

Finansia X Public Company Limited
Report and financial statements
For the period as from 23 March 2022
(date of incorporation) to 31 December 2022



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Independent Auditor's Report

To the Shareholders of Finansia X Public Company Limited

Opinion

I have audited the accompanying financial statements of Finansia X Public Company Limited (the Company), which comprise the statement of financial position as at 31 December 2022, and the related statements of comprehensive income, changes in shareholders' equity and cash flows for the period as from 23 March 2022 (date of incorporation) to 31 December 2022, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Finansia X Public Company Limited as at 31 December 2022, its financial performance and cash flows for the period as from 23 March 2022 (date of incorporation) to 31 December 2022 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 including Independence Standards issued by the Federation of Accounting Professions (Code of Ethics for Professional Accountants) that are relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code of Ethics for Professional Accountants. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of Matters

I draw attention to Note 1.2 to the financial statements, which describes the shareholding and management restructuring plan of the Group. My opinion is not modified in respect of this matter.

Responsibilities of Management 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 Company'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 Company or to cease operations, or has no realistic alternative but to do so.

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:

- 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.
- 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- 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 Company'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 Company to cease to continue as a going concern.
- 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.

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



Ratana Jala

Certified Public Accountant (Thailand) No. 3734

EY Office Limited

Bangkok: 21 February 2023

Finansia X Public Company Limited


Statement of financial position

As at 31 December 2022


(Unit: Baht)

	Note	31 December 2022
Assets		
Current assets		
Cash and cash equivalents		32,751
Total current assets		32,751
Non-current assets		
Other non-current assets		-
Total non-current assets		-
Total assets		32,751
Liabilities and shareholders' equity		
Current liabilities		
Other liabilities		4,011,759
Total current liabilities		4,011,759
Total liabilities		4,011,759
Shareholders' equity		
Share capital		
Registered		
581,413,025 ordinary shares of Baht 1.60 each	6	930,260,840
Issued and fully paid-up		
10,000 ordinary shares of Baht 1.60 each		16,000
Deficits		(3,995,008)
Total shareholders' equity		(3,979,008)
Total liabilities and shareholders' equity		32,751

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


Mr. Chuangchai Nawongs

Director


Ms. Pornpring Suksantisuwana

Director

Finansia X Public Company Limited

Statement of comprehensive income

For the period as from 23 March 2022 (date of incorporation) to 31 December 2022

(Unit: Baht)

		For the period as from 23 March 2022 to 31 December 2022
	Note	
Revenues		
Other income		1
Total revenues		<u>1</u>
Expenses		
Administrative expenses and other expenses		3,995,009
Total expenses		<u>3,995,009</u>
Loss before finance costs and income tax		<u>(3,995,008)</u>
Finance costs		-
Loss before income tax		<u>(3,995,008)</u>
Income tax		-
Loss for the period		<u>(3,995,008)</u>
Other comprehensive income:		
Other comprehensive income for the period		-
Total other comprehensive loss for the period		<u>(3,995,008)</u>
Earnings per share	9	
Basic loss per share		<u>(399.50)</u>

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

Finansia X Public Company Limited

Statement of changes in shareholders' equity

For the period as from 23 March 2022 (date of incorporation) to 31 December 2022

(Unit: Baht)

	Issued and fully paid-up share capital	Deficits	Total
Balance as at 23 March 2022	-	-	-
Issued and paid-up share capital (Note 6)	16,000	-	16,000
Loss for the period	-	(3,995,008)	(3,995,008)
Other comprehensive for the period	-	-	-
Total comprehensive loss for the period	-	(3,995,008)	(3,995,008)
Balance as at 31 December 2022	16,000	(3,995,008)	(3,979,008)

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

Finansia X Public Company Limited

Statement of cash flows

For the period as from 23 March 2022 (date of incorporation) to 31 December 2022

(Unit: Baht)

For the period
as from 23 March 2022
to 31 December 2022

Cash flows from operating activities	
Loss before income tax	(3,995,008)
Adjustments to reconcile profit (loss) before income tax to net cash provided by (paid for) operating activities:	-
Loss from operating activities before changes in operating assets and liabilities	(3,995,008)
(Increase) decrease in operating assets	-
Increase (decrease) in operating liabilities	
Other liabilities	4,011,759
Net cash provided by in operating activities	16,751
Cash flows from investing activities	-
Cash flows from financing activities	
Proceeds from increase in share capital	16,000
Net cash provided by financing activities	16,000
Net increase in cash and cash equivalents	32,751
Cash and cash equivalents at the beginning of the period	-
Cash and cash equivalents at the ending of the period	32,751

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

Finansia X Public Company Limited

Notes to financial statements

For the period as from 23 March 2022 (date of incorporation) to 31 December 2022

1. General information

1.1 Company information

Finansia X Public Company Limited (“the Company”) is a public company incorporated on 23 March 2022 and domiciled in Thailand. The business nature of the Company is to operate the business of investing in any trading or participating in any business or as a limited liability partner in limited partnerships, as a shareholder in other limited companies and public limited companies, with securities business as its core business. The Company’s registered address is located at No. 999/9, 18th floors of The Offices at Centralworld, Rama 1 Road, Pathumwan Sub-district, Pathumwan District, Bangkok.

1.2 The shareholding and management restructuring plan of the Group

The Company and the group companies of Finansia Syrus Securities Public Company Limited ("FSS") have a shareholding and management restructuring plan of FSS which the Annual General Meeting of FSS's shareholders on 29 April 2022, has resolved to approved the shareholding and management restructuring plan and other relevant arrangements (the "Restructuring Plan") and the transfer of subsidiary's shares held by FSS to the Company and approved the delisting of FSS's shares from being listed securities on the Stock Exchange of Thailand (the "SET") and relevant matters, including after the Restructuring Plan has been initially approved by the SET and FSS have 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 the Company to issue and offer new securities under the Notification No.TorJor.34/2552 and obtained a resolution approving the delisting of FSS's shares from the SET, the Company shall make a tender offer for all securities of FSS subject to payment of the consideration in the form of its newly issued ordinary shares in exchange for FSS's ordinary shares at the ratio of 1 ordinary share of FSS to 1 ordinary share of the Company, under the condition that, in case 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 FSS, the Company will cancel the tender offer for securities. After completion of the tender offer for securities, the Company shall list its ordinary shares as listed securities on the SET in place of FSS's securities which will be delisted from the SET on the same day. Upon completion of the listing of the Company's securities on the SET in place of FSS's securities, the Company, as a direct shareholder of FSS, plans to acquire all subsidiaries' shares held by FSS, whether directly or indirectly, as of the completion date of the shareholding restructuring, at the book value price based on the financial statements of each of such companies as of the closest ended date of the financial statements prior to the occurrence of the transfer of such subsidiary's shares, in order to shift the management of all companies in the group to be under the direct management of the Company. The Company has completed the incorporation of the Company, set up the organization structure, appointed the directors and determined the remuneration of director, and increased the registered capital of the Company in order to accommodate the Shareholding and Management Restructuring Plan of the Company. In addition, on 10 January 2023, the Company received the preliminary approval letter from the SET regarding the Shareholding and Management Restructuring Plan of the Company and the listing of the Company's new ordinary shares on the SET to substitute for the ordinary shares of FSS. For the next step, the Company will submit an application for approval for the offering for sale of newly issued securities with a tender offer for the existing securities of a listed company to the SEC. In this regard, the Company expects that the transaction and the transfer of subsidiary's shares held by FSS to the Company will complete within 2023.

2. Basis of preparation of the financial statements

The financial statements have been prepared in accordance with Thai Financial Reporting Standards enunciated under the Accounting Professions Act B.E. 2547 and their presentation has been made in compliance with the stipulations of the Notification of the Department of Business Development, issued under the Accounting Act B.E. 2543.

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.

3. New financial reporting standards

3.1 Financial reporting standards that will become effective for fiscal years beginning on or after 1 January 2023

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 2023. 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 management of the Company believes that adoption of these amendments will not have any significant impact on the Company's financial statements.

4. Significant accounting policies

4.1 Revenue and expense recognition

Interest income

Interest income is recognised on an accrual basis based on the effective interest rate.

Expenses

Expense is recognised on an accrual basis.

4.2 Cash and cash equivalents

Cash and cash equivalents consist of cash in hand and at banks, and all highly liquid investments with an original maturity of three months or less and not subject to withdrawal restrictions.

4.3 Related parties

Related parties comprise individuals or enterprises that control, or are controlled by, the Company, whether directly or indirectly, or which are under common control with the Company.

They also include individuals or enterprises which directly or indirectly own a voting interest in the Company that gives them significant influence over the Company, key management personnel, directors and officers with authority in the planning and direction of the operations of the Company.

4.4 Income 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.

5. Use of accounting estimates

The preparation of financial statements in conformity with financial reporting standards requires management to make estimates and assumptions in certain circumstances, affecting amounts reported in these financial statements and related notes. Actual results could differ from these estimates.

6. Share capital

On 23 March 2022, the Company registered to establish the Company which has registered share capital amounting to Baht 16,000, comprising 10,000 ordinary shares of Baht 1.60 each. Paid-up capital to Baht 16,000.

On 26 May 2022, the Extraordinary General Meeting No. 1/2022 of the Company's shareholders approved an increase in the registered share capital from Baht 16,000 to Baht 930,260,840 through the issuance of 581,403,025 new ordinary shares with a par value of Baht 1.60 each, or a total of Baht 930,244,840. The Company registered the increase in its registered share capital with the Ministry of Commerce on 27 May 2022. The purpose of share capital increase is to support a tender offer for the shares of Finansia Syrus Securities Public Company Limited ("FSS"), which subject to payment in the form of the ordinary shares of the Company in exchange for FSS's ordinary shares at the ratio of 1 ordinary share of FSS to 1 ordinary share of the Company, which related to the shareholding and management restructuring plan of the Group.

7. Statutory reserve

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside a statutory reserve at least 5 percent of its net profit after deducting accumulated deficit brought forward (if any), until the reserve reaches 10 percent of the registered capital. The statutory reserve is not available for dividend distribution.

8. Deferred tax assets/Income tax

As at 31 December 2022, the Company has unused tax losses totaling Baht 4 million, on which deferred tax assets have not been recognised as the Company believes future taxable profits may not be sufficient to allow utilisation of unused tax losses.

The unused tax losses amount Baht 4 million will expire by 2027.

9. Earnings per share

Basic loss per share is calculated by dividing loss for the period attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the period.

10. Related party transactions

10.1 The relationships

Name	Relationship
Finansia Syrus Securities Public Company Limited	Having common director
FSS International Investment Advisory Securities Company Limited	Having common director
Finansia Digital Asset Ltd.	Having common director
Pilgrim Finansia Investment Holding (Pte.) Ltd.	Having common director

10.2 Outstanding balances

As at 31 December 2022, the outstanding balances of the accounts between the Company and those related companies are as follows:

	(Unit: Thousand Baht)
	<u>31 December 2022</u>
Other liabilities	
Finansia Syrus Securities Public Company Limited	2,938

10.3 Directors and management's remuneration

During the period as from 23 March 2022 (Incorporation date) to 31 December 2022, the Company had short-term employee benefit expenses to their directors and management amounting to Baht 0.54 million.

11. 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. The chief operating decision maker has been identified as the Company's Board of Directors.

The Company is principally engaged in the investing business. Its operations is carried on only in Thailand. Segment performance is measured based on operating profit or loss, on a basis consistent with that used to measure operating profit or loss and assets in the financial statements. As a result, all of the income, and operating profit/loss and assets as reflected in these financial statements pertain to the aforementioned reportable operating segment and geographical area.

12. Risk Management

Financial risk management objectives and policies

The significant financial instruments of the Company principally comprise cash and cash equivalents. The financial risks associated with these financial instruments of the Company and how they are managed is described below.

12.1 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 Company is exposed to credit risk primarily with respect to deposits with banks and financial institutions and fee and service receivable. The Company's maximum exposure to credit risk is limited to the carrying amounts as stated in the statement of financial position.

Deposits with banks and financial institutions

The credit risk on deposits with banks and financial institutions because the Company had deposit with banks and financial institutions with high credit-rating assigned by international credit-rating agencies.

12.2 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. The Company manages its risk exposure as follows.

12.2.1 Interest rate risk

The Company's exposure to interest rate risk relates primarily to their cash at bank. The balances have short-term maturity and bear floating interest rates. The interest rate risk is expected to be minimal.

As at 31 December 2022, significant financial assets classified by type of interest rates are summarised in the table below, with those financial assets that carry fixed interest rates are further classified based on the maturity date, or the repricing date if this occurs before the maturity date.

(Unit: Thousand Baht)

31 December 2022								
Outstanding balances of financial instruments fixed interest rate								
Remaining period to the contractual								
Floating interest rate	At call	Less than	1 - 5	Non-interest bearing	Total	Interest rate (% p.a.)		
		1 year	Years			Floating	Fixed	
Financial assets								
Cash and cash equivalents	33	-	-	-	33	0.35	-	-

12.3 Liquidity risk

Liquidity risk is the risk that the Company will be unable to liquidate its financial assets and/or procure sufficient funds to discharge their obligations in a timely manner, resulting in the Company incurring a financial loss.

The Company manages liquidity risk through monitoring and planning of its cash flows, including the arrangement of credit facilities with financial institutions, in order to ensure that they will have sufficient funds for its operations.

As at 31 December 2022, remaining periods to maturity of financial instruments, counted from the reporting period end dates, are as follows:

(Unit: Thousand Baht)

	31 December 2022				Total
	At call	Within 1 year	1 - 5 years	No maturity	
<u>Financial assets</u>					
Cash and cash equivalents	33	-	-	-	33

13. Financial Instrument

13.1 Fair value of financial instrument

Since the majority of the Company's financial instruments are short-term in nature or carrying interest at rates close to the market interest rates, their fair value is not expected to be materially different from the amounts presented in the statement of financial position.

14. Capital management

The primary objective of the Company's capital management is to ensure that it has an appropriate financial structure and preserves the ability to continue its business as a going concern.

15. Approval of financial statements

These financial statements were authorised for issue by the Company's Board of Directors on 21 February 2023.