



F I N A N S A

Asian Merchant Banking

No. For.15/2019

August 8, 2019

Subject: Clarification of the Company's operating result

To: The President of the Stock Exchange of Thailand

For the six-month period ended 30 June 2019, the consolidated financial results of Finansa Public Company Limited and its subsidiaries showed a net loss of THB 3.3 million or a net loss of THB 0.01 per share, a decrease in the operating result of THB 26.5 million or 114% compared with a net profit of THB 23.2 million or THB 0.09 per share recorded in the same period last year.

A decrease in the net profit came mainly from a decrease in total revenues from THB 197.8 million in 1H2018 to THB 153.7 million in 1H2019, decreased by THB 44.1 million or 22%. The major revenues changes were 1) Revenue from investment, advisory and management business totaled THB 19.8 million, increased by THB 8.4 million or 74% from an increase in interest income, 2) Revenue from securities business totaled THB 29.5 million, decreased by THB 67.7 million or 70% as there was a successful large advisory deal last year and 3) Other revenue totaled THB 16.1 million, increased by THB 13.9 million from unrealized gain on exchange rate on THB assets and liabilities of a foreign subsidiary.

Total costs and expenses were THB 187.2 million, decreased by THB 8.6 million or 4%. Major costs and expenses changes were 1) Finance costs totaled THB 32.3 million, increased by THB 6.7 million or 26% from an increase in long-term debentures, 2) Investment, advisory and management business costs and expenses totaled THB 22.8 million, increased by THB 4.6 million or 25% from recording additional employee benefits expenses based on the new labor law, 3) Securities business costs and expenses totaled THB 46.6 million, decreased by THB 10.2 million or 18% following a decrease in revenue and 4) Director and management remuneration totaled THB 17.4 million, decreased by THB 9.4 million or 35% following the securities business performance.

In addition, the Company and its subsidiaries recognized a share of gain from investments in associated companies of THB 24 million, decreased by THB 2.2 million or 8% following operating results of associates. Income tax - income totaled THB 6.2 million, compared to an income tax - expense of THB 5 million last year from an operating loss of a securities business subsidiary.

For the three-month period ended 30 June 2019, the consolidated financial results showed a net profit of THB 5.8 million or a net profit of THB 0.02 per share, an increase in the

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operating results of THB 20.6 million or 139% compared with a net loss of THB 14.8 million or THB 0.06 per share recorded in the same period last year.

Total revenues were THB 85.7 million, increased by THB 11.8 million or 16%. The major revenues changes were 1) Revenue from investment, advisory and management business totaled THB 10.3 million, increased by THB 5.2 million or 102% from an increase in interest income and 2) Other revenue totaled THB 10.4 million, increased by THB 9.5 million from unrealized gain on exchange rate on THB assets and liabilities of a foreign subsidiary.

Total costs and expenses were THB 97 million, decreased by THB 3 million or 3%. Major costs and expenses changes were 1) Finance costs totaled THB 16.3 million, increased by THB 3.5 million or 27% from an increase in long-term debentures, 2) Investment, advisory and management business costs and expenses totaled THB 13.6 million, increased by THB 4.7 million or 53% from recording additional employee benefits expenses based on the new labor law and 3) Servicing and administrative expenses totaled THB 10.3 million, decreased by THB 13 million or 56% from an unrealized loss on exchange rate on THB assets and liabilities of a foreign subsidiary recorded last year.

In addition, the Company and its subsidiaries recognized a share of gain from investments in associated companies of THB 14.9 million, increased by THB 4.3 million or 41% following operating results of associates. Income tax - income totaled THB 2.2 million, increased by THB 1.5 million recorded last year.

Please be informed accordingly.

Yours sincerely,

(Mr. Vorasit Pokachaiyapat)

Managing Director