



No. For. 05/2021

February 23, 2020

Subject: Clarification for changes in operating performance of more than 20%

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 2020. The consolidated statements of profit or loss and other comprehensive income showed a net profit of THB 223.26 million or a net profit of THB 0.65 per share, an increase in its financial performance of THB 305.84 million or 370.4% compared with a net loss of THB 82.58 million or THB 0.24 per share recorded in 2019.

Significant item causing a net operating profit is an increase in total revenues from THB 305.44 million in 2019 to THB 763.63 million in 2020, representing an increase of THB 458.19 million or 150%. Major revenues comprise 1) THB 78 million from the investment, advisory and management business, increasing by THB 39.04 million or 100.2% from an advisory deal done by the Company and its foreign subsidiary, 2) THB 349.42 million from the securities business, increasing by THB 285.76 million or 448.9% from completion of a large financial advisory and lead underwriting deal, 3) THB 124.62 million from the warehouse and factory leasing business, decreasing by THB 51.78 million or 29.4% as the leasehold rights were terminated since August 17, 2020. In addition, there is a special revenue item which is a compensation fee from termination of sublease agreement in relating to the setup of the Prospect Logistics and Industrial Leasehold Real Estate Investment Trust totaled THB 198.14 million.

Total costs and expenses were THB 548.09 million, compared with THB 390.29 million recorded in 2019, representing an increase of THB 157.80 million or 40.4%. Major cost and expense with significant changes comprise 1) THB 168.57 million of the securities business, increasing by THB 85.45 million or 102.8% following an increase in financial advisory transactions and a large lead underwriting deal, 2) THB 69.68 million of the warehouse and factory leasing business, decreasing by THB 25.50 million or 26.8% as the leasehold rights were terminated since August 17, 2020, 3) THB 54.70 million of service and administrative expenses, increasing by THB 11.99 million or 28.1% from an unrealized loss on exchange rate on THB assets and liabilities of a foreign subsidiary compared with an unrealized gain on exchange rate recorded in 2019, 4) THB 61.76 million of allowance for expected credit loss and 5) THB 75.18 million of director and management remuneration, increasing by THB 38.95 million or 107.5% following a subsidiary's performance.

FINANSA PUBLIC COMPANY LIMITED

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In addition, the Company and its subsidiaries recognized a share of profit from investments in associates of THB 30.78 million, compared with a share of loss of THB 7.10 million recorded in 2019, representing an increase in the profit sharing of THB 37.88 million or 533.8% following their operating results and one associate was added in August 2020 which is Prospect Logistics and Industrial Leasehold Real Estate Investment Trust. Income tax expense totaled THB 23.06 million, compared to an income tax - income of THB 9.37 million in 2019 from an operating profit of a securities business subsidiary.

Please be informed accordingly.

Yours sincerely,

(Mr. Vorasit Pokachaiyapat)
Managing Director