

No. For. 17/2018

August 8, 2018

Subject: Clarification for changes in operating performance

To: The President of the Stock Exchange of Thailand

For the six-month period ended 30 June 2018, the consolidated financial results of Finansa Public Company Limited and its subsidiaries showed a net profit of THB 23.2 million or a net profit of THB 0.09 per share, a decrease of THB 45.4 million or 66% compared with a net profit of THB 68.6 million or THB 0.28 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 222.3 million in 1H2017 to THB 197.8 million in 1H2018, decreased by THB 24.5 million or 11%. The major revenues comprise 1) Revenue from investment, advisory and management business totaled THB 11.4 million, decreased by THB 4.4 million from a drop in gain on investment units in foreign fund, 2) Revenue from securities business totaled THB 97.2 million, slightly decreased by THB 2.3 million, 3) Revenue from warehouse and factory leasing business totaled THB 87.1 million, decreased by THB 4.1 million due to a slightly drop in its occupancy rate. Other revenue totaled THB 2.1 million, decreased by THB 13.7 million as an unrealized gain on exchange rate on THB assets and liabilities of a foreign subsidiary was recorded last year while recorded an unrealized loss this year.

Total costs and expenses were THB 195.8 million, increased by THB 19.8 million or 11.3% from the same period last year. The major costs and expenses changes were 1) Securities business costs and expenses totaled THB 56.8 million, increased by THB 7.9 million, 2) Director and management remuneration totaled THB 26.8 million, increased by THB 10.6 million following successful financial advisory deals in the first quarter and 3) Finance costs totaled THB 25.6 million, decreased by THB 1.1 million following drops in short-term and long-term debentures outstanding. Other costs and expenses were slightly increased.

The Company and its subsidiaries also recognized a share of gain from investments in associates totaled THB 26.2 million, decreased by THB 3.3 million or 11% as per associates' operating results. Income tax expense totaled THB 5 million, decreased by THB 2.2 million resulting from a drop in net profit of a securities business subsidiary.

For the three-month period ended 30 June 2018, the consolidated financial results showed a net loss of THB 14.9 million or a net loss of THB 0.06 per share, a decrease in the

operating results of THB 52.1 million or 140% compared with a net profit of THB 37.2 million or THB 0.15 per share recorded in the same period last year.

Total revenues were THB 74 million, decreased by THB 49.2 million or 40%. The major revenues changes were 1) Securities business revenue totaled THB 25 million, decreased by THB 42.9 million as there were successful advisory and underwriting deals in the second quarter last year and 2) Other income totaled THB 0.9 million, decreased by THB 3.3 million as an unrealized gain on exchange rate on THB assets and liabilities of a foreign subsidiary was recorded last year while recorded an unrealized loss this year. Other revenues were slightly decreased.

Total costs and expenses were THB 100 million, increased by THB 5.2 million or 5%. The major costs and expenses changes were 1) Servicing and administrative expenses totaled THB 23.3 million, increased by THB 11 million from an unrealized loss on exchange rate on THB assets and liabilities of a foreign subsidiary, against 2) Securities business costs and expenses totaled THB 22.5 million, decreased by THB 7.1 million following a decrease in revenues. Other costs and expenses were slightly increased/decreased.

The Company and its subsidiaries also recognized a share of gain from investments in associated companies totaled THB 10.6 million, decreased by THB 4.4 million or 29% as per associates' operating results. Income tax - income totaled THB 0.6 million, compared to an income tax expense of THB 6 million last year as there was a drop in net profit of a securities business subsidiary.

Please be informed accordingly.

Yours sincerely,

---sign---

(Mr. Vorasit Pokachaiyapat)

Managing Director