the future, namely, digital trading broker platform / innovation
- 4.3 cybersecurity and technology risks
- 4.4 technology policies, processes, and standards
- 4.5 technology compliance
- 4.6 technology readiness and ability to support business
- 4.7 cyber resilience
- 4.8 enhancing knowledge of future technology and technology risks for the Board of Directors

## Attachment 6

### Audit Committee Report

The Audit Committee of Finansia Syrus Securities Public Company Limited has performed its duties within the scope and responsibilities specified in the Audit Committee Charter as approved by the Board of Directors, which is in line with the practice guidelines of the Securities and Exchange Commission. The Audit Committee is responsible for the structured and systematic supervision in terms of corporate governance and internal control of the Company and plays a role as the Company's Audit Committee in order to supervise and monitor the Company's compliance with the policy, including ensuring that the Company's financial reports is accurate and sufficient.

The Audit Committee consists of independent directors as follows:

- |                                    |  |
|------------------------------------|--|
| 1. Pol. Gen. Visanu Prasattongsoth | Independent Director / Chairman of the Audit Committee |
| 2. Mr. Phaiboon Siripanoosatien    | Independent Director / Member of the Audit Committee   |
| 3. Mr. Kittisak Bencharit          | Independent Director / Member of the Audit Committee   |

Mrs. Parichart Khantasima, Senior Executive Vice President, Compliance Department serves as Audit Committee Secretary and Coordinator

During the year 2021, a total of 12 Audit Committee meetings were held, which were meetings with the Audit Committee, Compliance Department, and Internal Department, as well as meetings with auditors and Executives. The results of the meetings will be reported to the Board of Directors every time for acknowledgment or requesting solutions on important issues.

Summary of important matters in performing the duties of the Audit Committee are as follows:

- contribute to corporate culture in regards to corporate governance, internal control, and supervision to be in accordance with the rules and pushing for management according to the Three Lines Model concept by encouraging the use of information technology systems for the best benefits to the organization, by linking the work of both the operating unit ( First Line ) , the unit responsible for supervision ( Second Line ) and the audit unit ( Third Line ) , in order to optimize operational efficiency and governance as well as to prevent operations that do not comply with the laws or regulations of the Company and prevent the possibility of corruption.
- enhance internal audits by focusing on the professionalism of internal auditors in order to optimize the effectiveness of internal audit operations to keep pace with the business and the world that is changing in the digital era. Suggestion for continuous development of internal audit personnel will make internal auditors have knowledge and ability and the essential skills required to conduct professional and efficient audits in order to support the rapidly changing business as well as to promote and support the use of information technology tools and systems in order to increase the efficiency of the inspection to cover a larger amount of data.
- **Financial Report Review**

The Audit Committee has reviewed the Company's quarterly, semi-annual, and annual financial reports, consolidated financial statements, and related person transaction that may have conflicts of interest to the Company, which has been prepared in accordance with Thai Financial Reporting Standards (TFRS) and the requirements of the Securities and Exchange Commission.

The Audit Committee regularly met with the auditor and Management of the Financial Group. At the meeting, there was a review of important issues such as the accuracy and completeness of the financial reports, appropriateness of accounting policies inspection scope, and key audit matters related to the Company, independence of the auditor, and ensured that disclosure of information is accurate, complete, and adequate. The Audit Committee received clarification from the auditor and Management of the Financial Group to ensure that the Company's financial reports reflect financial transactions and events that are significant to the Company and in accordance with the requirements of Thai law and financial reporting standards in a reliable and timely manner, including adequate disclosure of information and useful to users of financial reports.

- **Review of internal control and audit systems**

*Review of effectiveness of the internal control system*

The Audit Committee has considered and followed up the assessment of the sufficiency of the internal control system. The consideration is based on the COSO framework, which covers the details of 5 areas: (1) internal control, (2) risk assessment, (3) operational control, (4) information and communication systems, and (5) follow-up systems. The key aspects of the detailed considerations are summarized in the relevant sections of this report.

The Audit Committee has focused on compliance with the law, related rules, regulations, and management according to the Three Lines Model concept, by considering the audit report reported by the Audit Group on a monthly basis and reviewing the results of the assessment of the sufficiency of the internal control system by the Management, the auditor, and other official agencies that supervise the Company. The Audit Committee has monitored to ensure that the Management has fully complied with the corrective action and fixed the root cause to prevent recurrence, especially high-risk issues or in the event of fraud or serious misoperation.

The Audit Committee attaches great importance to information systems in the digital age. It has held meetings with Executives in charge of Cyber Security departments to acknowledge and follow up on issues related to IT systems on a regular basis to ensure that the Company is ready in terms of hardware, software, development, and recruiting personnel to support the digital transformation. The Company has applied Sor Thor. 37/2559 Re: Rules in Detail on Establishment of Information Technology System and Nor Por. 3/2559 Re: Guidelines for Establishment of Information Technology Systems as a standard of practice in information technology.

The Audit Committee receives a monthly summary of complaints. Most of these are received in an independent complaint channels (whistle blower) in order to assess whether such complaints are considered fraud, misconduct, or corruption. In addition, there are regular inquiries with the relevant departments involved in the handling of complaints to ensure that there is an appropriate and transparent complaint handling process, suitable for changing customer behavior and service.

*Supervision of internal audit work*

In 2021, the Audit Committee considered independence in the performance of internal audits, approved the review of the annual audit plan, and approved the annual audit plan. The Audit Committee has monitored the implementation of the plan, monthly group audit results, and made recommendations and followed up on remedial action on significant issues in order to create good corporate governance and to increase efficiency and effectiveness in auditing operations.



In addition, the Audit Committee made recommendations for development and training in order to enhance internal audit in both personnel and processes, including the tools and technology used in the operation. It focused on the professionalism of internal auditors by enhancing the effectiveness of internal audit operations to keep pace with the business and the changing trends of the digital era in order to develop the audit team to be professional to develop and create sustainable long-term added value and also focused on risk which may have a significant impact on the organization especially emerging risk such as cyber risks and risk issues in the public interest, etc. It also promoted and supported operations, where data analytic or innovative audit techniques are introduced as part of the audit operations to identify risks at the point and conduct audits in response to identified risks in order to increase the quality and efficiency of the inspection.

Considering the above actions, the Audit Committee can conclude that the overall internal control environment is appropriate and sufficient for the Company's business operations, which is consistent with the opinion of the Company's auditor.

- **Review of compliance with regulations**

The Audit Committee reviews the results of the Company's compliance with various laws and regulations, including rules and regulations of government agencies such as the Anti-Money Laundering Office and the Securities and Exchange Commission, especially the compliance Anti-Corruption and Bribery Policy and Anti-Money Laundering/Combating the Financing of Terrorism (AML/CFT) through monthly meetings with management in charge of the Compliance Group and acknowledged and inquired about various issues to ensure the effectiveness of monitoring and control of various departments on important issues of the Company, including improving the operating process to be in accordance with the relevant rules.

In 2021, the Audit Committee continued to encourage the Company to good corporate governance and transparency, to operate in accordance with the guidelines for supervision of financial institutions on an ongoing basis. The emphasis is placed on the supervision of fair customer service in order to ensure that customers will receive quality service and not be exploited, which covers from the pre-sales, during the sale, and after-sales services of products, and penalties when employees act improperly. The Audit Committee also followed up with the Management periodically to prepare for the Personal Data Protection Act (PDPA) which will be effective in 2022 in order to ensure that the Company and employees are ready and have knowledge of the PDPA.

The Audit Committee reported to the Board of Directors about issues and significant changes in regulations that may affect the Company's operations, as well as approved the Annual Compliance Report before submitting to the Securities and Exchange Commission.

- **Review of connected transactions or transactions that may have conflicts of interest**

The Audit Committee has reviewed, supervised, and commented on material related transactions, in particular, items that may have conflicts of interest in accordance with official rules before presenting to the Board of Directors and/or the shareholders as required. This is to ensure that transactions are transparent, reasonable, and protect the interests of the Company and shareholders. In 2021, the Company did not have any connected transaction with a significant transaction size that must be disclosed according to the criteria of the Stock Exchange of Thailand. Information about other related transactions is disclosed in the notes to the financial statements.

- **Appointment of auditors and annual audit fees**

The Audit Committee considered and proposed to appoint auditor and audit fees annually. Then, the Board of Directors considered and approved the recommendation of the Audit Committee and presented it to the 2021 Annual General Meeting of Shareholders, where the shareholders resolved to appoint EY Office Company Limited as the Company's auditor and subsidiary. The nomination of the auditor is considered by the auditor's qualifications, knowledge, ability, experience in auditing securities companies, audit guidelines, independence of the auditor in accordance with professional ethics, regulations set by the Federation of Accounting Professions, and the requirements of the Securities and Exchange Commission, the quality of audit work in the past fiscal year, and appropriate audit fees.

- **Others**

In 2021, the Audit Committee developed a self-assessment to enhance the effectiveness of the Audit Committee's work. The Audit Committee performed duties as assigned by the Board of Directors and in accordance with the responsibilities stated in the Audit Committee Charter. The Audit Committee used their knowledge and skills, adhering to the principles of fairness and righteousness, prudence, transparency, and sufficient independence, and gave constructive comments and suggestions for equal benefits of stakeholders and hold the highest benefit of the Company and stakeholders as important.

The Audit Committee considered that Company's financial reports and its subsidiaries have been prepared correctly, completely, and have been disclosed adequately information in accordance with financial reporting standards. The auditor, who is responsible for auditing the Company's financial reports and its subsidiaries, was independent, performed duties like a professional, and considered that the provision of other services other than audit work did not affect the auditor's independence in performing the audit of the Company's financial reports and subsidiary. The auditor also put importance to internal control systems, policies, procedures, and risk management processes that are adequate and appropriate for business operations.

In addition, the Company had good corporate governance, adequate risk management, appropriate and effective internal control and internal audit system, and preparation for potential risks in the future.

## Attachment 7

### History of derivative warrants issued by the Company

Information as of December 31, 2021, the Company has issued DW for sale as follows:

End of the year	Number of derivative warrants		
	Amount offered for sale (Models)	Maturity (Models)	Immaturity (Models)
2021	108	28	80
2020	166	105	61

#### 1. Derivative warrants issued in 2021 and have not expired

No.	Name of DW	Stocks	First Day Trade	Maturity Date
1	ACE24C2203A	ACE	27/10/2021	04/03/2022
2	ADVA24C2203A	ADVANC	21/10/2021	04/03/2022
3	ADVA24C2205A	ADVANC	09/12/2021	06/05/2022
4	AMAT24C2203A	AMATA	12/11/2021	14/03/2022
5	AOT24C2203A	AOT	19/10/2021	04/03/2022
6	AOT24C2205A	AOT	24/12/2021	06/05/2022
7	BAM24C2203A	BAM	10/11/2021	04/03/2022
8	BANP24C2203A	BANPU	03/11/2021	04/03/2022
9	BBL24C2201A	BBL	24/08/2021	07/01/2022
10	BBL24C2205A	BBL	13/12/2021	06/05/2022
11	BCH24C2201A	BCH	14/09/2021	21/01/2022
12	BCH24C2203A	BCH	03/11/2021	04/03/2022
13	BEC24C2203A	BEC	03/11/2021	04/03/2022
14	BGR124C2204A	BGRIM	29/10/2021	07/04/2022
15	BJC24C2206A	BJC	30/12/2021	10/06/2022
16	CBG24C2203A	CBG	18/10/2021	04/03/2022
17	CBG24C2205A	CBG	22/12/2021	06/05/2022
18	CENT24C2203A	CENTEL	19/10/2021	04/03/2022
19	CHG24C2203A	CHG	27/10/2021	04/03/2022
20	CK24C2205A	CK	22/12/2021	06/05/2022
21	COM724C2203A	COM7	10/11/2021	04/03/2022
22	CPAL24C2203A	CPALL	06/10/2021	04/03/2022

No.	Name of DW	Stocks	First Day Trade	Maturity Date
23	CPAL24C2205A	CPALL	09/12/2021	06/05/2022
24	CPN24C2203A	CPN	19/10/2021	04/03/2022
25	DELT24C2206A	DELTA	30/12/2021	10/06/2022
26	DOHO24C2204A	DOHOME	01/12/2021	01/04/2022
27	DTAC24C2203A	DTAC	10/11/2021	04/03/2022
28	EA24C2203A	EA	06/10/2021	04/03/2022
29	GLOB24C2201A	GLOBAL	07/09/2021	21/01/2022
30	GLOB24C2204A	GLOBAL	17/11/2021	07/04/2022
31	GPSC24C2201A	GPSC	01/09/2021	07/01/2022
32	GPSC24C2204A	GPSC	24/11/2021	01/04/2022
33	GULF24C2203A	GULF	24/11/2021	14/03/2022
34	GUNK24C2203A	GUNKUL	17/11/2021	14/03/2022
35	GUNK24C2205A	GUNKUL	22/12/2021	06/05/2022
36	HANA24C2203A	HANA	12/11/2021	04/03/2022
37	ICHI24C2201A	ICHI	07/09/2021	21/01/2022
38	ICHI24C2206A	ICHI	30/12/2021	10/06/2022
39	INTU24C2203A	INTUCH	10/11/2021	04/03/2022
40	IRPC24C2204A	IRPC	12/11/2021	07/04/2022
41	IVL24C2202A	IVL	05/10/2021	04/02/2022
42	IVL24C2204A	IVL	02/12/2021	07/04/2022
43	JMAR24C2203A	JMART	12/11/2021	04/03/2022
44	KBAN24C2202A	KBANK	05/10/2021	04/02/2022
45	KBAN24C2205A	KBANK	13/12/2021	06/05/2022
46	KCE24C2203A	KCE	10/11/2021	04/03/2022
47	KTC24C2203A	KTC	27/10/2021	04/03/2022
48	MAJO24C2203A	MAJOR	05/11/2021	04/03/2022
49	MEGA24C2203A	MEGA	29/10/2021	04/03/2022
50	MINT24C2204A	MINT	15/12/2021	22/04/2022
51	MTC24C2201A	MTC	14/09/2021	14/01/2022
52	MTC24C2204A	MTC	02/12/2021	07/04/2022
53	OR24C2204A	OR	12/11/2021	07/04/2022
54	ORI24C2203A	ORI	29/10/2021	04/03/2022
55	PTL24C2206A	PTL	30/12/2021	10/06/2022

No.	Name of DW	Stocks	First Day Trade	Maturity Date
56	PTL24C2207A	PTL	30/12/2021	08/07/2022
57	PTT24C2204A	PTT	05/11/2021	07/04/2022
58	PTTE24C2203A	PTTEP	21/10/2021	04/03/2022
59	PTTG24C2204A	PTTGC	03/11/2021	07/04/2022
60	RBF24C2201A	RBF	01/09/2021	14/01/2022
61	RBF24C2204A	RBF	02/12/2021	07/04/2022
62	RS24C2204A	RS	17/11/2021	07/04/2022
63	S5024C2203A	SET50 Index	17/11/2021	30/03/2022
64	S5024C2203B	SET50 Index	01/12/2021	30/03/2022
65	S5024P2203A	SET50 Index	17/11/2021	30/03/2022
66	S5024P2203B	SET50 Index	02/12/2021	30/03/2022
67	SAWA24C2203A	SAWAD	18/10/2021	04/03/2022
68	SAWA24C2204A	SAWAD	15/12/2021	22/04/2022
69	SCB24C2204A	SCB	05/11/2021	07/04/2022
70	SCC24C2202A	SCC	22/09/2021	04/02/2022
71	SCC24C2205A	SCC	24/12/2021	06/05/2022
72	SCGP24C2203A	SCGP	06/10/2021	04/03/2022
73	SPRC24C2204A	SPRC	23/11/2021	01/04/2022
74	STGT24C2202A	STGT	05/10/2021	04/02/2022
75	TASC24C2204A	TASCO	24/11/2021	01/04/2022
76	THAN24C2201A	THANI	07/09/2021	07/01/2022
77	THAN24C2204A	THANI	22/12/2021	22/04/2022
78	TOP24C2204A	TOP	23/11/2021	07/04/2022
79	TU24C2203A	TU	29/10/2021	04/03/2022
80	WHA24C2204A	WHA	05/11/2021	07/04/2022

**2. Derivative warrants issued in 2021 and have expired**

No.	Name of DW	Stocks	First Day Trade	Maturity Date
1	ADVA24C2105A	ADVANC	05/01/2021	31/05/2021
2	AOT24C2105A	AOT	05/01/2021	31/05/2021
3	BAM24C2106A	BAM	15/02/2021	30/06/2021
4	BDMS24C2106A	BDMS	18/01/2021	30/06/2021
5	BGRI24C2105A	BGRIM	18/01/2021	31/05/2021
6	BH24C2106A	BH	15/02/2021	30/06/2021
7	BTS24C2106A	BTS	15/02/2021	30/06/2021
8	CKP24C2105A	CKP	05/01/2021	31/05/2021
9	CRC24C2106A	CRC	26/01/2021	30/06/2021
10	EA24C2105A	EA	22/01/2021	31/05/2021
11	EGCO24C2105A	EGCO	05/01/2021	31/05/2021
12	KTB24C2106A	KTB	26/01/2021	30/06/2021
13	OSP24C2106A	OSP	18/01/2021	30/06/2021
14	PTTG24C2106A	PTTGC	22/01/2021	30/06/2021
15	S5024C2106A	SET50	05/01/2021	29/06/2021
16	S5024C2106B	SET50	15/02/2021	29/06/2021
17	S5024C2109A	SET50	08/07/2021	29/09/2021
18	S5024C2112B	SET50	17/09/2021	29/12/2021
19	S5024C2112C	SET50	29/10/2021	29/12/2021
20	S5024P2103F	SET50	12/01/2021	30/03/2021
21	S5024P2106A	SET50	05/01/2021	29/06/2021
22	S5024P2106B	SET50	18/02/2021	29/06/2021
23	S5024P2109A	SET50	08/07/2021	29/09/2021
24	S5024P2112B	SET50	17/09/2021	29/12/2021
25	S5024P2112C	SET50	06/10/2021	29/12/2021
26	S5024P2112D	SET50	27/10/2021	29/12/2021
27	SCGP24C2105A	SCGP	15/02/2021	31/05/2021
28	TOP24C2105A	TOP	26/01/2021	31/05/2021

**3. Derivative warrants issued in 2020 and have expired**

No.	Name of DW	Stocks	First Day Trade	Maturity Date
1	ADVA24C2009A	ADVANC	29/04/2020	30/09/2020
2	ADVA24C2101A	ADVANC	02/09/2020	29/01/2021
3	AMAT24C2006A	AMATA	06/01/2020	30/06/2020
4	AMAT24C2010A	AMATA	28/05/2020	30/10/2020
5	AMAT24C2103A	AMATA	28/10/2020	31/03/2021
6	AOT24C2006A	AOT	05/02/2020	30/06/2020
7	AOT24C2009A	AOT	23/04/2020	30/09/2020
8	AOT24C2012A	AOT	13/08/2020	18/12/2020
9	AWC24C2010A	AWC	28/05/2020	30/10/2020
10	AWC24C2103A	AWC	20/10/2020	31/03/2021
11	BANP24C2011A	BANPU	15/06/2020	30/11/2020
12	BBL24C2009A	BBL	07/05/2020	30/09/2020
13	BBL24C2102A	BBL	20/10/2020	24/02/2021
14	BDMS24C2006A	BDMS	06/01/2020	30/06/2020
15	BDMS24C2101A	BDMS	21/08/2020	29/01/2021
16	BEM24C2008A	BEM	07/04/2020	31/08/2020
17	BGRI24C2009A	BGRIM	23/04/2020	30/09/2020
18	BGRI24C2101A	BGRIM	09/10/2020	29/01/2021
19	BH24C2008A	BH	02/04/2020	31/08/2020
20	BH24C2102A	BH	21/09/2020	24/02/2021
21	BJC24C2006A	BJC	06/01/2020	30/06/2020
22	BTS24C2012A	BTS	03/07/2020	18/12/2020
23	CBG24C2008A	CBG	09/03/2020	31/08/2020
24	CBG24C2102A	CBG	28/10/2020	24/02/2021
25	CENT24C2008A	CENTEL	06/01/2020	31/08/2020
26	CENT24C2011A	CENTEL	20/07/2020	30/11/2020
27	CK24C2102A	CK	10/09/2020	24/02/2021
28	CKP24C2011A	CKP	30/07/2020	30/11/2020
29	COM724C2007A	COM7	06/01/2020	31/07/2020
30	COM724C2012A	COM7	05/08/2020	18/12/2020
31	COM724C2104A	COM7	03/12/2020	30/04/2021
32	CPAL24C2009A	CPALL	30/03/2020	30/09/2020

No.	Name of DW	Stocks	First Day Trade	Maturity Date
33	CPAL24C2103A	CPALL	20/10/2020	31/03/2021
34	CPF24C2012A	CPF	07/08/2020	18/12/2020
35	CPF24C2105A	CPF	16/12/2020	31/05/2021
36	CPN24C2007A	CPN	06/01/2020	31/07/2020
37	CPN24C2011A	CPN	03/07/2020	30/11/2020
38	CPN24C2102A	CPN	05/11/2020	24/02/2021
39	CRC24C2008A	CRC	02/04/2020	31/08/2020
40	CRC24C2101A	CRC	02/09/2020	29/01/2021
41	DOH024C2104A	DOHOME	18/12/2020	30/04/2021
42	DTAC24C2007A	DTAC	18/02/2020	31/07/2020
43	DTAC24C2012A	DTAC	20/07/2020	18/12/2020
44	DTAC24C2104A	DTAC	16/12/2020	30/04/2021
45	EA24C2008A	EA	23/04/2020	31/08/2020
46	EA24C2101A	EA	08/09/2020	29/01/2021
47	EGC024C2009A	EGCO	07/04/2020	30/09/2020
48	EPG24C2008A	EPG	05/02/2020	31/08/2020
49	ERW24C2006A	ERW	05/02/2020	30/06/2020
50	ESS024C2007A	ESSO	05/02/2020	31/07/2020
51	ESS024C2012A	ESSO	05/08/2020	18/12/2020
52	GFPT24C2007A	GFPT	11/02/2020	31/07/2020
53	GFPT24C2012A	GFPT	20/07/2020	18/12/2020
54	GLOB24C2010A	GLOBAL	28/05/2020	30/10/2020
55	GPSC24C2007A	GPSC	05/02/2020	31/07/2020
56	GPSC24C2011A	GPSC	15/06/2020	30/11/2020
57	GPSC24C2104A	GPSC	03/12/2020	30/04/2021
58	GULF24C2005A	GULF	06/01/2020	29/05/2020
59	GULF24C2009A	GULF	07/05/2020	30/09/2020
60	GULF24C2101A	GULF	08/09/2020	29/01/2021
61	GUNK24C2006A	GUNKUL	06/01/2020	30/06/2020
62	GUNK24C2012A	GUNKUL	03/07/2020	18/12/2020
63	GUNK24C2104A	GUNKUL	16/12/2020	30/04/2021
64	HANA24C2012A	HANA	07/08/2020	18/12/2020
65	HMPR24C2008A	HMPRO	07/04/2020	31/08/2020



No.	Name of DW	Stocks	First Day Trade	Maturity Date
66	INTU24C2008A	INTUCH	09/03/2020	31/08/2020
67	IRPC24C2007A	IRPC	25/02/2020	31/07/2020
68	IRPC24C2012A	IRPC	07/08/2020	18/12/2020
69	IVL24C2008A	IVL	02/04/2020	31/08/2020
70	IVL24C2012A	IVL	14/09/2020	18/12/2020
71	IVL24C2104A	IVL	03/12/2020	30/04/2021
72	JMT24C2011A	JMT	20/07/2020	30/11/2020
73	JMT24C2104A	JMT	03/12/2020	30/04/2021
74	KBAN24C2009A	KBANK	07/05/2020	30/09/2020
75	KBAN24C2012A	KBANK	02/09/2020	18/12/2020
76	KBAN24C2103A	KBANK	20/10/2020	31/03/2021
77	KCE24C2010A	KCE	28/05/2020	30/10/2020
78	KTB24C2009A	KTB	29/04/2020	30/09/2020
79	KTB24C2101A	KTB	02/09/2020	29/01/2021
80	KTC24C2011A	KTC	14/07/2020	30/11/2020
81	MINT24C2006A	MINT	06/01/2020	30/06/2020
82	MINT24C2011A	MINT	03/07/2020	30/11/2020
83	MTC24C2009A	MTC	19/05/2020	30/09/2020
84	MTC24C2103A	MTC	10/11/2020	31/03/2021
85	OSP24C2101A	OSP	25/08/2020	29/01/2021
86	PLAN24C2009A	PLANB	19/05/2020	30/09/2020
87	PTG24C2102A	PTG	09/10/2020	24/02/2021
88	PTT24C2008A	PTT	09/03/2020	31/08/2020
89	PTT24C2101A	PTT	02/09/2020	29/01/2021
90	PTTE24C2008A	PTTEP	09/03/2020	31/08/2020
91	PTTE24C2011A	PTTEP	15/06/2020	30/11/2020
92	PTTE24C2103A	PTTEP	05/11/2020	31/03/2021
93	PTTG24C2008A	PTTGC	09/03/2020	31/08/2020
94	PTTG24C2101A	PTTGC	10/09/2020	29/01/2021
95	RATC24C2012A	RATCH	18/08/2020	18/12/2020
96	RS24C2104A	RS	18/12/2020	30/04/2021
97	S5024C2003C	SET50	30/01/2020	30/03/2020
98	S5024C2006A	SET50	20/02/2020	29/06/2020

No.	Name of DW	Stocks	First Day Trade	Maturity Date
99	S5024C2006B	SET50	27/02/2020	29/06/2020
100	S5024C2006C	SET50	30/03/2020	29/06/2020
101	S5024C2006D	SET50	13/04/2020	29/06/2020
102	S5024C2006E	SET50	23/04/2020	29/06/2020
103	S5024C2009A	SET50	09/03/2020	29/09/2020
104	S5024C2009B	SET50	12/03/2020	29/09/2020
105	S5024C2009C	SET50	08/06/2020	29/09/2020
106	S5024C2009D	SET50	08/06/2020	29/09/2020
107	S5024C2009E	SET50	18/06/2020	29/09/2020
108	S5024C2009F	SET50	29/06/2020	29/09/2020
109	S5024C2009G	SET50	30/07/2020	29/09/2020
110	S5024C2012A	SET50	28/05/2020	29/12/2020
111	S5024C2012B	SET50	05/08/2020	29/12/2020
112	S5024C2012C	SET50	21/08/2020	29/12/2020
113	S5024C2012D	SET50	08/09/2020	29/12/2020
114	S5024C2012E	SET50	16/09/2020	29/12/2020
115	S5024C2012F	SET50	28/09/2020	29/12/2020
116	S5024C2012G	SET50	06/10/2020	29/12/2020
117	S5024C2012H	SET50	21/10/2020	29/12/2020
118	S5024C2012I	SET50	29/10/2020	29/12/2020
119	S5024C2103A	SET50	09/10/2020	30/03/2021
120	S5024C2103B	SET50	14/12/2020	30/03/2021
121	S5024C2103C	SET50	21/12/2020	30/03/2021
122	S5024C2103D	SET50	25/12/2020	30/03/2021
123	S5024P2006A	SET50	25/02/2020	29/06/2020
124	S5024P2006B	SET50	27/02/2020	29/06/2020
125	S5024P2006C	SET50	04/03/2020	29/06/2020
126	S5024P2006D	SET50	30/03/2020	29/06/2020
127	S5024P2006E	SET50	21/04/2020	29/06/2020
128	S5024P2006F	SET50	29/04/2020	29/06/2020
129	S5024P2009A	SET50	21/05/2020	29/09/2020
130	S5024P2009B	SET50	08/06/2020	29/09/2020
131	S5024P2009C	SET50	17/06/2020	29/09/2020

No.	Name of DW	Stocks	First Day Trade	Maturity Date
132	S5024P2009D	SET50	07/07/2020	29/09/2020
133	S5024P2009E	SET50	30/07/2020	29/09/2020
134	S5024P2012A	SET50	15/06/2020	29/12/2020
135	S5024P2012B	SET50	14/07/2020	29/12/2020
136	S5024P2012C	SET50	01/09/2020	29/12/2020
137	S5024P2012D	SET50	11/09/2020	29/12/2020
138	S5024P2012E	SET50	28/09/2020	29/12/2020
139	S5024P2103A	SET50	09/10/2020	30/03/2021
140	S5024P2103B	SET50	13/11/2020	30/03/2021
141	S5024P2103C	SET50	18/11/2020	30/03/2021
142	S5024P2103D	SET50	25/11/2020	30/03/2021
143	S5024P2103E	SET50	14/12/2020	30/03/2021
144	SAWA24C2009A	SAWAD	21/05/2020	30/09/2020
145	SAWA24C2103A	SAWAD	05/11/2020	31/03/2021
146	SCB24C2008A	SCB	09/03/2020	31/08/2020
147	SCB24C2012A	SCB	25/08/2020	18/12/2020
148	SCB24C2104A	SCB	16/12/2020	30/04/2021
149	SCC24C2006A	SCC	05/02/2020	30/06/2020
150	SCC24C2012A	SCC	21/08/2020	18/12/2020
151	SCC24C2105A	SCC	16/12/2020	31/05/2021
152	STA24C2011A	STA	14/07/2020	30/11/2020
153	STEC24C2006A	STEC	06/01/2020	30/06/2020
154	TASC24C2006A	TASCO	06/01/2020	30/06/2020
155	TASC24C2011A	TASCO	15/06/2020	30/11/2020
156	TISC24C2102A	TISCO	09/10/2020	24/02/2021
157	TOP24C2008A	TOP	09/03/2020	31/08/2020
158	TOP24C2101A	TOP	05/08/2020	29/01/2021
159	TQM24C2011A	TQM	14/07/2020	30/11/2020
160	TQM24C2103A	TQM	05/11/2020	31/03/2021
161	TTW24C2012A	TTW	14/07/2020	18/12/2020
162	TU24C2006A	TU	06/01/2020	30/06/2020
163	TU24C2011A	TU	03/07/2020	30/11/2020
164	TU24C2103A	TU	05/11/2020	31/03/2021

No.	Name of DW	Stocks	First Day Trade	Maturity Date
165	VGI24C2012A	VGI	28/08/2020	18/12/2020
166	WHA24C2007A	WHA	11/02/2020	31/07/2020

**List of 84 companies issuing underlying securities ("Reference Company") for the Company's derivative warrants issued in 2020 - 2021**

No.	Stock	Company's name	Website
1	ACE	ABSOLUTE CLEAN ENERGY PUBLIC COMPANY LIMITED	<a href="http://www.ace-energy.co.th">http://www.ace-energy.co.th</a>
2	ADVANC	ADVANCED INFO SERVICE PUBLIC COMPANY LIMITED	<a href="http://investor.ais.co.th">http://investor.ais.co.th</a>
3	AMATA	AMATA CORPORATION PUBLIC COMPANY LIMITED	<a href="http://www.amata.com">http://www.amata.com</a>
4	AOT	AIRPORTS OF THAILAND PUBLIC COMPANY LIMITED	<a href="http://www.airportthai.co.th">www.airportthai.co.th</a>
5	AWC	ASSET WORLD CORP PUBLIC COMPANY LIMITED	<a href="https://www.assetworldcorp-th.com">https://www.assetworldcorp-th.com</a>
6	BAM	BANGKOK COMMERCIAL ASSET MANAGEMENT PUBLIC COMPANY LIMITED	<a href="http://www.bam.co.th">www.bam.co.th</a>
7	BANPU	BANPU PUBLIC COMPANY LIMITED	<a href="http://www.banpu.com">http://www.banpu.com</a>
8	BBL	BANGKOK BANK PUBLIC COMPANY LIMITED	<a href="http://www.bangkokbank.com">www.bangkokbank.com</a>
9	BCH	BANGKOK CHAIN HOSPITAL PUBLIC COMPANY LIMITED	<a href="http://www.bangkokchainhospital.com">www.bangkokchainhospital.com</a>
10	BDMS	BANGKOK DUSIT MEDICAL SERVICES PUBLIC COMPANY LIMITED	<a href="http://www.bangkokhospital.com">www.bangkokhospital.com</a>
11	BEC	BEC WORLD PUBLIC COMPANY LIMITED	<a href="http://www.becworld.com">www.becworld.com</a>
12	BEM	BANGKOK EXPRESSWAY AND METRO PUBLIC COMPANY LIMITED	<a href="http://www.bemplc.co.th">www.bemplc.co.th</a>
13	BGRIM	B.GRIMM POWER PUBLIC COMPANY LIMITED	<a href="http://www.bgrimmpower.com">http://www.bgrimmpower.com</a>
14	BH	BUMRUNGRAD HOSPITAL PUBLIC COMPANY LIMITED	<a href="http://www.bumrungrad.com">www.bumrungrad.com</a>
15	BJC	BERLI JUCKER PUBLIC COMPANY LIMITED	<a href="http://www.bjc.co.th">www.bjc.co.th</a>
16	BTS	BTS GROUP HOLDINGS PUBLIC COMPANY LIMITED	<a href="http://www.btsgroup.co.th">http://www.btsgroup.co.th</a>
17	CBG	CARABAO GROUP PUBLIC COMPANY LIMITED	<a href="http://www.carabaogroup.com">www.carabaogroup.com</a>
18	CENTEL	CENTRAL PLAZA HOTEL PUBLIC COMPANY LIMITED	<a href="http://www.centarahotelsresorts.com">www.centarahotelsresorts.com</a>
19	CHG	CHULARAT HOSPITAL PUBLIC COMPANY LIMITED	<a href="http://www.chularat.com">www.chularat.com</a>
20	CK	CH. KARNCHANG PUBLIC COMPANY LIMITED	<a href="http://www.ch-karnchang.co.th">http://www.ch-karnchang.co.th</a>
21	CKP	CK POWER PUBLIC COMPANY LIMITED	<a href="http://www.ckpower.co.th">www.ckpower.co.th</a>
22	COM7	COM7 PUBLIC COMPANY LIMITED	<a href="http://www.comseven.com">www.comseven.com</a>
23	CPALL	CP ALL PUBLIC COMPANY LIMITED	<a href="http://www.cpall.co.th">www.cpall.co.th</a>
24	CPF	CHAROEN POKPHAND FOODS PUBLIC COMPANY LIMITED	<a href="http://www.cpfworldwide.com">www.cpfworldwide.com</a>
25	CPN	CENTRAL PATTANA PUBLIC COMPANY LIMITED	<a href="http://www.centralpattana.co.th">www.centralpattana.co.th</a>

No.	Stock	Company's name	Website
26	CRC	CENTRAL RETAIL CORPORATION PUBLIC COMPANY LIMITED	<a href="https://www.centralretail.com/">https://www.centralretail.com/</a>
27	DELTA	DELTA ELECTRONICS (THAILAND) PUBLIC COMPANY LIMITED	<a href="http://www.deltathailand.com">http://www.deltathailand.com</a>
28	DOHOME	DOHOME PUBLIC COMPANY LIMITED	<a href="https://www.dohome.co.th/">https://www.dohome.co.th/</a>
29	DTAC	TOTAL ACCESS COMMUNICATION PUBLIC COMPANY LIMITED	<a href="http://www.dtac.co.th">www.dtac.co.th</a>
30	EA	ENERGY ABSOLUTE PUBLIC COMPANY LIMITED	<a href="http://www.energyabsolute.co.th">http://www.energyabsolute.co.th</a>
31	EGCO	ELECTRICITY GENERATING PUBLIC COMPANY LIMITED	<a href="http://www.egco.com">http://www.egco.com</a>
32	EPG	EASTERN POLYMER GROUP PUBLIC COMPANY LIMITED	<a href="http://www.epg.co.th">www.epg.co.th</a>
33	ERW	THE ERAWAN GROUP PUBLIC COMPANY LIMITED	<a href="http://www.theerawan.com">http://www.theerawan.com</a>
34	ESSO	ESSO (THAILAND) PUBLIC COMPANY LIMITED	<a href="http://www.esso.co.th">http://www.esso.co.th</a>
35	GFPT	GFPT PUBLIC COMPANY LIMITED	<a href="http://www.gfpt.co.th">www.gfpt.co.th</a>
36	GLOBAL	SIAM GLOBAL HOUSE PUBLIC COMPANY LIMITED	<a href="http://www.globalhouse.co.th">www.globalhouse.co.th</a>
37	GPSC	GLOBAL POWER SYNERGY PUBLIC COMPANY LIMITED	<a href="http://www.gpscgroup.com">http://www.gpscgroup.com</a>
38	GULF	GULF ENERGY DEVELOPMENT PUBLIC COMPANY LIMITED	<a href="http://www.gulf.co.th">www.gulf.co.th</a>
39	GUNKUL	GUNKUL ENGINEERING PUBLIC COMPANY LIMITED	<a href="http://www.gunkul.com">http://www.gunkul.com</a>
40	HANA	HANA MICROELECTRONICS PUBLIC COMPANY LIMITED	<a href="http://www.hanagroup.com">www.hanagroup.com</a>
41	HMPRO	HOME PRODUCT CENTER PUBLIC COMPANY LIMITED	<a href="http://www.homepro.co.th">www.homepro.co.th</a>
42	ICHI	ICHITAN GROUP PUBLIC COMPANY LIMITED	<a href="http://www.ichitangroup.com">www.ichitangroup.com</a>
43	INTUCH	INTOUCH HOLDINGS PUBLIC COMPANY LIMITED	<a href="http://www.intouchcompany.com">www.intouchcompany.com</a>
44	IRPC	IRPC PUBLIC COMPANY LIMITED	<a href="https://www.irpc.co.th">https://www.irpc.co.th</a>
45	IVL	INDORAMA VENTURES PUBLIC COMPANY LIMITED	<a href="http://www.indoramaventures.com">www.indoramaventures.com</a>
46	JMART	JAY MART PUBLIC COMPANY LIMITED	<a href="http://www.jaymart.co.th">http://www.jaymart.co.th</a>
47	JMT	JMT NETWORK SERVICES PUBLIC COMPANY LIMITED	<a href="http://www.jmtnetwork.co.th">http://www.jmtnetwork.co.th</a>
48	KBANK	KASIKORNBANK PUBLIC COMPANY LIMITED	<a href="http://www.kasikornbank.com">www.kasikornbank.com</a>
49	KCE	KCE ELECTRONICS PUBLIC COMPANY LIMITED	<a href="http://www.kcethai.in.th">www.kcethai.in.th</a>
50	KTB	KRUNG THAI BANK PUBLIC COMPANY LIMITED	<a href="https://krungthai.com">https://krungthai.com</a>
51	KTC	KRUNGTHAI CARD PUBLIC COMPANY LIMITED	<a href="http://www.ktc.co.th">www.ktc.co.th</a>
52	MAJOR	MAJOR CINEPLEX GROUP PUBLIC COMPANY LIMITED	<a href="http://www.majorcineplex.com">http://www.majorcineplex.com</a>

No.	Stock	Company's name	Website
53	MEGA	MEGA LIFESCIENCES PUBLIC COMPANY LIMITED	<a href="http://www.megawecare.com">www.megawecare.com</a>
54	MINT	MINOR INTERNATIONAL PUBLIC COMPANY LIMITED	<a href="http://www.minor.com">www.minor.com</a>
55	MTC	MUANGTHAI CAPITAL PUBLIC COMPANY LIMITED	<a href="http://www.muangthaicap.com">www.muangthaicap.com</a>
56	OR	PTT OIL AND RETAIL BUSINESS PUBLIC COMPANY LIMITED	<a href="http://www.pttor.com">www.pttor.com</a>
57	ORI	ORIGIN PROPERTY PUBLIC COMPANY LIMITED	<a href="http://www.origin.co.th">www.origin.co.th</a>
58	OSP	OSOTSPA PUBLIC COMPANY LIMITED	<a href="http://www.osotspa.com">www.osotspa.com</a>
59	PLANB	PLAN B MEDIA PUBLIC COMPANY LIMITED	<a href="http://www.planbmedia.co.th">www.planbmedia.co.th</a>
60	PTG	PTG ENERGY PUBLIC COMPANY LIMITED	<a href="http://www.ptgenergy.co.th">www.ptgenergy.co.th</a>
61	PTL	POLYPLEX (THAILAND) PUBLIC COMPANY LIMITED	<a href="http://www.polyplexthailand.com">www.polyplexthailand.com</a>
62	PTT	PTT PUBLIC COMPANY LIMITED	<a href="http://www.pttplc.com">http://www.pttplc.com</a>
63	PTTEP	PTT EXPLORATION AND PRODUCTION PUBLIC COMPANY LIMITED	<a href="http://www.pttep.com">www.pttep.com</a>
64	PTTGC	PTT GLOBAL CHEMICAL PUBLIC COMPANY LIMITED	<a href="http://www.pttgcgroup.com">www.pttgcgroup.com</a>
65	RATCH	RATCH GROUP PUBLIC COMPANY LIMITED	<a href="http://www.ratch.co.th">www.ratch.co.th</a>
66	RBF	R&B FOOD SUPPLY PUBLIC COMPANY LIMITED	<a href="https://www.rbfoodsupply.co.th">https://www.rbfoodsupply.co.th</a>
67	RS	RS PUBLIC COMPANY LIMITED	<a href="http://www.rs.co.th">http://www.rs.co.th</a>
68	SAWAD	SRISAWAD CORPORATION PUBLIC COMPANY LIMITED	<a href="http://www.meebaanmeerod.com">http://www.meebaanmeerod.com</a>
69	SCB	THE SIAM COMMERCIAL BANK PUBLIC COMPANY LIMITED	<a href="http://www.scb.co.th">www.scb.co.th</a>
70	SCC	THE SIAM CEMENT PUBLIC COMPANY LIMITED	<a href="http://www.scg.com">www.scg.com</a>
71	SCGP	SCG PACKAGING PUBLIC COMPANY LIMITED	<a href="http://www.scgpackaging.com">www.scgpackaging.com</a>
72	SPRC	STAR PETROLEUM REFINING PUBLIC COMPANY LIMITED	<a href="http://www.sprc.co.th">www.sprc.co.th</a>
73	STA	SRI TRANG AGRO-INDUSTRY PUBLIC COMPANY LIMITED	<a href="http://www.sritranggroup.com">www.sritranggroup.com</a>
74	STEC	SINO-THAI ENGINEERING AND CONSTRUCTION PUBLIC CO.,LTD.	<a href="http://www.stecon.co.th">www.stecon.co.th</a>
75	STGT	SRI TRANG GLOVES (THAILAND) PUBLIC COMPANY LIMITED	<a href="http://www.sritranggloves.com">www.sritranggloves.com</a>
76	TASCO	TIPCO ASPHALT PUBLIC COMPANY LIMITED	<a href="http://www.tipcoasphalt.com">http://www.tipcoasphalt.com</a>
77	THANI	RATCHTHANI LEASING PUBLIC COMPANY LIMITED	<a href="http://www.ratchthani.com">www.ratchthani.com</a>
78	TISCO	TISCO FINANCIAL GROUP PUBLIC COMPANY LIMITED	<a href="http://www.tisco.co.th">http://www.tisco.co.th</a>

No.	Stock	Company's name	Website
79	TOP	THAI OIL PUBLIC COMPANY LIMITED	<a href="http://www.thaioilgroup.com">www.thaioilgroup.com</a>
80	TQM	TQM CORPORATION PUBLIC COMPANY LIMITED	<a href="http://www.tqmcorp.co.th">www.tqmcorp.co.th</a>
81	TTW	TTW PUBLIC COMPANY LIMITED	<a href="http://www.ttwplc.com">http://www.ttwplc.com</a>
82	TU	THAI UNION GROUP PUBLIC COMPANY LIMITED	<a href="http://thaiunion.com">thaiunion.com</a>
83	VGI	VGI PUBLIC COMPANY LIMITED	<a href="http://www.vgi.co.th">www.vgi.co.th</a>
84	WHA	WHA CORPORATION PUBLIC COMPANY LIMITED	<a href="http://www.wha.co.th">www.wha.co.th</a>





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