



F I N A N S A

Asian Merchant Banking

No. For. 02/2022

February 24, 2022

Subject: Clarification of the Company's 2021 operating results

To: The President of the Stock Exchange of Thailand

Finansa Public Company Limited would like to report its consolidated financial results for the year ended 31 December 2021. The consolidated statements of profit or loss and other comprehensive income showed a net loss of Baht 42.19 million or a net loss of Baht 0.12 per share, a decrease in a net profit of Baht 265.45 million or 118.9% from a net profit of Baht 223.26 million or a net profit Baht 0.65 per share recorded in 2020.

In 2021, there are no revenues and expenses from the warehouse and factory leasing business since the leasehold rights at the Bangkok Free Trade Zone were terminated in August 2020 with the sale of leasehold rights to the Prospect Logistics and Industrial Leasehold REIT. In addition, the Company also recorded a one-off revenue in an amount of Baht 198.14 million from this transaction in Q3-2020.

Total revenues in 2021 were Baht 265.94 million, compared with Baht 763.63 million recorded in 2020, a decrease in total revenues of Baht 497.69 million or 65.2%. Significant difference of Baht 322.76 million came from a one-off revenue mentioned above. Major revenues with significant changes were 1) revenue from the investment, advisory and management business totaled Baht 43.72 million, a decrease of Baht 34.29 million or 44% as there was an advisory deal in 2020 and 2) revenue from the securities business totaled Baht 213.35 million, a decrease of Baht 136.07 million or 38.9% reflecting a large underwriting and advisory deal that was completed in 2020.

Total costs and expenses in 2021 were Baht 345.92 million, compared with Baht 548.09 million recorded in 2020, representing a decrease of Baht 202.17 million or 36.9%. Difference amounting to Baht 69.68 million came from the termination of the leasing business mentioned above. Major costs and expenses with significant change were 1) finance costs totaled Baht 58.83 million, a decrease of Baht 13.90 million or 19.1% as several tranches of long-term debentures matured despite an increase in short-term debentures issued, 2) costs and expenses of the investment, advisory and management business totaled Baht 36.22 million, a decrease of Baht 9.26 million or 20.4% in line with a drop in revenue, 3) costs and expenses of the securities business totaled Baht 121.21 million, a decrease of Baht 47.36 million or 28.1% following a decrease in underwriting and advisory revenues and transactions, 4) servicing and administrative expenses totaled Baht 63.60 million, an increase of Baht 8.91 million or 16.3% from an unrealized loss on exchange rate on Baht assets and liabilities of a

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foreign subsidiary, 5) loss on sale of an associate of Baht 56.06 million, 6) an expected credit loss item was reversed in an amount of Baht 32.90 million due to repayment from the debtor and 7) directors and managements remuneration totaled Baht 42.91 million, a decrease of Baht 32.27 million or 42.9% due to a decrease in the operating profit of a subsidiary.

In addition, the Company and its subsidiaries recognized a share of profit from investments in associates of Baht 50.86 million, compared with a share of profit of Baht 30.78 million recorded in 2020, representing an increase of Baht 20.08 million or 65.3%, following operating results and an increase in number of associates. Income tax expense totaled Baht 13.07 million, compared with Baht 23.06 million in 2020 due to a decrease in the operating profit of a subsidiary.

Please be informed accordingly.

Yours sincerely,

(Mr. Vorasit Pokachaiyapat)
Managing Director