

**Information Memorandum on the Issuance and Offering of
Newly Issued Ordinary Shares and Connected Transaction
of Finansia X Public Company Limited (List 2)**

The Board of Directors' Meeting of Finansia X Public Company Limited (the "**Company**") No. 6/2023, which was held on 28 November 2023, has resolved to propose to the Shareholders' Meeting to consider and approve the issuance and offering of 1,155,929,461 newly issued ordinary shares, with a par value of THB 1.60 per share, representing 66.59 percent of the total issued shares of the Company after the capital increase, divided into:

1. Not exceeding 288,000,000 newly issued ordinary shares, with a par value of THB 1.60 per share, through a private placement ("**Private Placement Transaction**") to (1) Gortune International Investment Holding Limited ("**Gortune HK**"), a wholly-owned subsidiary of Gortune Investment Corporation Limited ("**Gortune**"), in an amount of not exceeding 143,383,695 shares, (2) Gortune Industry Company Limited ("**Gortune Industry**"), in an amount of not exceeding 92,540,537 shares, and (3) Gortune Commerce Company Limited ("**Gortune Commerce**") in an amount of not exceeding 52,075,768 shares (collectively, the "**Investors**¹"), which represent 16.52 percent, 10.66 percent and 6.00 percent of the number of issued shares of the Company after the Private Placement Transaction respectively, representing a total of not exceeding 33.18 percent of the total issued shares of the Company after the Private Placement Transaction, at the offering price of THB 2.30 per share, with a total value of not exceeding THB 662,400,000.

In addition to the Private Placement Transaction, the Company has been informed that Gortune HK will purchase existing ordinary shares from the existing shareholders of the Company, namely PILGRIM FINANSA INVESTMENT HOLDINGS (PTE.) LTD ("**PILGRIM**") in the amount of 85,130,000 shares, and Blue Whale Enrich Company Limited ("**Blue Whale**"), with MORGAN STANLEY & CO. INTERNATIONAL PLC ("**MS**") acting as the custodian in the amount of 29,870,000 shares (PILGRIM and Blue Whale collectively, the "**Existing Share Sellers**"), totaling 115,000,000 shares, representing 13.25 percent of the total issued shares of the Company after the Private Placement Transaction, at the purchase price of THB 2.50 per share (the "**Share Purchase Transaction**"). This will result in Gortune HK holding approximately 29.77 percent, Gortune Industry holding approximately 10.66 percent, and Gortune Commerce holding 6.00 percent of the total issued shares of the Company after the Private Placement Transaction.

2. Not exceeding 867,929,461 newly issued ordinary shares, with a par value of THB 1.60 per share, through rights offering to existing shareholders in proportion to their shareholding, at an allocation ratio of 1 existing shares per 1 newly issued ordinary shares, with any fractional shares rounded down, at the offering price of THB 2.30 per share, with a total value of THB 1,996,237,760.30 ("**Rights Offering Transaction**"). The Private Placement

¹ Gortune HK, Gortune Industry and Gortune Commerce are juristic persons acting in concert according to the Notification Re: Relationships or Behaviors which are Considered as Acting in Concert and the compliance with Sections 246 and 247 of the Securities and Exchange Act B.E. 2535 (1992) (as amended).

Transaction and the Rights Offering Transaction are collectively referred to as the “**Issuance and Offering of Newly Issued Ordinary Shares Transaction**”.

The issuance and offering of the newly issued shares to existing shareholders in proportion to their shareholding (Rights Offering) will occur after the completion of the Private Placement Transaction and the Share Purchase Transaction. The Investors will be one of the shareholders who are entitled to subscribe for newly issued ordinary shares which will be offered to existing shareholders in proportion to their shareholding. In this regard, the Company has set a date to determine the shareholders who will be entitled to subscribe for the newly issued ordinary shares in proportion to their shareholding (Record Date) on 6 March 2024 and the dates for the subscription of the newly issued ordinary shares offered to existing shareholders between 25 – 29 March 2024.

In the case that there are newly issued ordinary shares remaining from the first round of allocation to the existing shareholders under the Rights Offering Transaction, the Company shall allocate such remaining shares to the existing shareholders who wish to oversubscribe for such shares. In this respect, the Company shall allocate the shares to the oversubscribing shareholders until the remaining newly issued shares are exhausted or cannot be allocated because it is a fraction of a share or until the number of newly issued ordinary shares which the shareholder wishes to oversubscribe to is exhausted. In the case where foreign shareholders oversubscribe the newly issued ordinary shares under the Rights Offering Transaction which will increase the shareholding percentage of foreign shareholders in the Company to be more than 49 percent of the Company's total issued shares (the “**Foreign Limit**”) (Shares held by foreign shareholders will be referred to as the “**F-Shares**”), the Company will allocate the newly issued ordinary shares to such shareholders in proportion to their shareholding. This may result in foreign shareholders not being allocated F-Shares in the amount that they have subscribed.

For the shares which exceed the Foreign Limit, the Company will refund the subscription price to the shareholders for the portion of the F-Shares not being allocated.

In addition, the Company has been informed by the Investors that the Investors may oversubscribe for the newly issued ordinary shares under the Rights Offering Transaction if there are newly issued ordinary shares remaining as a result of the existing shareholders surrendering their rights to subscribe for such shares. However, the Investors will not subscribe for the newly issued ordinary shares under the Rights Offering Transaction to the point where the Investor would hold more than 49.99 percent of the total number of issued shares of the Company after the Issuance and Offering of Newly Issued Ordinary Shares Transaction. In the case where there are shares remaining from the allocation to the existing shareholders on a pro rata basis, the Company will propose to a shareholders' meeting to consider and approve the decrease of the registered capital by cancelling the unissued shares remaining from such offering.

It is important to note that the Issuance and Offering of Newly Issued Ordinary Shares Transaction are contingent upon obtaining approval from the shareholders' meeting of the Company and all conditions precedent under the Share Subscription Agreement have been satisfied or waived by the parties thereunder. Furthermore, the agenda

Enclosure 2

to approve the Private Placement Transaction and the Investors' request for a waiver from making a tender offer for all securities of the Company by relying on the resolution of the shareholders' meeting of the Company (Whitewash) are conditional upon each other. If either one of the agenda items is not approved, the Company will not propose further for approval of the issuance and offering of the newly issued ordinary shares under the Private Placement Transaction and Rights Offering Transaction, and the Investors will cancel the Share Purchase Transaction as it is a condition of the Investors.

However, in the case where the shareholders' meeting of the Company resolved to approve the Private Placement Transaction and the waiver from making a tender offer for all securities of the Company by relying on the resolution of the shareholders' meeting of the Company (Whitewash), but not approve the Rights Offering Transaction, such event will not invalidate the resolution of the shareholders' meeting which approved the Private Placement Transaction. In such case, the Investors will continue to enter the Share Purchase Transaction.

The Private Placement Transaction is an offering of securities through a private placement where shareholders have resolved to explicitly determine the offering price which is not considered an offer for sale of the newly issued shares at a price lower than the market price of the Company's shares according to the Notification of the Capital Market Supervisory Board No. TorChor. 28/2022 Re: Approval for Listed Companies to Offer Newly Issued Shares through Private Placement (as amended) (the "**PP Notification**") provided that the offering price of THB 2.30 per share is not considered an offer of newly issued shares at a price lower than 90 percent of the weighted average price of the Company's shares in the Stock Exchange of Thailand (the "**SET**") for the past 12 consecutive business days before the date the Board of Directors resolved to propose the agenda to the shareholders' meeting. This is a period sufficient to cover both the trading volume and the trading price which reflects the market price of the Company's shares (during 10 - 27 November 2023) which is THB 2.55 (as detailed in item no. 3.2). Nonetheless, the Private Placement Transaction is considered an offering of the newly issued shares through a private placement which is significant according to the PP Notification given (1) after entering the Private Placement Transaction and the Share Purchase Transaction, the Investors will collectively hold shares with the highest voting rights in the Company, representing not exceeding 46.43 percent of the total issued shares of the Company and (2) the Private Placement Transaction may cause an impact on the voting rights of shareholders (Control Dilution) of not less than 25 percent, considering the number of paid-up shares before the date the Board of Directors resolved to propose the agenda to the shareholders' meeting. Therefore, the Company must procure an opinion of the independent financial advisor to support the consideration of the shareholders' meeting for the consideration and approval of the Private Placement Transaction.

However, the newly issued shares under the said Private Placement Transaction do not trigger the conditions which prohibit the sales (Silent Period) according to the Notification of the Stock Exchange of Thailand Re: Rules, Conditions and Methods for Considering Requests to List Newly Issued Ordinary Shares or Preferred Shares as Listed Securities B.E. 2558 (2015) (as amended).

Given the person nominated by the Investors will be appointed as an executive(s) of the Company, the Private Placement Transaction is therefore considered a connected transaction of the Company according to the Notification of the Capital

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Market Supervisory Board No. TorJor. 21/2551 Re: Rules on Connected Transactions, and the Notification of the Board of Governors of the Stock Exchange of Thailand Re: Disclosure of Information and Other Acts of Listed Companies Concerning the Connected Transactions, B.E. 2546 (2003) (as amended) (the “**Notifications on Connected Transactions**”). The size of this connected transaction is equivalent to 55.40 percent of the value of the net tangible assets (NTA) of the Company as shown in the Company's consolidated financial statements, which has been reviewed by a certified public accountant, for the accounting period ending 30 September 2023, which exceeds 3 percent of the value of the net tangible assets of the Company and considered a large transaction. Therefore, the Company is required to disclose information regarding the transaction to the SET, appoint an independent financial advisor, and hold a shareholder's meeting of the Company to approve the said transaction with a vote of not less than three-fourths of the total number of votes from shareholders who attend the meeting and are entitled to vote, excluding the votes from shareholders with a conflict of interest. The Company has no other connected transactions between the Company and the Investors in the 6-month period prior to entering into the Private Placement Transaction.

After the acquisition of shares under the Private Placement Transaction, the Investors will have their collective shareholding in the Company exceeding 25 percent of the total voting rights in the Company after the completion of the Private Placement Transaction. The Investors would be required to make a tender offer for all securities of the Company. Therefore, the Investors wish to request a waiver from making a tender offer for all securities of the Company by relying on the resolution of the shareholders' meeting of the Company (Whitewash) in accordance with the Notification of the Office of the Securities and Exchange Commission No. SorKor. 29/2561 Re: Criteria for a Waiver of Tender Offer for All Securities of a Company by Relying on the Resolution of the Shareholders' Meeting of the Company (the “**Whitewash Notification**”) as detailed in the details related to the request for a waiver from making a tender offer for all securities of the company by relying on the resolution of the shareholders' meeting (Whitewash) (Enclosure 4).

Therefore, in entering the Private Placement Transaction, the Company is required to proceed as follows:

1. Disclose information regarding the Private Placement Transaction to the SET in accordance with the PP Notification and the Notifications on Connected Transactions;
2. Obtain approval from the shareholders' meeting which must be passed by a vote of not less than three-quarters of the total number of votes from shareholders who attend the meeting and are entitled to vote, excluding the votes casted by shareholders who have conflict of interest from the calculation base; and
3. Appoint an independent financial advisor (IFA) to opine the said transaction by sending a report of the opinion of the independent financial advisor to shareholders for their consideration together with the invitation to the shareholders' meeting. In this regard, the Company has appointed a financial advisor from Capital Advantage Company Limited as an independent financial advisor for the entering into the Private Placement Transaction.

It is important to note that if the Private Placement Transaction and/or Investors' request for a waiver from making a tender offer for all securities of the Company by relying on the resolution of the shareholders' meeting of the Company

(Whitewash) is not approved by the shareholders' meeting, the Company will not propose further to the shareholders' meeting of the Company for approval of the issuance and offering of the newly issued ordinary shares under the Private Placement Transaction and the Rights Offering Transaction, and the Investors will cancel the Share Purchase Transaction as it is a condition of the Investors. However, in the case where the shareholders' meeting of the Company resolved to approve the Private Placement Transaction and a waiver from making a tender offer for all securities of the Company by relying on the resolution of the shareholders' meeting of the Company (Whitewash), but not approve the Rights Offering Transaction, such event will not invalidate the resolution of the shareholders' meeting which approved the Private Placement Transaction. In such case, the Investors will continue to enter the Share Purchase Transaction.

In this connection, the Company would like to provide information regarding the Issuance and Offering of Newly Issued Ordinary Shares Transaction to the SET in order to comply with the applicable laws, including the PP Notification and the Notifications on Connected Transactions, along with information that is important to shareholders' decision-making. The details are as follows.

1. Date / Month / Year of the Transactions

After the Board of Directors' Meeting resolved to approve the execution of the Issuance and Offering of Newly Issued Ordinary Shares Transaction, the Company has executed a share subscription agreement ("**Share Subscription Agreement**") with each of the Investors (As details appear in item no. 3.1) and the Private Placement Transaction will take place after obtaining approval from the Extraordinary General Meeting of Shareholders No. 1/2024 of the Company, which will be held on 16 February 2024 and all conditions precedent under the Share Subscription Agreement have been satisfied or waived by the parties thereunder.

The Company expects that the Issuance and Offering of Newly Issued Ordinary Shares Transaction will be completed within March 2024, which is not more than 3 months from the date the shareholders' meeting resolved to approve the offering of shares.

2. Related Parties and Relationship with the Company

Share issuer and offeror: The Company

Share offeree:

1. Gortune HK received an offering of 143,383,695 newly issued ordinary shares;
2. Gortune Industry received an offering of 92,540,537 newly issued ordinary shares; and
3. Gortune Commerce received an offering of 52,075,768 newly issued ordinary shares

Gortune HK, Gortune Industry and Gortune Commerce are juristic

persons acting in concert.

**Relationship with the
Company:**

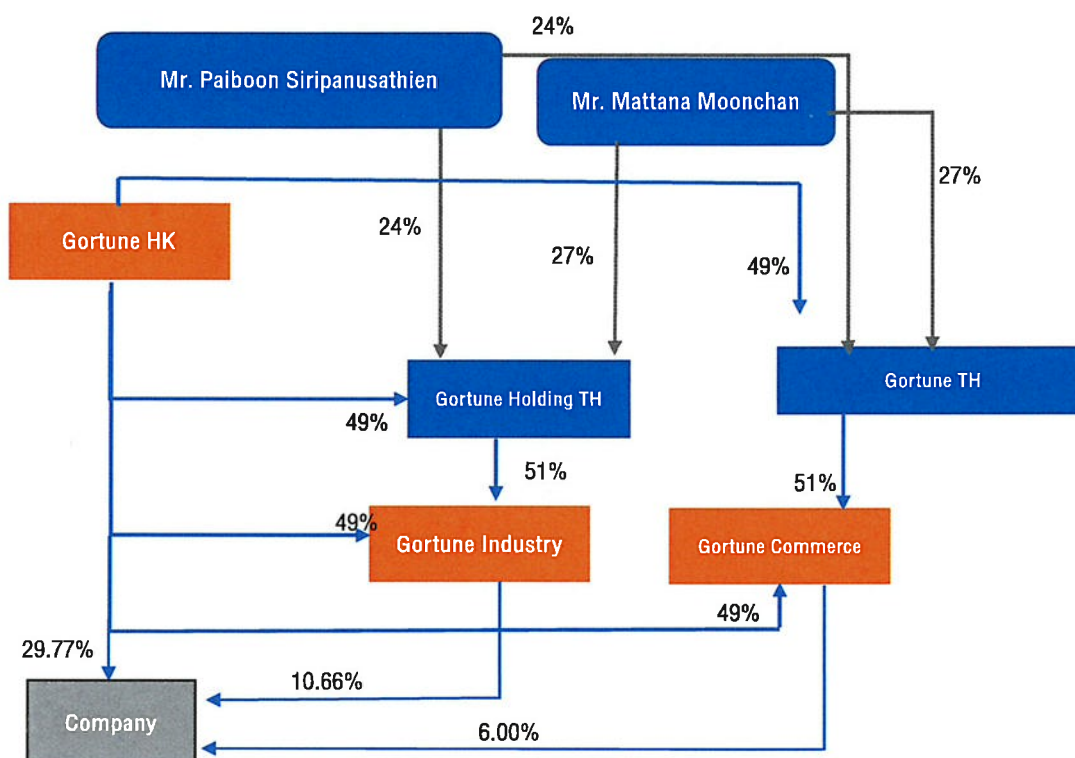
The Investors never had any relationship with the Company before entering the Private Placement Transaction. However, after entering the Private Placement Transaction, the persons nominated by the Investors will be appointed as an executive(s) of the Company. As a result, the Investors would be considered connected persons of the Company according to the Notifications on Connected Transactions.

Gortune HK is a juristic person in Gortune's company group.

Gortune Industry and Gortune Commerce are newly established Thai juristic persons, in which the shares are held by Gortune through Gortune HK and two Thai co-investors, namely Mr. Paiboon Siripanusathien and Mr. Mattana Moonchan, who hold shares indirectly through Gortune Holding (Thailand) Co., Ltd. ("**Gortune Holding TH**") and Gortune (Thailand) Co., Ltd. ("**Gortune TH**")

The shareholding structure of the Investors in the Company and details of the investors are as follows:

Shareholding Structure of the Investors in the Company after the Completion of the Private Placement Transaction and the Share Purchase Transaction



1) General Information of Gortune HK

- Company name** : Gortune International Investment Holding Limited
- Type of business** : Company which earns income from holding shares in other businesses (Holding Company)
- Country of incorporation** : Hong Kong, SAR China (Incorporation on 12 October 2016)
- Corporate registration number** : 2437061
- Registered capital (as of 28 November 2023)** : HKD 23,000,000
- Paid-up capital (as of 28 November 2023)** : HKD 23,000,000

| | | |
|--|---|---|
| Registered office | : | Room 601-03 Agricultural Bank of China, 50 Connaught Road Central, Hong Kong SAR China |
| List of directors (as of 28 November 2023) | : | Mr. Quan Wang Director Miss Xiaozhou Li Director Miss Tongxin Ju Director |
| List of shareholders (as of 28 November 2023) | : | Gortune Investment Corporation Limited 100% |

(In this regard, the shareholders of Gortune Investment Corporation Limited consist of juristic persons and no shareholder holds more than 20 percent of the total issued shares in Gortune Investment Corporation Limited)

In this regard, List of top 10 shareholders² of Gortune Investment Corporation Limited as of 31 December 2023 are as follows:

- | | |
|---|--------|
| 1. Zhuhai Xianfeng Yuefu Investment Partnership Enterprise (Limited Partnership) ³ | 15.63% |
| 2. Infore Group Co., Ltd. ⁴ | 12.50% |
| 3. Guangzhou Semi Business Services Co., Ltd. ⁵ | 9.38% |
| 4. Guangzhou Huadu Investment Co., Ltd. ⁶ | 7.81% |
| 5. Guangzhou Jiaxin Business Service Co., Ltd. ⁷ | 6.25% |

² None of the top 10 shareholders has control over Gortune.

³ The major shareholder is Infund Holdings Group Co., Limited, holding 99% of the shares. Mr. Xie Songfeng holds 70% of the shares in Infund Holdings Group Co., Limited.

⁴ The major shareholder is Mr. He Jianfeng, holding 88.09% of the shares.

⁵ The major shareholder is Ruyuan Jiayun Technology Co. Limited, holding 100% of the shares. Mr. Liu Wei holds 93% of the shares in Ruyuan Jiayun Technology Co. Limited ultimately.

⁶ The major shareholder is Guangdong Qisheng Business Service Co. Limited, holding 100% of the shares. Mr. Zhang Jiehua holds 99% of the shares in Guangdong Qisheng Business Service Co. Limited ultimately.

⁷ The major shareholder is Guangzhou Huantong Business Service Co. Limited, holding 100% of the shares. Mr. Zhou Weiliang holds 99% of the shares in Guangzhou Huantong Business Service Co. Limited ultimately.

| | |
|---|-------|
| 6. Foshan Midea Enterprise Management Co., Ltd. ⁸ | 6.25% |
| 7. Guangzhou Tengxichen Investment Co., Ltd. ⁹ | 6.25% |
| 8. Guangzhou Star River Venture Capital Co., Ltd. ¹⁰ | 6.25% |
| 9. Rongyue Enterprise Management Co., Ltd., ¹¹ | 6.25% |
| 10. Guangdong Haitian Group Co., Ltd. ¹² | 6.25% |

2) General Information of Gortune Industry

| | | |
|--|---|---|
| Company name | : | Gortune Industry Co., Ltd. |
| Type of business | : | Company which earns income from holding shares in other businesses (Holding Company) |
| Country of incorporation | : | Thailand (Incorporation on 27 November 2023) |
| Corporate registration number | : | 0105566224767 |
| Registered capital (as of 28 November 2023) | : | THB 2,000,000 |
| Paid-up capital (as of 28 November 2023) | : | THB 500,000 |
| Registered office | : | 33/4 The Ninth Tower, Tower A, 34th Floor, Rama 9 Road, Huaykwang Sub-District, Huaykwang District, Bangkok |
| List of directors | : | 1. Mr. Wenchang Chen Director |

⁸ The ultimate shareholder is Mr. He Xiangjian, holding 94.55% of the shares. Mr. He Xiangjian is the father of Mr. He Jianfeng, the major shareholder of Infore Group Co., Ltd, holding 88% of the shares.

⁹ The major shareholders are Yuan Changchang and Yuan Zhimin, each holding 50% of the shares.

¹⁰ The major shareholder is Guangdong Star River Property Group Co., Ltd., holding 100% of the shares. Mr. Huang Wenzai holds 92.68% of the shares in Guangdong Star River Property Group Co., Ltd. ultimately.

¹¹ The major shareholder is Foshan Jieyi Enterprise Management Co., Ltd., holding 100% of the shares. Mr. Wu Yeneng holds 70% of the shares in Foshan Jieyi Enterprise Management Co., Ltd. ultimately.

¹² The major shareholder is Mr. Pang Kang, holding 48.75% of the shares.

(as of 28 November 2023)

| | | |
|----|------------------|----------|
| 2. | Mrs. Xiaozhou Li | Director |
| 3. | Mr. Peng Wang | Director |

List of shareholders
(as of 28 November 2023)

| | | |
|----|--|-----|
| 1. | Gortune International Investment Holding Limited | 49% |
| 2. | Gortune Holding (Thailand) Co., Ltd. | 51% |

3) General Information of Gortune Commerce

Company name : Gortune Commerce Co., Ltd.

Type of business : Company which earns income from holding shares in other businesses (Holding Company)

Country of incorporation : Thailand (Incorporation on 27 November 2023)

Corporate registration number : 0105566224805

Registered capital
(as of 28 November 2023) : THB 2,000,000

Paid-up capital
(as of 28 November 2023) : THB 500,000

Registered office : 33/4 The Ninth Tower, Tower A, 34th Floor, Rama 9 Road, Huaykwang Sub-District, Huaykwang District, Bangkok

List of directors
(as of 28 November 2023)

| | | |
|----|-------------------|----------|
| 1. | Mr. Wenchang Chen | Director |
| 2. | Mrs. Xiaozhou Li | Director |
| 3. | Mr. Peng Wang | Director |

List of shareholders
(as of 28 November 2023)

| | | |
|----|--|-----|
| 1. | Gortune International Investment Holding Limited | 49% |
| 2. | Gortune (Thailand) Co., Ltd. | 51% |

4) General Information of Gortune Holding TH

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|--|--|--|----|--|----------|----|----------------------|----------|----|-----------------------------|----------|----|----------------------|----------|----|-----------------------------|----------|
| Company name | : | Gortune Holding (Thailand) Co., Ltd. | | | | | | | | | | | | | | | |
| Type of business | : | Company which earns income from holding shares in other businesses (Holding Company) | | | | | | | | | | | | | | | |
| Country of incorporation | : | Thailand (Incorporation on 24 November 2023) | | | | | | | | | | | | | | | |
| Corporate registration number | : | 0105566224651 | | | | | | | | | | | | | | | |
| Registered capital (as of 28 November 2023) | : | THB 1,000,000 | | | | | | | | | | | | | | | |
| Paid-up capital (as of 28 November 2023) | : | THB 500,000 | | | | | | | | | | | | | | | |
| Registered office | : | 33/4 The Ninth Tower, Tower A, 34th Floor, Rama 9 Road, Huaykwang Sub-District, Huaykwang District, Bangkok | | | | | | | | | | | | | | | |
| List of directors (as of 28 November 2023) | : | <table> <tr> <td>1.</td> <td>Mr. Wenchang Chen</td> <td>Director</td> </tr> <tr> <td>2.</td> <td>Mrs. Xiaozhou Li</td> <td>Director</td> </tr> <tr> <td>3.</td> <td>Mr. Peng Wang</td> <td>Director</td> </tr> <tr> <td>4.</td> <td>Mr. Mattana Moonchan</td> <td>Director</td> </tr> <tr> <td>5.</td> <td>Mr. Paiboon Siripanusathien</td> <td>Director</td> </tr> </table> | 1. | Mr. Wenchang Chen | Director | 2. | Mrs. Xiaozhou Li | Director | 3. | Mr. Peng Wang | Director | 4. | Mr. Mattana Moonchan | Director | 5. | Mr. Paiboon Siripanusathien | Director |
| 1. | Mr. Wenchang Chen | Director | | | | | | | | | | | | | | | |
| 2. | Mrs. Xiaozhou Li | Director | | | | | | | | | | | | | | | |
| 3. | Mr. Peng Wang | Director | | | | | | | | | | | | | | | |
| 4. | Mr. Mattana Moonchan | Director | | | | | | | | | | | | | | | |
| 5. | Mr. Paiboon Siripanusathien | Director | | | | | | | | | | | | | | | |
| List of shareholders (as of 28 November 2023) | : | <table> <tr> <td>1.</td> <td>Gortune International Investment Holding Limited</td> <td>49%</td> </tr> <tr> <td>2.</td> <td>Mr. Mattana Moonchan</td> <td>27%</td> </tr> <tr> <td>3.</td> <td>Mr. Paiboon Siripanusathien</td> <td>24%</td> </tr> </table> | 1. | Gortune International Investment Holding Limited | 49% | 2. | Mr. Mattana Moonchan | 27% | 3. | Mr. Paiboon Siripanusathien | 24% | | | | | | |
| 1. | Gortune International Investment Holding Limited | 49% | | | | | | | | | | | | | | | |
| 2. | Mr. Mattana Moonchan | 27% | | | | | | | | | | | | | | | |
| 3. | Mr. Paiboon Siripanusathien | 24% | | | | | | | | | | | | | | | |

5) General Information of Gortune (Thailand)

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|-------------------------|---|---|
| Company name | : | Gortune (Thailand) Co., Ltd. |
| Type of business | : | Company which earns income from holding shares in other |

| | | | | | | | | | | | | | | | | | |
|--|--|--|----|--|----------|----|----------------------|----------|----|-----------------------------|----------|----|----------------------|----------|----|-----------------------------|----------|
| | | businesses (Holding Company) | | | | | | | | | | | | | | | |
| Country of incorporation | : | Thailand (Incorporation on 24 November 2023) | | | | | | | | | | | | | | | |
| Corporate registration number | : | 0105566224643 | | | | | | | | | | | | | | | |
| Registered capital (as of 28 November 2023) | : | THB 1,000,000 | | | | | | | | | | | | | | | |
| Paid-up capital (as of 28 November 2023) | : | THB 500,000 | | | | | | | | | | | | | | | |
| Registered office | : | 33/4 The Ninth Tower, Tower A, 34th Floor, Rama 9 Road, Huaykwang Sub-District, Huaykwang District, Bangkok | | | | | | | | | | | | | | | |
| List of directors (as of 28 November 2023) | : | <table> <tr> <td>1.</td> <td>Mr. Wenchang Chen</td> <td>Director</td> </tr> <tr> <td>2.</td> <td>Mrs. Xiaozhou Li</td> <td>Director</td> </tr> <tr> <td>3.</td> <td>Mr. Peng Wang</td> <td>Director</td> </tr> <tr> <td>4.</td> <td>Mr. Mattana Moonchan</td> <td>Director</td> </tr> <tr> <td>5.</td> <td>Mr. Paiboon Siripanusathien</td> <td>Director</td> </tr> </table> | 1. | Mr. Wenchang Chen | Director | 2. | Mrs. Xiaozhou Li | Director | 3. | Mr. Peng Wang | Director | 4. | Mr. Mattana Moonchan | Director | 5. | Mr. Paiboon Siripanusathien | Director |
| 1. | Mr. Wenchang Chen | Director | | | | | | | | | | | | | | | |
| 2. | Mrs. Xiaozhou Li | Director | | | | | | | | | | | | | | | |
| 3. | Mr. Peng Wang | Director | | | | | | | | | | | | | | | |
| 4. | Mr. Mattana Moonchan | Director | | | | | | | | | | | | | | | |
| 5. | Mr. Paiboon Siripanusathien | Director | | | | | | | | | | | | | | | |
| List of shareholders (as of 28 November 2023) | : | <table> <tr> <td>1.</td> <td>Gortune International Investment Holding Limited</td> <td>49%</td> </tr> <tr> <td>2.</td> <td>Mr. Mattana Moonchan</td> <td>27%</td> </tr> <tr> <td>3.</td> <td>Mr. Paiboon Siripanusathien</td> <td>24%</td> </tr> </table> | 1. | Gortune International Investment Holding Limited | 49% | 2. | Mr. Mattana Moonchan | 27% | 3. | Mr. Paiboon Siripanusathien | 24% | | | | | | |
| 1. | Gortune International Investment Holding Limited | 49% | | | | | | | | | | | | | | | |
| 2. | Mr. Mattana Moonchan | 27% | | | | | | | | | | | | | | | |
| 3. | Mr. Paiboon Siripanusathien | 24% | | | | | | | | | | | | | | | |

Gortune HK, Gortune Industry and Gortune Commerce are concert parties having control over the company, as detailed in the details related to the request for a waiver from making a tender offer for all securities of the company by relying on the resolution of the shareholders' meeting (Whitewash) (Enclosure 4)

3. Description of the Transactions

3.1 Conditions for entering into the transaction and details of the offering

The Company will issue and offer the newly issued ordinary shares of the Company in an amount not exceeding 1,155,929,461 shares, with a par value of THB 1.60 per share, representing 66.59 percent of the total issued shares of the Company after the capital increase, comprising the followings.

1. Not exceeding 288,000,000 newly issued ordinary shares, with a par value of THB 1.60 per share, through a private placement to Gortune HK, Gortune Industry, and Gortune Commerce, at the offering price of THB 2.30 per share, with a total value of not exceeding THB 662,400,000, which will be offered to Gortune HK, Gortune Industry, and Gortune Commerce in the amount of 143,383,695 shares, 92,540,537 shares and 52,075,768 shares, respectively; and
2. Not exceeding 867,929,461 newly issued ordinary shares, with a par value of THB 1.60 per share, through a rights offering to existing shareholders in proportion to their shareholding, at an allocation ratio of 1 existing shares per 1 newly issued ordinary shares, with any fractional shares rounded down, at the offering price of THB 2.30 per share, with a total value of not exceeding THB 1,996,237,760.30, which the issuance and offering of the newly issued shares to existing shareholders in proportion to their shareholding (Rights Offering) will take place after the completion of the Private Placement Transaction.

If the Private Placement Transaction and the Rights Offering Transaction complete under the assumption that all existing shareholders fully exercise their rights to subscribe for the newly issued shares under the Rights Offering Transaction, the Company will receive an amount of THB 2,658,637,760.30. The Company plans to use the proceeds received from the capital increase as follows:

| Objective | Estimated amount (THB million) | Period for use of proceeds |
|--|-----------------------------------|----------------------------|
| 1. To expand the lending limit to the customers for securities purchases and block trade transactions of Single Stock Futures | 1,250 | 2024 |
| 2. To develop the system and expand businesses related to the Company's group, including investing in developing the online trading system, investing in back-office system development, and | 500 | 2024 - 2027 |

| | | |
|---|--------------|-----------------------|
| investing in tools to offer comprehensive services to customers to personnel of the Company's group, etc. | | |
| 3. To expand the investment in the digital asset business and other related businesses such as the initial coin offering portal. | 150 | 2024 |
| 4. To repay the Company's loan debt to the subsidiaries to allow such subsidiaries to repay debt instruments and/or use as working capital. | 759 | Within quarter 2/2024 |
| Total | 2,659 | |

After the Board of Directors' Meeting resolved to approve the execution of the Issuance and Offering of Newly Issued Ordinary Shares Transaction, the Company has executed a share subscription agreement with the Investors. In this regard, the Private Placement Transaction will take place after obtaining approval from the Extraordinary General Meeting of Shareholders No. 1/2024 of the Company, which will be held on 16 February 2024 and all conditions precedent under the Share Subscription Agreement have been satisfied or waived by the parties thereunder. Furthermore, if the shareholders' meeting resolved to not approve the Private Placement Transaction and/or the waiver from making a tender offer for all securities of the Company by relying on the resolution of the shareholders' meeting of the Company (Whitewash), the Company will not propose further to the shareholders' meeting of the Company for approval of the issuance and offering of the newly issued ordinary shares under the Private Placement Transaction and the Rights Offering Transaction and the Investors will cancel the Share Purchase Transaction as it is a condition of the Investors. However, in the case where the shareholders' meeting of the Company resolved to approve the Private Placement Transaction and the waiver from making a tender offer for all securities of the Company by relying on the resolution of the shareholders' meeting of the Company (Whitewash), but not approve the Rights Offering Transaction, such event will not invalidate the resolution of the shareholders' meeting which approved the Private Placement Transaction. In such case, the Investors will continue to enter the Share Purchase Transaction.

In this connection, the key terms and conditions under the Share Subscription Agreement with the Investors under the Private Placement Transaction are as follows:

- 1) Share Subscription Agreement between the Company and the Investors

Parties : (a) The Company (as the issuer)

(b) Gortune HK (as the subscriber)

(c) Gortune Industry (as the subscriber)

(d) Gortune Commerce (as the subscriber)

The person(s) nominated by the Investors will be appointed as an executive(s) of the Company. As a result, the Investors would be considered connected persons of the Company according to the Notifications on Connected Transactions.

Key Conditions Precedent : (1) The shareholders' meeting of the Company shall have resolved to approve the Private Placement Transaction to the Investors and approve a waiver from making a tender offer for all securities of the Company by relying on the resolution of the shareholders' meeting (Whitewash) of the Investors; and

(2) The Investors shall have obtained a waiver from making a tender offer for all securities of the Company by relying on the resolution of the shareholders' meeting (Whitewash) of the Investors from the Office of the Securities and Exchange Commission (the "**SEC Office**").

Other Key Conditions : (1) Gortune, as a shareholder holding all shares in Gortune HK, will procure Finansia Syrus Securities Public Company Limited ("**FSS**"), a subsidiary of the Company, to enter into a cooperation agreement with GF Securities (Hong Kong) Brokerage Ltd., legal entities within Gortune's investment ecosystem, to enhance FSS's capabilities in securities business and related services.

The Company expects that the purchase of the newly issued ordinary shares under the Private Placement Transaction will be completed by early March 2024, after which the Investors will hold shares in the Company totaling not exceeding 288,000,000 shares, representing 33.18 percent of the total voting rights in the Company after the capital increase.

In addition, after the completion of the Private Placement Transaction, the Investors will acquire the Company's shares under the Share Purchase Transaction. The Investors will then hold shares in the Company totaling not exceeding 403,000,000 shares, representing 46.43 percent of the total voting rights in the Company, in which Gortune HK, Gortune Industry, and Gortune Commerce will hold 29.77 percent, 10.66 percent, and 6.00 percent of shares respectively. In this regard, the acquisition of shares in the Company of the Investors results in FSS, FSS International Investment Advisory

Enclosure 2

Securities Company Limited (“**FSSIA**”), Finansa Securities Limited (“**FSL**”), and Finansia Digital Asset Company Limited (“**FDA**”), which are the subsidiaries operating the Company’s core business, having an indirectly change of control. Therefore, FSS, FSSIA, FSL and FDA are required to obtain approval from the SEC Office regarding the change of the shareholding structure within 14 days from the date on which the Investors acquired over 10% of the Company’s shares. After such acquisition of the said shares, the Company will then enter into the Rights Offering Transaction (if the Rights Offering Transact is approved by the Extraordinary General Meeting of Shareholders of the Company).

After the acquisition of shares under the Private Placement Transaction, the Investors will have their collective shareholding in the Company exceeding 25 percent, but not exceeding 50 percent, of the total voting rights in the Company. Therefore, the Investors would be required to make a tender offer for all securities of the Company. Thus, the Investors wish to request a waiver from making a tender offer for all securities of the Company by relying on the resolution of the shareholders’ meeting of the Company (Whitewash) in accordance with the Whitewash Notification, as detailed in the details related to the request for a waiver from making a tender offer for all securities of the company by relying on the resolution of the shareholders’ meeting (Whitewash) (Enclosure 4).

In addition, the Company was informed that after the completion of the Private Placement Transaction, the Investors will purchase the Company’s existing ordinary shares from the existing shareholder(s) of the Company. The details are as follows:

Gortune HK will purchase 115,000,000 existing ordinary shares of the Company, representing 13.25 percent of the total voting rights in the Company, before the entering into the Rights Offering Transaction, by purchasing from PILGRIM in the amount of 85,130,000 shares at a purchase price of THB 2.50 per share or equivalent to a total value of THB 212,825,000, and purchasing from Blue Whale in the amount of 29,870,000 shares at a purchase price of THB 2.50 per share or equivalent to a total value of THB 74,675,000. It is important to note that the Investors will not enter the Share Purchase Transaction if the Private Placement Transaction and a waiver from making a tender offer for all securities of the Company by relying on the resolution of the shareholders’ meeting (Whitewash) of the Investors are not approved by the Extraordinary General Meeting of Shareholders of the Company.

Enclosure 2

the Company's shareholding structure both pre- and post- acquisition of the Company's shares under the relevant transactions, can be summarized as follows:

| Shareholder* | Number of shares held as of 18 December 2023 | Percentage of total shares | Number of shares held after entering into the Private Placement Transaction (shares) | Percentage of the total number of shares after the Private Placement Transaction (shares) | Number of shares held after entering into the Share Purchase Transaction (shares) | Percentage of the total number of shares after the Share Purchase Transaction | Number of shares held after entering into the Rights Offering Transaction (shares)** | Percentage of the total number of shares after the Rights Offering Transaction | Number of shares held after oversubscribing RO Share but less than 49.99 percent (shares)*** | Percentage of the total number of shares after the Rights Offering Transaction |
|---|--|----------------------------|--|---|---|---|--|--|--|--|
| 1. Gortune HK | 0 | 0 | 143,383,695 | 16.52 | 258,383,695 | 29.77 | 516,767,390 | 29.77 | 516,767,390 | 29.77 |
| 2. Gortune Industry | 0 | 0 | 92,540,537 | 10.66 | 92,540,537 | 10.66 | 185,081,074 | 10.66 | 246,819,108 | 14.22 |
| 3. Gortune Commerce | 0 | 0 | 52,075,768 | 6.00 | 52,075,768 | 6.00 | 104,151,536 | 6.00 | 104,151,536 | 6.00 |
| Totaling of Investors (Acting in concert) | 0 | 0 | 288,000,000 | 33.18 | 403,000,000 | 46.43 | 806,000,000 | 46.43 | 867,738,034 | 49.99 |
| 4. PILGRIM | 170,269,978 | 29.36 | 170,269,978 | 19.62 | 85,139,978 | 9.81 | 170,279,956 | 9.81 | 170,279,956 | 9.81 |
| 5. Blue Whale with MS acting as the custodian | 40,191,611 | 6.93 | 40,191,611 | 4.63 | 10,321,611 | 1.19 | 20,643,222 | 1.19 | 20,643,222 | 1.19 |
| 6. ICBC International Holdings Limited with MIB SECURITIES (HONG KONG) LIMITED acting as the custodian | 64,663,609 | 11.15 | 64,663,609 | 7.45 | 64,663,609 | 7.45 | 129,327,218 | 7.45 | 129,327,218 | 7.45 |
| 7. | 58,140,302 | 10.03 | 58,140,302 | 6.70 | 58,140,302 | 6.70 | 116,280,604 | 6.70 | 116,280,604 | 6.70 |
| Mr. Suthipot Ariyasuthivong | 41,669,400 | 7.19 | 41,669,400 | 4.80 | 41,669,400 | 4.80 | 83,338,800 | 4.80 | 83,338,800 | 4.80 |
| Thai NVDR Co., Ltd. | 24,545,177 | 4.23 | 24,545,177 | 2.83 | 24,545,177 | 2.83 | 49,090,354 | 2.83 | 49,090,354 | 2.83 |
| Mrs. Suporn Wattanavekin | 12,367,427 | 2.13 | 12,367,427 | 1.42 | 12,367,427 | 1.42 | 24,734,854 | 1.42 | 24,734,854 | 1.42 |
| Miss Chayuda Chearavamont | 9,500,000 | 1.64 | 9,500,000 | 1.09 | 9,500,000 | 1.09 | 19,000,000 | 1.09 | 19,000,000 | 1.09 |
| Mr. Chaval Jiaravanon | 9,500,000 | 1.64 | 9,500,000 | 1.09 | 9,500,000 | 1.09 | 19,000,000 | 1.09 | 19,000,000 | 1.09 |
| Ms. Suparat Sangamuang | 8,043,000 | 1.39 | 8,043,000 | 0.93 | 8,043,000 | 0.93 | 16,086,000 | 0.93 | 16,086,000 | 0.93 |

* Information as of 18 December 2023 which is the most recent record date.

** Under the assumption that all of the Existing Share Sellers exercise their rights to subscribe for the newly issued ordinary shares under the Rights Offering Transaction in proportion to their shareholding

*** Under the assumption that shareholders whose names appeared above exercise their rights to subscribe for the newly issued ordinary shares in proportion to their shareholding, some shareholders do not exercise their rights to subscribe for the newly issued ordinary shares under the Rights Offering Transaction. However, the investors oversubscribe for the newly issued ordinary shares, but not exceeding 49.99 percent.

Furthermore, the board of directors will continue to consist of 9 members as before. The Investors will appoint representatives to serve as directors in the Company, totaling 3 people, to replace existing directors, whereby 2 of the 3 directors will be the authorized directors of the company. Currently, the Investors are in the process of selecting directors who possess suitable qualifications to fulfill the positions on the company's board. The details of the change in the Company's directors are as follows:

| No. | Current Directors List | Directors List after the appointment of 3 representatives from Gortune |
|-----|---|---|
| 1. | Mr. Chatchaval Jiaravanon Chairman of the Board of Directors and authorized director | Mr. Chatchaval Jiaravanon Chairman of the Board of Directors and authorized director |
| 2. | Mr. Vorapak Tanyawong Vice Chairman of the Board of Directors | Gortune is in the process of recruiting directors with suitable qualifications to be the Company's directors. In this regard, 2 of 3 directors who represent Gortune will be authorized directors. |
| 3. | Mr. Seksan Chunsereechai Director | Mr. Seksan Chunsereechai Director |
| 4. | Mr. Chuangchai Nawongs Authorized director and Chief Executive Officer | Mr. Chuangchai Nawongs Authorized director and Chief Executive Officer |
| 5. | Mr. Somphop Keerasuntonpong Authorized director | Gortune is in the process of recruiting directors with suitable qualifications to be the Company's directors. In this regard, 2 of 3 directors who represent Gortune will be authorized directors. |
| 6. | Mrs. Pornpring Suksantisuwan Authorized director | Gortune is in the process of recruiting directors with suitable qualifications to be the Company's directors. In this regard, 2 of 3 directors who represent Gortune will be authorized directors. |

| No. | Current Directors List | Directors List after the appointment of 3 representatives from Gortune |
|-----|---|---|
| 7. | Pol. Gen. Visanu Prasattongosoth Independent director and Chairman of the Audit Committee | Pol. Gen. Visanu Prasattongosoth Independent director and Chairman of the Audit Committee |
| 8. | Mr. Kittisak Bencharit Independent director and Audit Committee | Mr. Kittisak Bencharit Independent director and Audit Committee |
| 9. | The Company is in the process of recruiting an Independent Director and an Audit Committee member to fill a vacancy, which is expected to be completed by 26 February 2024. | The Company is in the process of recruiting an Independent Director and an Audit Committee member to fill a vacancy, which is expected to be completed by 26 February 2024. |

3.2 Determination of the Offering Price and Price Justification of Newly Issued Shares

3.2.1 Determination of the Offering Price of the Newly Issued Shares under the Private Placement Transaction

The determination of the offering price of newly issued ordinary shares under the Private Placement Transaction at a price of THB 2.30 per share is the result of negotiations and joint agreement between the Company and the Investors referred from the Company's market price which is the same price at which the Investors purchase shares under the Rights Offering Transaction.

The current economic and capital market conditions in the country have affected the cash flow from the Company's operations. Furthermore, the future business plan of the Company's group requires an amount of funds in order to expand the business according to the strategic plan. The company has therefore considered offering the newly issued ordinary shares under the Private Placement Transaction to the Investors by clearly specifying the offering price. Such offering price is based on the market price with a discount not exceeding 10 percent. The said market price is determined from the weighted average price of the Company's shares on the SET for the past 12 consecutive business days before the date of the Board of Directors resolved to propose an agenda to the shareholders' meeting to approve the Company's offering of the newly issued shares to specific investors (Private Placement) by clearly specifying the offering price. This is a sufficient period to cover the trading volume and the trading price which reflects the market price of the Company's shares (between 10 – 27 November 2023, which is equal to THB 2.55 per share).

3.2.2 Determination of the Offering Price of the Newly Issued Shares under the Rights Offering Transaction

The Company determined the offering price of newly issued ordinary shares under the Rights Offering Transaction at a

price of THB 2.30 per share is the same price as the offering price of the newly issued ordinary shares under the Private Placement Transaction, as mentioned in item no. 3.2.1 above.

3.3 Market Price

For the purpose of consideration of the market price, the Company used the volume-weighted average price of the Company's shares traded on the SET over the past 12 consecutive business days prior to the date on which the Board of Directors resolved to propose to the shareholders' meeting to consider an approve the offering of the newly issued ordinary shares, i. e. , from 10 - 27 November 2023, which is equal to THB 2.55 (Source: SETSMART). Therefore, the issuance and offering of the newly issued ordinary shares under the Private Placement Transaction is not considered an offering of new shares at a low price according to the PP Notification.

3.4 Size of the connected transaction

The Private Placement Transaction for the Investors, which are considered connected persons, has a total value of not exceeding THB 662,400,000, the potentially largest size of which is equal to 55.40 percent of the net tangible assets (NTA) value of the Company as shown in the Company's consolidated financial statements which has been reviewed by a certified public accountant for the accounting period ending 30 September 2023, which is more than 3 percent of the net tangible assets of the Company. The Company has no connected transactions between the Company and the Investors during the 6-month period before entering into the Private Placement Transaction.

Therefore, the said transaction is considered a connected transaction according to the Notifications on Connected Transactions, of which the information must be disclosed in accordance with the Notifications on Connected Transactions. The said transaction must also be approved by the shareholders' meeting with a vote of not less than three-fourths of the total number of votes from shareholders who attend the meeting and are entitled to vote, excluding the votes of shareholders who have conflict of interests from the calculation base. In addition, the Company must appoint an independent financial advisor (IFA) to express an opinion on the said transaction and submit the opinion to the SEC Office, the SET, and the shareholders of the Company.

3.5 Information of the Company

| | | |
|-------------------------------|---|--|
| Company name | : | Finansia X Public Company Limited |
| Type of business | : | A holding company which invests in the securities business as a core business. |
| Country of incorporation | : | Thailand |
| Corporate registration number | : | 0107565000174 |
| Registered capital | : | THB 930,260,840.00 |

| | | | | | | | | | | | | | | | | | | |
|------------------------------------|----------|--|------------------------------|----------|--------------------------|----------|---------------------------|----------|---------------------------|----------|--------------------------------|----------|---------------------------------|----------|------------------------------------|----------|---------------------------|----------|
| Paid-up capital | : | THB 927,887,137.60 | | | | | | | | | | | | | | | | |
| Registered office | : | 999/9 The Offices at Central World, 18 th and 25 th Floor, Rama 1 Road, Pathumwan, Pathumwan, Bangkok | | | | | | | | | | | | | | | | |
| List of directors | : | <table> <tr> <td>1. Mr. Chatchaval Jiaravanon</td> <td>Director</td> </tr> <tr> <td>2. Mr. Vorapak Tanyawong</td> <td>Director</td> </tr> <tr> <td>3. Mr. Seksan Chunseechai</td> <td>Director</td> </tr> <tr> <td>4. Mr. Chuangchai Nawongs</td> <td>Director</td> </tr> <tr> <td>5. Mr. Somphop Keerasuntonpong</td> <td>Director</td> </tr> <tr> <td>6. Mrs. Pornpring Suksantisuwan</td> <td>Director</td> </tr> <tr> <td>7. Pol. Gen. Visanu Prasattongsoth</td> <td>Director</td> </tr> <tr> <td>8. Mr. Kittisak Bencharit</td> <td>Director</td> </tr> </table> | 1. Mr. Chatchaval Jiaravanon | Director | 2. Mr. Vorapak Tanyawong | Director | 3. Mr. Seksan Chunseechai | Director | 4. Mr. Chuangchai Nawongs | Director | 5. Mr. Somphop Keerasuntonpong | Director | 6. Mrs. Pornpring Suksantisuwan | Director | 7. Pol. Gen. Visanu Prasattongsoth | Director | 8. Mr. Kittisak Bencharit | Director |
| 1. Mr. Chatchaval Jiaravanon | Director | | | | | | | | | | | | | | | | | |
| 2. Mr. Vorapak Tanyawong | Director | | | | | | | | | | | | | | | | | |
| 3. Mr. Seksan Chunseechai | Director | | | | | | | | | | | | | | | | | |
| 4. Mr. Chuangchai Nawongs | Director | | | | | | | | | | | | | | | | | |
| 5. Mr. Somphop Keerasuntonpong | Director | | | | | | | | | | | | | | | | | |
| 6. Mrs. Pornpring Suksantisuwan | Director | | | | | | | | | | | | | | | | | |
| 7. Pol. Gen. Visanu Prasattongsoth | Director | | | | | | | | | | | | | | | | | |
| 8. Mr. Kittisak Bencharit | Director | | | | | | | | | | | | | | | | | |

3.6 Summary of Business

Under the Shareholding and Management Restructuring Plan, the Company was incorporated and registered as a public company limited on 23 March 2022 to be the holding company of the financial group. The Company operates its business as a holding company with its core business in securities business, investment advisory business and digital assets brokerage business. Upon the completion of the Shareholding and Management Restructuring Plan on 29 September 2023, the Company has subsidiaries operating its core business, i.e., FSS, FSSIA, FSL, FDA and has SBI Royal Securities PLC (“SBIR”) as an associate company operating its core business. The Company’s main income comes from dividends from its subsidiaries, and associate company. Moreover, the Company is responsible for sourcing funding to support the operations of the businesses within the group and providing support services to companies within the group to follow the Company’s strategic plan, whose main goal is to “transform investment for better and sustainable lives”.

Summary of the Company’s subsidiaries and associates

| Company’s Name | Status | Nature of business operation |
|--|--------------------------------------|---|
| Finansia Syrus Securities Public Company Limited (FSS) | Subsidiaries operating core business | Engage in (1) Securities Brokerage Business (2) Derivatives Brokerage Business (3) Investment Banking Business (4) Investment- Related Business (5) Wealth Management Business (6) Derivative Warrants Business (7) Global Trading (8) Securities Borrowing and Lending Business (9) Bond Trading |

| Company's Name | Status | Nature of business operation |
|---|---|---|
| FSS International Investment Advisory Securities Co. , Ltd. (FSSIA) | Subsidiaries operating core business | Provides analytical services to investors |
| Finansa Securities Co. , Ltd. (FSL) | Subsidiaries operating core business | Engage in (1) Securities trading business, (2) Securities underwriting business and (3) Financial advisory business |
| Finansia Digital Assets Co., Ltd. (FDA) | Subsidiaries operating core business | Operate a brokerage or agent business for buying or exchanging digital assets for other persons in the normal course of business and obtaining other fees or remuneration, but not including being a broker or agent in the manner specified in the notification of the SEC |
| SBI Royal Securities Plc. (SBIR) | Associates (indirectly) operating core business | Operate securities business in Cambodia as follows: (1) Securities brokerage business and (2) investment banking business |

3.7 List of Executives and List of Top 10 Shareholders of the Company

| | | | |
|--|---|-------------------------------|-----------------------------------|
| <u>List of Executives of the Company</u> | : | 1. Mr. Chuangchai Nawongs | Chief Executive Officer |
| | | 2. Ms. Supin Suravichai | Chief Risk and Compliance Officer |
| | | 3. Ms. Chorpetch Riamdee | Chief Financial Officer |
| | | 4. Mrs. Parichart Khantasima | Vice President |
| | | 5. Ms. Vilasinee Sungkaprecha | Vice President |
| | | 6. Ms. Phatra Kanchanapraphat | Vice President |

List of Top 10 Shareholders of the Company

Details as per item no. 3.1, the Company's shareholding structure both pre- and post- acquisition of the Company's shares under the relevant transactions.

3.8 Related Party Transaction for the Past Year and the Current Year up to the Latest Quarter

- 1) Relating transactions with directors and executive of the Company

| Persons who may have conflicts | Type of transaction | Terms and Price Policy | Necessity and Reasonableness | Value of transactions (THB million) | |
|---|---|--|--|-------------------------------------|--------------------|
| | | | | 2022 | Nine-month of 2023 |
| <p>Directors and executives of the Company</p> <ul style="list-style-type: none"> Directors having securities trading account with FSS as of 30 September 2023 are as follows: <ol style="list-style-type: none"> 1) Mr. Chatchaval Jiaravanon 2) Mr. Vorapak Tanyawong 3) Mrs. Pornpring Suksantisuwan 4) Mr. Chuangchai Nawongs 5) Mr. Sornphop Keerasuntonpong 6) Pol. Gen. Visanu Prasattongosoth 7) Mr. Phaiboon Siripanoosattien <p>Pol. Gen. Visanu Prasattongosoth and Mrs. Pornpring Suksantisuwan had total trading value through FSS of THB 5.21 million</p> <ul style="list-style-type: none"> Directors having securities trading account with FSS as of 31 December 2022 are as follows: <ol style="list-style-type: none"> 1) Mr. Chatchaval Jiaravanon 2) Mr. Vorapak Tanyawong 3) Mrs. Pornpring Suksantisuwan | <p>commission fees from trading through the securities trading account of FSS</p> | <p>same rate as charged to third parties</p> | <p>The Company requires directors and executives to open an account with FSS, and the commission charged is the same as that for other customers. The Audit Committee has considered the aforementioned transaction and viewed that this transaction is reasonable and is at the same price as charged to FSS's customers.</p> | <p>0.04</p> | <p>0.01</p> |

| Persons who may have conflicts | Type of transaction | Terms and Price Policy | Necessity and Reasonableness | Value of transactions (THB million) | |
|--|---------------------|------------------------|------------------------------|-------------------------------------|--------------------|
| | | | | 2022 | Nine-month of 2023 |
| <p>4) Mr. Chuangchai Nawongs</p> <p>5) Mr. Sornphop Keerasuntongpong</p> <p>6) Pol. Gen. Visanu Prasattongsoth</p> <p>7) Mr. Phai boon Siripanoosaitien</p> <p>Mr. Chuangchai Nawongs and Pol. Gen. Visanu Prasattongsoth had total trading value through FSS of THB 19.13 million</p> | | | | | |
| <ul style="list-style-type: none"> Executives having securities trading account with FSS as of 30 September 2023 are as follows: <ol style="list-style-type: none"> Ms. Vilasinee Sungkaprecha No executives trade through FSS. | | | | | |
| <ul style="list-style-type: none"> Executives having securities trading account with FSS as of 31 December 2022 are as follows: <ol style="list-style-type: none"> Ms. Vilasinee Sungkaprecha No executives trade through FSS. | | | | | |

2) Relating transactions with shareholders of the Company

| Persons who may have conflicts | Type of transaction | Terms and Price Policy | Necessity and Reasonableness | Value of transactions (THB million) | |
|--|---|--|---|-------------------------------------|--------------------|
| | | | | 2022 | Nine-month of 2023 |
| <p>1. Top 10 shareholders of the Company</p> <ul style="list-style-type: none"> Top 10 shareholders of the Company having securities trading account with FSS as of 30 September 2023 are as follows: <ol style="list-style-type: none"> PILGRIM PARTNERS ASIA (PTE.) LTD. ICBC (Thai) PLC Mr. Suthipoj Ariyasuthivong Mrs. Suporn Wattanavekin Ms. Chayuda Jiaravanon Mr. Chaval Jiaravanon Ms. Suparat Sangamuang <p>ICBC (Thai) PLC had total trading value through FSS of THB 9.43 million.</p> | <p>commission fees from trading through the securities trading account of FSS</p> | <p>same rate as charged to third parties</p> | <p>FSS charges a commission fee from shareholders who have securities trading accounts with FSS, the same as it charges other customers. The Audit Committee has considered the aforementioned transaction and viewed that this transaction is reasonable and is at the same price as charged to FSS's customers.</p> | 0.01 | 0.01 |
| <ul style="list-style-type: none"> Top 10 shareholders of the Company having securities trading account with FSS as of 31 December 2022 are as follows; <ol style="list-style-type: none"> Mr. Chuangchai Nawongs Mr. Kosit Thammata Mr. Somchai Kaewjaroenpisan Mrs. Nusara Rooncharoen | | | | | |

| Persons who may have conflicts | Type of transaction | Terms and Price Policy | Necessity and Reasonableness | Value of transactions (THB million) | |
|--|--|---------------------------------------|--|-------------------------------------|--------------------|
| | | | | 2022 | Nine-month of 2023 |
| Mr. Somchai Kaewjaroenpisan and Mr. Kosit Thammatada had total trading value through FSS of THB 0.65 million. | | | | | |
| 2. ICBC (Thai) PLC (A major shareholder of FSS as of 31 December 2022, and a shareholder of the Company as of 31 December 2023) | FSS has current account with ICBC (Thai) PLC. | same rate as third parties | The Audit Committee has considered the aforementioned transaction and viewed that this transaction is reasonable. The current account, which is a non-interest account, has general terms as other current accounts opened by other customers. | 2.99 | 1.47 |
| 3. PILGRIM PARTNERS ASIA (PTE.) LTD. (A major shareholder of FSS as of 31 December 2022, and a shareholder of the Company as of 31 December 2023) | <u>Commission fee</u> received are from the following transactions: • Tender Offer THB 1.5 million • Commission THB 0.19 million <u>Other income</u> • TSD Registrar Service Fee | same rate as charged to third parties | The Audit Committee has considered the above transactions and determined that this transaction is a reasonable transaction and is the service rate charged to other customers. | 1.69 | - |
| | | | | 0.12 | - |

3) Relating transactions with companies with same directors of the Company

| Persons who may have conflicts | Type of transaction | Terms and Price Policy | Necessity and Reasonableness | Value of transactions (THB million) | |
|---|---|--|---|-------------------------------------|-----------------|
| | | | | 2022 | Nine-month 2023 |
| 1. True Vision Group Company Limited (has the same director as of 31 December 2022 - 2022 and 30 September 2023) | <u>Service fees</u> For satellite media subscriber | the same rate charged to third parties | The Audit Committee has considered the aforementioned transaction and viewed that this transaction is reasonable and is at the same price as charged to third parties, which is a market price. | 0.33 | 0.18 |

3.9 Summary of Financial Statements for the Past 3 Years and the Current Year up to the Latest Quarter, as well as Management Discussion and Analysis of Financial Position and Performance Results for the Past Year and the Current Year up to the Latest Quarter

Summary of the Company's Financial Statement

1) Statement of Financial Position of the Company

| Statement of Financial Position of the Company (Unit : THB million) | As of 31 December | | | As of 30 |
|--|-------------------|-----------------|-----------------|-------------------|
| | 2020 | 2021 | 2022 | September 2023 |
| Assets | | | | |
| Cash and cash equivalents | 232.91 | 201.61 | 461.19 | 284.91 |
| Receivables from Clearing House and broker-dealers | 282.42 | 872.00 | 1,044.35 | 210.96 |
| Securities and derivatives business receivables | 3,759.48 | 4,339.92 | 4,392.88 | 4,372.67 |
| Cash and cash equivalents | 18.36 | 9.60 | 31.69 | 15.21 |
| Derivatives assets | 0.69 | 5.75 | 0.33 | - |
| Investments | 918.39 | 850.56 | 561.30 | 432.21 |
| Loans to employees | 0.64 | 6.37 | 2.89 | 2.06 |
| Investments in subsidiaries and an associate | 121.19 | 135.12 | 141.96 | 150.60 |
| Office condominium and equipment | 456.56 | 432.80 | 485.71 | 477.16 |
| Right-of-use-assets | 282.37 | 251.29 | 200.89 | 179.87 |
| Intangible assets | 214.92 | 185.67 | 212.45 | 235.23 |
| Deferred tax assets | 44.73 | 38.62 | 47.45 | 44.06 |
| Other assets | 222.71 | 230.63 | 430.59 | 290.20 |
| Total assets | 6,555.35 | 7,559.93 | 8,013.64 | 6,695.13 |
| Liabilities | | | | |
| Loans from a financial institution | 350.00 | - | - | 300.00 |
| Payables to Clearing House and broker-dealers | 303.18 | 16.17 | 1,051.95 | 494.62 |
| Securities and derivatives business payables | 1,928.43 | 3,022.98 | 2,242.57 | 1,914.24 |
| Derivatives liabilities | 23.38 | 18.57 | 51.01 | - |
| Debt issued | 278.98 | 505.60 | 971.00 | 713.40 |
| Corporate income tax payable | - | 36.21 | 26.40 | - |
| Provision | 32.58 | 34.22 | 47.53 | 57.28 |
| Provision for long-term employee benefits | 109.19 | 129.79 | 132.01 | 144.50 |
| Liabilities from restructuring | 464.92 | 406.67 | - | - |
| Lease liabilities | 183.29 | 161.94 | 121.60 | 106.38 |
| Other liabilities | 458.38 | 516.90 | 525.54 | 209.26 |

| Statement of Financial Position of the Company (Unit : THB million) | As of 31 December | | | As of 30 September 2023 |
|--|-------------------|-----------------|-----------------|-------------------------------|
| | 2020 | 2021 | 2022 | |
| Total liabilities | 4,132.33 | 4,849.05 | 5,169.60 | 3,939.68 |
| Shareholders' equity | | | | |
| Share capital | | | | |
| 581,413,025 ordinary shares of THB 1.60 each | 930.26 | 930.26 | 930.26 | 930.26 |
| Issued and paid-up share capital | 930.26 | 930.26 | 927.89 | 927.89 |
| Share premium | 620.89 | 620.89 | 619.31 | 619.31 |
| Capital reserve for share-based payment transactions | 0.32 | 0.32 | 0.32 | 0.32 |
| Deficit as a result of change in holding percentage in the subsidiary | (0.25) | (0.25) | (0.05) | (0.05) |
| Retained earing | | | | |
| Appropriated – statutory reserve | | | | |
| Legal Reserve | 83.02 | 93.02 | 92.79 | 92.79 |
| Unappropriated | 794.40 | 1,063.22 | 1,192.96 | 1,099.06 |
| Other component of owners' equity | (6.02) | 3.41 | 3.57 | 9.09 |
| Total equity attributable to the Company's shareholders | 2,422.62 | 2,710.38 | 2,836.76 | 2,748.40 |
| Non-controlling interests of the subsidiaries | 0.40 | 0.49 | 7.27 | 7.06 |
| Total shareholders' equity | 2,423.02 | 2,710.88 | 2,844.04 | 2,755.45 |
| Total liabilities and shareholders' equity | 6,555.35 | 7,559.93 | 8,013.64 | 6,695.13 |

*Information from the Pro Forma Financial Statements of the Company

2) Statement of Comprehensive Income of the Company

| Statement of Comprehensive Income (Unit : THB million) | For the year ended 31 December | | | For nine-month period ended 30 September | |
|---|--------------------------------|-----------------|-----------------|---|-----------------|
| | 2020 | 2021 | 2022 | 2022 | 2023 |
| Income | | | | | |
| Brokerage fees income | 1,314.75 | 1,929.13 | 1,562.36 | 1,277.17 | 783.28 |
| Fees and service income | 453.33 | 311.45 | 554.77 | 147.61 | 221.46 |
| Interest income | 84.77 | 130.22 | 185.64 | 131.42 | 181.15 |
| Gain and return on financial instruments | 170.16 | 167.16 | 97.50 | 75.17 | 66.04 |
| Gain from investments in an associate | 5.26 | 3.08 | 4.10 | 1.35 | 1.77 |
| Other income | 50.72 | 65.56 | 64.59 | 50.27 | 42.06 |
| Total income | 2,078.99 | 2,606.60 | 2,468.95 | 1,682.99 | 1,295.75 |

| Statement of Comprehensive Income (Unit : THB million) | For the year ended 31 December | | | For nine-month period ended 30 September | |
|--|--------------------------------|-------------------|-------------------|---|-------------------|
| | 2020 | 2021 | 2022 | 2022 | 2023 |
| Expenses | | | | | |
| Employee benefits expenses | (1,127.66) | (1,361.18) | (1,293.30) | (855.57) | (739.65) |
| Fees and service expenses | (232.84) | (278.34) | (270.28) | (215.90) | (164.16) |
| Interest expenses | (34.84) | (47.72) | (61.80) | (44.90) | (48.63) |
| Expected credit losses (reversal) | (10.89) | (3.36) | 2.52 | (0.71) | (0.03) |
| Other expenses | (481.52) | (505.84) | (571.64) | (391.13) | (395.88) |
| Total expenses | (1,887.75) | (2,196.45) | (2,194.50) | (1,508.21) | (1,348.35) |
| Profit before income tax | 191.25 | 410.16 | 274.45 | 174.78 | (52.59) |
| Income tax | (39.71) | (82.88) | (62.81) | (36.13) | (1.53) |
| Profit for the year | 151.54 | 327.28 | 211.64 | 138.65 | (54.12) |
| Other comprehensive income: | | | | | |
| <i>Other comprehensive income to be reclassified to profit or loss in subsequent periods:</i> | | | | | |
| Exchange differences on translation of financial statements in foreign currency - net of income tax | (0.39) | 8.68 | 2.19 | 11.00 | 5.50 |
| <i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods:</i> | | | | | |
| Gain (loss) from actuarial valuation under the insurance principles for employee benefits - net of income tax | (14.23) | (13.57) | 5.60 | - | - |
| Gain (loss) from measuring the fair value of investments in equity securities at fair value through other comprehensive income - net of income tax | 0.25 | 0.35 | (0.28) | (0.48) | 0.03 |
| Other comprehensive income (loss) for the year | (14.37) | (4.59) | 7.51 | 10.52 | 5.53 |
| Total comprehensive income (loss) for the period | 137.17 | 322.74 | 219.15 | 149.17 | (48.59) |

*Information from the Pro Forma Financial Statements of the Company

3) Statement of Cash Flow of the Company

| Statement of Cash Flows (Unit : THB million) | For the year ended 31 December | | | For nine-month period ended 30 September | |
|--|--------------------------------|---------------|---------------|---|-----------------|
| | 2020 | 2021 | 2022 | 2023 | 2023 |
| Cash flows from operating activities | | | | | |
| Profit before income tax | 191.25 | 410.16 | 274.45 | 174.78 | (52.59) |
| Adjustments to reconcile profit (loss) before income tax to net cash provided by (paid for) operating activities: | | | | | |
| Depreciation and amortization | 142.57 | 144.93 | 147.66 | 112.19 | 108.44 |
| Expected credit losses (reversal) | 10.89 | 3.36 | (2.52) | 0.71 | 0.03 |
| (Gain) loss on disposals and write-off of equipment/ intangible assets/right-of-use- assets | 4.07 | (2.22) | 0.07 | (0.30) | (1.22) |
| Unrealized gain on revaluation of trading investments | 81.99 | (91.98) | (6.61) | 16.94 | 15.47 |
| Unrealized loss on revaluation of derivatives | (12.40) | 32.69 | 31.31 | (14.01) | (46.15) |
| Unrealized gain on revaluation of exchange rate | - | (3.64) | (0.07) | (4.36) | (3.36) |
| Share of gain from investments in an associate | (5.26) | (3.08) | (4.10) | (1.35) | (1.77) |
| Provision for long-term employee benefits | 12.68 | 11.20 | 15.77 | 11.85 | 13.49 |
| Interest income | (84.77) | (130.22) | (185.64) | (131.42) | (181.15) |
| Dividend income | (12.88) | (15.82) | (13.78) | (11.39) | (25.56) |
| Interest expenses | 34.72 | 47.60 | 61.80 | 44.89 | 48.63 |
| Profit from operating activities before changes in operating assets and liabilities | 362.86 | 402.98 | 318.34 | 198.53 | (125.74) |
| (Increase) decrease in operating assets | | | | | |
| Receivables from Clearing Houses and broker- dealers | (125.34) | (619.74) | (164.59) | 481.99 | 846.68 |
| Securities and derivatives business receivables | (1,285.43) | (606.62) | (76.39) | 112.39 | 19.58 |
| Derivatives assets | (0.65) | (3.79) | 3.68 | 3.05 | 0.76 |
| Investments | (9.07) | 87.54 | 280.69 | 365.66 | 110.19 |
| Loan to employees | (0.37) | (5.73) | 3.48 | 3.62 | 0.82 |
| Other assets | (23.13) | (5.84) | (210.24) | 1.12 | 176.05 |
| Increase (decrease) in operating liabilities | | | | | |
| Payables to Clearing Houses and broker- dealers | (359.40) | (287.01) | 1,035.78 | 34.05 | (557.32) |
| Securities and derivatives business payables | 989.19 | 1,092.51 | (782.10) | (912.46) | (324.88) |

Enclosure 2

| Statement of Cash Flows (Unit : THB million) | For the year ended 31 December | | | For nine-month period ended 30 September | |
|--|--------------------------------|-----------------|-----------------|---|-----------------|
| | 2020 | 2021 | 2022 | 2023 | 2023 |
| Derivatives liabilities | 1.54 | (4.97) | (4.82) | (3.33) | (15.22) |
| Paid for long-term employee benefits | (3.86) | (11.06) | (7.74) | (7.51) | (1.00) |
| Other liabilities | 143.19 | 130.52 | 43.92 | (134.46) | (300.70) |
| Non-controlling interests of the subsidiary | - | - | (0.49) | (0.49) | |
| Cash received from operating activities | (310.47) | 168.79 | 439.52 | 142.16 | (170.78) |
| Proceeds on interest income | 82.33 | 129.30 | 182.19 | 125.52 | 173.42 |
| Proceeds on dividend income | 12.86 | 15.92 | 13.77 | 11.21 | 25.56 |
| Cash paid for interest expense | (24.37) | (19.36) | (52.57) | (36.92) | (46.19) |
| Cash paid for income tax expense | (4.69) | (31.70) | (83.64) | (72.89) | (36.75) |
| Net cash provided by operating activities | (244.34) | 262.95 | 499.27 | 169.08 | (54.74) |
| Cash flows from investing activities | | | | | |
| Acquisition of subsidiaries - net of cash acquired | - | - | (479.63) | (479.63) | - |
| Proceeds on disposals of equipment | 0.09 | 3.09 | 0.45 | 0.36 | 0.43 |
| Cash paid for purchases of equipment | (45.88) | (41.72) | (42.86) | (20.90) | (27.02) |
| Cash paid for purchases of intangible assets | (7.98) | (9.69) | (60.74) | (34.03) | (49.66) |
| Cash received (paid) from Investing activities | (53.77) | (48.32) | (582.78) | (534.19) | (76.24) |
| Cash flows from financing activities | | | | | |
| Proceeds from increase in share capital | - | - | - | 0.01 | - |
| Cash received (paid) from borrowings from financial institutions | 300.00 | (350.00) | - | - | 300.00 |
| Cash received (paid) from debt issued | 275.19 | 209.66 | 465.40 | 465.40 | (257.60) |
| Cash paid for liabilities under finance lease agreement | (145.68) | (70.71) | (64.19) | (47.71) | (47.68) |
| Dividend paid | - | (34.88) | (58.12) | (58.12) | (40.01) |
| Cash received (paid) from financing activities | 429.51 | (245.93) | 343.09 | 359.59 | (45.29) |
| Net increase (decrease) in cash and cash equivalents | 131.40 | (31.30) | 259.58 | (5.54) | (176.27) |
| Increase in allowance for expected credit losses | | | | - | (0.01) |
| Cash and cash equivalents at the beginning of the year/ period | 101.51 | 232.91 | 201.61 | 201.61 | 461.19 |
| Cash and cash equivalents at the ending of the year/ period | 232.91 | 201.61 | 461.19 | 196.07 | 284.91 |

* Information from the Pro Forma Financial Statements of the Company

Management Discussion and Analysis

The Company was incorporated on 23 March 2022 in accordance with the shareholding and management restructuring plan. The Company operates as a holding company and does not have any significant operation of its own business. On 18 August 2023, the shareholders of FSS accepted the Company's tender offer, resulting in the Company being a shareholder of FSS holding 99.74 percent of all issued ordinary shares of FSS, rendering the Company a total control over FSS and the ability to recognize the entire financial position and operating results of FSS in its the consolidated financial statements. As a result, the financial position and operating results of the Company and its subsidiaries after the restructuring would not be significantly different from the financial position and operating results of FSS before the shareholding and management restructuring. Therefore, the Management Discussion and Analysis regarding the financial position and operating results of the Company will refer to the Company's pro forma consolidated financial statements which the management has prepared and has been reviewed by a certified public accountant, with reference to the financial position and operating results of FSS according to the consolidated financial statements for the years ending 31 December 2020 - 2022 and for the 9-month period ending 30 September 2023, as follows:

1) Business Overview and Significant Changes

Overview Performance Analysis for the nine-month period ended of 2023

The Thai economy in the first 9 months of 2023 expanded by 1.9 percent, slowing down from 2022's growth of 2.6 percent. The main supporting force comes from private consumption, which accelerated to 7.3 percent, improving from 6.5 percent in the same period of 2022, consistent with employment and consumers' confidence in the overall economic situation which was at a high level at 51.7 at the end of the third quarter of 2023, the highest level of confidence in the past 15 quarters since the first quarter of 2020. Meanwhile, the tourism and service sectors are recovering well after the reopening of Chinese border. Foreign tourists travelling into Thailand totaled 20 million, an increase from 5.7 million in the first 9 months of 2022. As for private investment, growth slowed to 2.2 percent from an expansion of 5.3 percent in the same period of 2022. Further, the government's investment expanded by 0.3 percent while the government's consumption spending contracted due to public debt which remains high, at 62.14 percent of GDP, which was a result of aid and economic stimulus measures during COVID-19 pandemic, including the delay in forming a government after the general election in May. The value of merchandise exports in US dollars in the first 9 months shrank by 4.1 percent, compared to an expansion of 10.0 percent in the same period of the previous year, in line with the global economic slowdown caused by continuously increased interest rates. Thailand's inflation decreased from every main category, i.e., food, vegetables, meat, and energy prices from the government's measures to reduce electricity costs and diesel prices. Headline inflation in September increased at a slower rate to 0.3 percent, while core inflation increased to only 0.6 percent, the lowest in 20 months. The Monetary Policy Committee gradually increased the policy interest rate 5 times in 2023 from 1.25 percent at the end of 2022 to 2.5 percent in September 2023 and stated that this is an appropriate level for stable economic expansion in the long term.

In the beginning of 2023, the Thai Stock Exchange Index started at 1,678.97 points, then increased to a high of 1,695.99 points on 13 January, after which it continually declined due to the concerns regarding US high inflation. The

US Federal Reserve increased the interest rate in 4 out of 6 meetings in the first 9 months of 2023, together with the factor of political uncertainty in Thailand in the general election, causing the index to gradually declined to reach the lowest of 1,461.61 points on 29 June before recovering in July and August from the positive expectations of a successful government formation. However, the index faced selling pressure and dropped sharply again in September before closing the third quarter of 2023 at 1,471.43 points with an average daily trading value on SET and mai in the first 9 months of 2023 at THB 56,218.12 million, decreasing by 31 percent from the same period of the previous year. This is a decrease of 60 percent in the mai market, and 29 percent in the SET market. Foreign investors sold totaling THB 155,372 million, while domestic institutional investors purchased totaling THB 50,282 million.

In the first 9 months of 2023, the average daily trading volume of FSS decreased to THB 5,703 million from THB 9,681 million in the same period of the previous year or decreased by 41.09 percent. The Thai stock market was pressured by both internal and external factors nearly all throughout the first 9 months of 2023, including the raising of interest rates policy by many central banks around the world to combat the increase in inflation, and the performance of companies listed on the SET in Thailand for the first 9-month period of 2023 weakened in both revenue and net profit. The income of listed companies on the SET and mai markets decreased by 3.4 percent from the first 9 months of 2022 and had a net profit of THB 746,293 million, decreasing by 10.8 percent from the same period of the previous year. Most were pressured by the energy and petrochemical business sectors. Meanwhile, foreign investors flipped from net buying in January to net selling over the past 8 months as listed companies' operating results were under expectations and the quarterly growth momentum of the Thai economy has weakened.

Overview Performance Analysis for 2022

In 2022, the Thai economy gradually recovered from the recovery of domestic demand and the tourism sector. The number of foreign tourists rose above official estimates as international travel restrictions eased, and travel concerns subsided. Simultaneously, private consumption recovered greatly, especially in the service sector. The impact of the COVID-19 outbreak put limited pressure on the economy. However, the rapidly increased inflation which remained high for a long time due to the rising oil prices was the main risk to the world and Thailand's economies. The Monetary Policy Committee has therefore raised the policy interest rate 3 times from 0.50 percent to 1.25 percent, in line with countries around the world. The stock market situation in 2022 was therefore more volatile than the previous year. At the end of 2022, the Thai Stock Exchange Index closed at 1,668.66 points, increasing by 0.7 percent from the end of 2021. During the year, the index reached the lowest of 1,517.51 points on 15 July and the highest of 1,718.55 points on 17 February 2022. The average daily trading value on SET and mai in 2022 was at 76,773, decreasing by 18 percent from the previous year, which included a decrease of 19 percent in the SET market, while the mai market increased by 3 percent. Foreign investors turned in net purchases of THB 196,886 million, which was the first net purchase in 6 years, while domestic institutional investors had net sales for the second consecutive year with a value of THB 154,419 million.

The Thai stock market had been pressured by external factors since the beginning of the year, with the US Federal Reserve signaling a tighter monetary policy and global crude oil prices soaring to US\$133.46/bbl in early March. As a

result, the Thai stock market index dropped sharply during that period and fluctuated in a downward direction until mid-July from concerns about accelerating inflation. Many central banks around the world were accelerating their policy interest rates, which raised concerns about the economy that was recovering from the COVID-19 outbreak into a recession.

The investment atmosphere in the stock market began to improve since the second half of July after the Cabinet approved the cancellation of the Thailand pass for foreigners entering Thailand from 1 July 2022. Foreign investors returned to the Thai stock market with a net buy position of THB 57,014 billion in August, the highest value in six months. Even though the stock market was still volatile, industrial groups that had benefited from the opening of the city could clearly adjust themselves better than the stock market index.

The continuously depreciating THB in the first 9 months began to appreciate from the return of foreign tourists more than expected and the IMF had forecasted that the economy would continue to grow both in 2022 at 2.8% and in 2023 at 3.7%. At the same time, headline inflation in the United States began to slow down in the third quarter and the risk of a recession in the United States increased, so investors expected that the Federal Reserve may slow down the rate hike or have a chance to cut rate down in the future, affecting the world stock market including the Thai stock market responded positively. The US dollar continued to depreciate, causing Asian currencies and the THB to appreciate rapidly, especially at the end of the year when China began to signal a relaxation of COVID -19 control measures faster than many parties expected. As a result, the Thai stock market attracted foreign investors' attention as one of the top beneficiaries of China's opening up.

2) Results of Operations and Profitability

The operating performance of the Company for the year ended 31 December 2020 - 2022 and for the nine-month period ended 30 September 2022 and 2023 can be analyzed as follows:

(a) Income

For the nine-month period ended 30 September 2023, the Company had total revenue of THB 1,295.75 million, a decrease of 23.01% from the previous year. The revenue structure of the Company consisted of commission income 60.45%, fees and service income 17.09%, interest income 13.98% and profit and return on financial instruments of 5.10%.

For the year 2022, the Company had total revenue of THB 2,468.95 million, a decrease of 5.30% from the previous year. The revenue structure of the Company consisted of commission income 63.28%, fees and service income 22.47%, interest income 7.52% and profit and return on financial instruments of 3.95%.

Details of Consolidated Income of the Company

| Items (Unit : THB million) | For the year ended 31 December | | | For nine-month period ended 30 September | |
|---|--------------------------------|-----------------|-----------------|--|-----------------|
| | 2020 | 2021 | 2022 | 2022 | 2023 |
| Brokerage fees income | 1,314.75 | 1,929.13 | 1,562.36 | 1,277.17 | 783.28 |
| Fees and service income | 453.33 | 311.45 | 554.77 | 147.61 | 221.46 |
| Interest income | 84.77 | 130.22 | 185.64 | 131.42 | 181.15 |
| Gain and return on financial instruments | 170.16 | 167.16 | 97.50 | 75.17 | 66.04 |
| Shares of gain from investments in an associate | 5.26 | 3.08 | 4.10 | 1.35 | 1.76 |
| Other income | 50.72 | 65.56 | 64.59 | 50.27 | 42.06 |
| Total | 2,078.99 | 2,606.60 | 2,468.95 | 1,682.99 | 1,295.75 |

*Information from the Pro Forma Financial Statements of the Company

Brokerage fees income

For the year 2020 - 2022, the Company had brokerage fees income amounting to THB 1,314.75 million, THB 1,929.13 million and THB 1,562.36 million, respectively. And for the nine-month period ended 30 September 2022 and 2023 amounting to THB 1,277.17 million and THB 783.28 million, respectively. However, for nine-month of 2023 the Company's brokerage fees income decreased of THB 493.29 million or equivalent to 38.67% when compared to the same period last year since the overview of both the SET and MAI markets shows that the average daily securities trading volume has decreased from THB 87,827 million in the first 9 months of 2022 to THB 61,504 million in the first 9 months of 2023 or a decrease of 29.97% and the market share decreased from 5.51% to 4.64% compared to the same period last year. However, the Company's commission rate in the first 9 months of 2023 increased from 0.085% the same period last year to 0.089%, representing an increase of 0.004%

In 2022, the Company's has brokerage fees income decreasing of THB 366.77 million compared to the previous year, representing a decrease of 19.01% from the average trading volume per day, a decrease from THB 9,490 million to THB 7,549 million or a decrease of 20.45%. The market share decreased from 5.58% to 5.34% compared to the same period last year. However, the Company's commission rate increased from 0.08% in 2021 to 0.09% in 2022, representing an increase of 0.01%.

In 2021, an increase of THB 614.38 million compared to the same period last year, representing an increase of 46.73% since the average trading volume per day which increase from THB 7,433 million to THB 9,490 million or equivalent to 28%. Even though the Company's market share decreased from 6.06% to 5.58% compared to the same period last year, the Company's commission rate increased from 0.06% in 2020 to 0.08% in 2021, representing an increase of 0.02%.

In 2020, an increase of THB 400.59 million compared to the same period last year, representing an increase of 43.82%, is mainly due to an increase from THB 114 million in 2019 to THB 121 million in 2020, or an increase of 6.10%

due to an increase in derivative trade volume from individual investors. The average trading volume per day increased 10.92 percent, and the market share increased from 3.24 percent to 6.06 percent.

Fees and service income

For the year 2020 - 2022, the Company had fee and service income amounting to 453.33 million, THB 311.45 million and THB 554.77 million, respectively. For the nine-month period ended 30 September 2022 and 2023 fee and service income amounted to THB 147.61 million and THB 221.46 million, respectively. However, for nine-month of 2023 the Company's fee and service income increased of THB 73.85 million or equivalent to 50.03% when compared to the same period last year, from underwriting income increase of THB 64.39 million from the business combination of which combining FSL to the Company since Quarter 2/2022.

In 2022, an increase of THB 243.32 million compared to the same period last year or 78.12% was due to an increase in securities underwriting income of THB 326.46 million from the business combination regarding the acquisition of FSL, an increase in financial advisory income of THB 41 million, while income from selling and redemption of investment units decreased.

In 2021, a decrease of THB 141.88 million compared to the same period last year or 31.30% was due to a decrease of financial advisory income, a decrease of securities borrowing and lending income, and a decrease in fee income from selling and redemption of investment units due to the change of personnel under the Wealth Management Department. However, income from underwriting increased by THB 7 million due to more transactions from IPOs.

In 2020, an increase of THB 41.40 million compared to the same period last year or 50.87% was due to the increase in securities research fees of THB 2.4 million. The revenue from financial advisory and underwriting service also increased by 17 million due to the increase in the number of initial public offerings (IPO) from 13 issues to 15 issues resulted in the increase of revenues from this business. In addition, the Company gained income from unit trust commission in the amount of THB 20 million and financial advisory income increased of THB 7.3 million due to the increased investors and investment value.

Interest income

For the year 2020 - 2022, the Company had interest income amounting to THB 84.77 million, THB 130.22 million and THB 185.64 million and for the nine-month period ended 30 September 2022 and 2023 amounting to THB 131.42 million and THB 181.15 million, respectively. However, for nine-month of 2023 the Company's has interest income increased of THB 49.73 million or equivalent to 37.84% when compared to the same period last year in line with the interest income from deposits at financial institutions and government bonds increased by THB 42.23 million. Moreover, interest income on margin loans also increased by THB 7.28 million.

In 2022, an increase of THB 55.42 million or 42.56% was due to the increase in interest on margin loans of THB 35 million due to the increase of margin loans of the Company by THB 271 million from THB 1,966 million to THB 2,237 million, or 14 % increase from the previous year in line with the increase in trading volume, and income from deposits

at financial institutions and government bonds increased by THB 20 million due to the adjustment of interest rates and treasury management in line with the money market.

In 2021, an increase of THB 45.45 million or 53.62% was due to loans to buy securities of the Company increased by 69.3% from the previous year, following the increasing trading volume of securities. However, income from deposits at financial institutions and government bonds decreased by THB 8 million due to the interest rate adjustment in the money market.

In 2020, a decrease of THB 29.52 million or 53.43% was due to a decrease in loan income for securities purchases amounting to THB 14 million and interest income from deposits in financial institutions amounting to 14 million THB regarding the lower interest rates due to policy and economic conditions.

Gain and return on financial instruments

For the year 2020 - 2022, the Company had gain and return on financial instruments amounting to 170.16 million, THB 167.16 million and THB 97.50 million, respectively. For the nine-month period ended 30 September 2022 and 2023, gain and return on financial instruments amounted to THB 75.17 million and THB 66.04 million, respectively. This revenue stream is mainly from derivative business. In this respect, for the nine-month of 2023, the Company had dividend income increased by THB 14.17 million, gain and return on derivative loss decreased by THB 68.80 million, and loss on investment decreased by THB 45.51 million.

In 2022, the Company's profit and return on financial instruments is THB 69.66 million decreased by 41.67% compared to the same period last year. This was mainly due to a decrease in gains from equity investments of THB 242 million, while gains from derivatives increased by THB 175 million.

In 2021, a decrease of THB 3 million or a decrease of 1.76% from gain and return on financial instruments was due to securities trading of the Proprietary Trading Department of the Company who can make a profit from securities trading that has decreased slightly.

In 2020, an increase of THB 29.75 million or accounted for 14.98% compared to the same period last year is mainly because gain in DW increased from THB 40 million to THB 177 million due to higher number of DW investors even though the securities trading business had gain (loss) from investments from the previous year's profit and became a loss of THB 21 million.

Shares of gain from investments in an associate

For the year 2020 - 2022, the Company had share of gain from investments in an associate, i.e., SBIR, amounting to THB 5.26 million, THB 3.08 million and THB 4.10 million and for the nine-month period ended 30 September 2022 and 2023 amounting to THB 1.35 million and THB 1.77 million, respectively. In this regard, for the nine-month period ended 30 September 2023, an increase of THB 0.42 million or 31.03% was due to the increase in performance of SBIR.

In 2022, an increase of THB 1.02 million or 33.12% was due to the increase in performance of SBIR.

In 2021, a decrease of THB 2.18 million or 41.44% was due to the decline in performance of SBIR.

In 2020, an increase of 30.20% was a result of a constantly improved operating results from the SBIR's investment banking business in Cambodia.

Other income

Other income of the Company consists of income from providing analysis services to international institutional clients, profit (loss) from exchange rates, service support activities and service income from connecting trading orders to the stock market (Colocation), etc. For the year 2020 - 2022, the Company had other revenue that was not from normal business operations amounting to THB 50.72 million, THB 65.56 million and THB 64.59 million and for the nine-month period ended 30 September 2022 and 2023 amounting to THB 50.27 million and THB 42.06 million, respectively. However, for the nine-month period of 2023, the Company's other income decreased by THB 8.21 million or equivalent to 16.33% compared to the same period last year due to the change in agreements for securities business services for clients.

In 2022, the Company has other income decreasing by THB 0.97 million, or 1.48% from the service support activities.

In 2021, the Company has other income increasing by THB 14.84 million or 29.26% was due to an increase from the service income for using securities system data of derivative warrants for institutional clients.

In 2020, an increase of THB 8.80 million or 21.00% was due to an increase in revenue from analytical services for foreign institutional clients and an increase in gains from exchange rates of investments in associated companies.

(b) Expenses

Details of Consolidated Expenses of the Company

| Item (Unit : THB million) | For the year ended 31 December | | | For nine-month period ended 30 September | |
|-----------------------------------|--------------------------------|-----------------|-----------------|--|-----------------|
| | 2020 | 2021 | 2022 | 2022 | 2023 |
| Employee benefits expenses | 1,127.66 | 1,361.18 | 1,293.30 | 855.57 | 739.65 |
| Fees and service expenses | 232.84 | 278.34 | 270.28 | 215.90 | 164.16 |
| Interest expenses | 34.84 | 47.72 | 61.80 | 44.90 | 48.63 |
| Expected credit losses (reversal) | 10.89 | 3.36 | (2.52) | 0.71 | 0.03 |
| Other expenses | 481.52 | 505.84 | 571.64 | 391.13 | 395.88 |
| Total | 1,887.75 | 2,196.45 | 2,194.50 | 1,508.21 | 1,348.35 |

*Information from the Pro Forma Financial Statements of the Company

Employee benefits expenses

For the year 2020 - 2022, the Company had employee benefits expenses amounting to 1,127.66 million, THB 1,361.18 million and THB 1,293.30 million, respectively and for the nine-month period ended 30 September 2022 and 2023 amounting to THB 855.57 million and THB 739.65 million, respectively. However, for the nine-month period of 2023, the Company's employee benefits expenses decreased by THB 115.91 million or equivalent to 13.55% when compared to the same period last year due to the decrease in employees' benefit expense according to the decrease in trading volume.

In 2022, a decrease of THB 67.88 million or 4.99 % due to the decrease in employees' benefit expense according to the decrease in trading volume.

In 2021, an increase of THB 233.52 million or 20.71% from an increase in marketing compensation based on increased trading volume.

In 2020, an increase of THB 146.42 million or 18.39% was a result of an increase in the cost of insurance for risks incurred from management damage and the Board meeting allowance.

Fees and service expenses

Fees and service payments of the Company consist of trading fee, clearing fee, SEC fee (Regulatory Fee) and the offering of warrant fee. Most of which are fees that must be paid to the SET, the SEC, the Futures Exchange (TFEX), and the Clearing House including fees charged by related agencies from the turnover of securities trading. For the year 2020 - 2022, the Company had fees and service expenses amounting to THB 232.84 million, THB 278.34 million and THB 270.28 million, respectively and for the nine-month period ended 30 September 2022 and 2023 amounting to THB 215.90 million and THB 164.16 million, respectively. However, for the nine-month period of 2023, the Company's has fees and service expenses decreased of THB 51.74 million or equivalent to 23.96% compared to the same period last year due to the decrease in trading and clearing fee by THB 48 million.

In 2022, a decrease of THB 8.06 million or 2.90% was mainly from a decrease in securities trading fees of THB 32 million in line with the decrease in trading volume compared to the same period. While the application fee for the sale of derivative warrants increased by THB 26 million due to the increase in the offering of derivative warrants

In 2021, an increase of THB 45.50 million or 19.54% compared to the same period last year was due to an increase in trading volume.

In 2020, an increase of THB 13.00 million or 5.94% was a significant increase in trading fees based on the trading value of investors.

Interest expenses

For the year 2020 - 2022, the Company had interest expenses amounting to 34.84 million, THB 47.72 million and THB 61.80 million, respectively and for the nine-month period ended 30 September 2022 and 2023 amounting to THB 44.90 million and THB 48.63 million, respectively. However, for the nine-month period of 2023, an increase of THB 3.73 million or equivalent to 8.31% was due to the issuance of debenture no.2 on 29 April 2022, which led to a decrease in

interest payments on debentures for the nine-month period in 2022 compared to the same period in 2023 by less than 4 months.

In 2022, an increase of THB 14.08 million or an increase of 29.51% from the issuance and offering of debentures in the amount of THB 465 million for a period of 2 years, an interest rate of 3.60% to be used as the main working capital for the purchase of investments in subsidiaries, resulting in an increase of approximately THB 10 million in interest paid for debentures and loans from financial institutions and an increase in interest paid on customer deposits by approximately THB 5 million.

In 2021, an increase of THB 12.88 million or 36.97% was due to bill of exchange and debenture issuance to be used as working capital of the Company.

In 2020, an increase of THB 6.55 million or 23.25% was due to interest realized from the lease liabilities regarding the application of new accounting standard, together with increase in loans.

Expected credit losses

For the year 2020 - 2021, the Company had expected credit losses amounting to THB 10.89 million and THB 3.36 million, respectively. In 2022, the Company had reversal expected credit losses amounting to THB 2.52 million. And for the nine-month period ended 30 September 2022 and 2023 amounted to THB 0.71 million and THB 0.03 million, respectively. However, for the nine-month period of 2023, the Company's has expected credit losses decreased of THB 0.68 million or equivalent to 95.77% when compared to the same period last year.

In 2022, a decrease of THB 5.88 million or 175.00 % compared to the same period last year. This was mainly due to the reduction of expected credit losses of customer funds deposited as collateral with the Company in accordance with TFRS9 standards.

In 2021, the expected credit loss was decreased by THB 7.53 million or equivalent to 69.15% due to client's deposit at the yearend was lower than the previous year. As a result, the expected credit loss which was calculated based on this amount was also decreased.

In 2020, the increase in expected credit loss amounting to THB 10.89 million was due to an applicable of new accounting standard.

Other expenses

For the year 2020 - 2022, the Company had other expenses amounting to THB 481.52 million, THB 505.84 million and THB 571.64 million and for the nine-month period ended 30 September 2022 and 2023 amounting to THB 391.13 million and THB 395.88 million, respectively. However, for the nine-month period of 2023, the Company has other expenses increased by THB 4.74 million or equivalent to 1.21% compared to the same period last year. This is because of the advisory fee for the restructuring plan of the Company, approximately THB 5 million.

In 2022, an increase of THB 65.80 million or 13.01 % from expenses related to 1) THB 31 million for data and exchange connection fees, 2) THB 17 million reserved for damages from potential litigation, 3) THB 10 million

compensation for damage caused by wrong order delivery and 4) and marketing promotion increased by THB 10 million.

In 2021, an increase of THB 24.32 million or 5.05% was due to 1) bank fees amounting to THB 8 million, 2) colocation fees from connecting to sending trading orders of foreign institutional clients amounting to 5 million, 3) donation to ASCO amounting to THB 4 million, 4) service charge for connecting cables amounting to THB 4 million and 5) Electronic Form fees amounting to 3 million.

In 2020, an increase of THB 0.5 million or 0.12% was not significant change from the previous year.

(c) Net profit

Net Profit of the Company

| Item (Unit : THB million) | For the year ended 31 December | | | For nine-month period ended 30 September | |
|---------------------------|--------------------------------|---------------|---------------|--|----------------|
| | 2020 | 2021 | 2022 | 2022 | 2023 |
| Income | 2,078.99 | 2,606.60 | 2,468.95 | 1,682.99 | 1,295.75 |
| Expenses | (1,887.75) | (2,196.45) | (2,194.50) | (1,508.21) | (1,348.34) |
| Income tax | (39.71) | (82.88) | (62.81) | (36.13) | (1.53) |
| Net profit (loss) | 151.54 | 327.28 | 211.64 | 138.65 | (54.12) |

*Information from the Pro Forma Financial Statements of the Company

For the year 2020 - 2022, the Company had net profit amounting to 151.54 million, THB 327.28 million and THB 211.64 million and for the nine-month period ended 30 September 2022 and 2023 amounting to THB 138.65 million and THB 54.12 million, respectively. The analysis is as follows:

For the nine-month period of 2023, the Company had an income of THB 1,295.75 million, a decrease of THB 387.24 million from the same period last year or 23.01%. Meanwhile, the Company had an expense decreased by THB 159.87 million from the same period last year, or 10.60%. As a result of such decrease in revenues, the Company had a loss of nine-month of 2023 of THB 54.12 million, change from the same period last year, which had a profit of THB 138.65 million, representing a change of THB 192.77 million or 139.03%. Such a loss was mainly caused by a decrease in brokerage fees income. For the nine-month period of 2023, the Company had a negative return on equity (ROE) of 1.97%, a decrease from a positive 4.89% in the same period of 2022. The main reason was that the Company's operating profit had decreased amounting to THB 192.77 million, resulting in a positive of the net profit growth rate of 4.18% in 1Q2023, together with the asset to equity multiplier, which was 2.44 times in 3Q2023 as receivables from clearing house and securities companies increased from THB 1,044.35 million in 2022 to THB 210.96 million. However, the total assets turnover ratio slightly decreased from 0.21 times in 1Q2022 to 0.19 times in 3Q2023 following a decline in operating results.

In 2022, the Company had an income of THB 2,468.95 million, an increase of THB 137.65 million from the same period last year or 5.28%. Meanwhile, the Company had an expense slightly decreased by THB 1.95 million from the

same period last year, or 0.09%. As a result of such a decrease in revenues and expenses, the Company had a profit of 2022 of THB 211.64 million, a decrease of THB 115.64 million from the same period last year or 35.33%. Such gains were caused by a commission income decreased from the decrease in trading volume. The Company had a positive return on equity (ROE) of 7.46%, a decrease from a positive 12.08% in 2021. The main reason was that the Company's operating profit had decreased, resulting in a net profit growth rate of 8.57 % in 2022, together with the asset to equity multiplier, which was 2.82 times in 2022 as receivables from clearing house and securities companies increased from THB 872.00 million in 2021 to THB 1,044.35 million. However, the total assets turnover ratio decreased from 0.34 times in 2021 to 0.31 times in 2022 following a decline in operating results and an increase in office condominium and equipment assets from the purchase of investments in Subsidiaries during the past year.

In 2021, the Company had revenue of THB 2,606.60 million, an increase of THB 527.61 million in 2020, or 25.38%. Meanwhile, the Company had expenses amounting to THB 2,196.45 million, increased around THB 308.70 million or 16.35%. Due to an increase in income and expenses, the Company had a profit of THB 327.28 million, increase by THB 175.74 million or 115.97% from previous year, The profit was due to increased revenue from commission and interest income as a result of the increased trading volume of securities and the fact that investors believed that they could speculate and get more returns on their investments due to the volatility of the market due to the COVID-19 situation continuing from the previous year. In 2021 the Company had a positive return on equity (ROE) of 12.08%, an increase from a positive 6.26% in 2020 as a result of the Company's operating profit, thus net profit growth rate was a positive 12.56% in 2021. In addition, the asset to equity ratio (Equity Multiplier) was 2.79 times in 2021 because clearing house receivables and securities companies increase from THB 282.42 million in 2020 to THB 872.00 million in 2021. This increase was not a significant change. However, total assets turnover increased from 0.32x in 2020 to 0.34x in 2021, showing a slight increase in the Company's asset utilization efficiency.

In 2020, the Company's operating result was THB 2,078.99 million increased by THB 719.36 million or 52.91%, likewise, the expenses were THB 1,887.75 million, increased by THB 281.42 million or 17.52% from the expenses in 2019. The increase in income and the increase in expenses resulted in operating profit at the amount of THB 151.54 million accounted for 7.29% of profit. The profit was mainly a result of increased income from investment and trading in securities, a result of which investors believed they could speculate on investment gains and, therefore, investing in securities more than any other type of investment due to the market volatility from the COVID-19 situation. The Company had a return on equity in 2020 at +6.26%, increased from 2019 which equaled to - 8.75%. This was mainly due to the operating profit which caused the net profit margin to increase from - 14.70 in 2019 to + 7.29 in 2020. The equity multiplier also increased from 2.11 times in 2019 to 2.71 times in 2020 due to the increase in receivables from clearing house and broker-dealers from THB 142.23 million in 2019 to THB 282.42 million in 2020 which was considered an insignificant change. However, the total assets turnover increased from 0.28 times in 2019 to 0.32 times in 2020, resulting in a slight increase of the efficiency of the assets utilization.

3) Financial Position Analysis

Asset Management Efficiency

(a) Receivables from Clearing Houses and broker-dealers

As of 31 December 2020 - 2022 and 31 March 2023, the Company had receivables from Clearing Houses and broker-dealers amounting to 282.42 million, THB 872.00 million, THB 1,044.35 million and 210.96 million, respectively. At the end of 30 September 2023, the Company had receivables from Clearing Houses and broker-dealers decreased of THB 833.39 million or 79.80% from the previous year, as a result of volume of client's trading volume in the last two business days of each accounting period. As of 31 December 2022 and 30 September 2023, trading volume was amounting to THB 894.48 million and THB 479.19 million, respectively.

As of 31 December 2022, the Company had receivables from Clearing Houses and broker-dealers increase of THB 172.35 million or 19.76% from the previous year, as a result of volume of client's trading volume in the last two business days of each accounting period.

As of 31 December 2021, the Company had receivables from Clearing Houses and broker-dealers increase of THB 589.58 million or 208.76% from the previous year, was a result of volume of client's trading volume in the last two business days of each accounting period.

As of 31 December 2020, the Company had receivables from Clearing Houses and broker-dealers increase of THB 140.19 million from the previous year or 98.57%. was from the increase in receivables from clearing house which was THB 265 million in 2019 to THB 524 million in 2020 or 97.7%.

(b) Receivables from securities and derivatives business**Details of Receivables from Securities and Derivatives Business of the Company**

| Item (Unit : THB million) | As of 31 December | | | As of 30 |
|---|-------------------|-----------------|-----------------|-----------------|
| | 2020 | 2021 | 2022 | September 2023 |
| Cash receivables | 2,374.75 | 2,239.71 | 2,061.45 | 2,129.39 |
| Credit balance accounts | 1,161.61 | 1,966.26 | 2,236.87 | 1,995.30 |
| Collateral receivables | 94.93 | 103.30 | 58.02 | 121.79 |
| Receivables under securities borrowing and lending business | 50.82 | 13.43 | 5.90 | 66.52 |
| Derivatives business receivables | 71.31 | 8.34 | 18.03 | 51.15 |
| Other receivables (securities and derivatives business) | 6.06 | 8.88 | 12.61 | 8.52 |
| Total | 3,759.48 | 4,339.92 | 4,392.88 | 4,372.67 |

Note : The Company has prepared accounts for non-performing debtors in accordance with Thai Financial Reporting Standards: TFRS 9 established by the Board of Accounting Standards. Regarding the allowance for impairment of securities and derivatives business receivables using the expected credit loss model And FSS has used its judgment in estimating the expected loss. The amount of the allowance for credit losses is determined by taking into account the risk of collection and the value of the collateral. However, the use of different estimates and assumptions may affect the amount of the expected credit loss allowance. Expected credit that may occur in the future.

As of 31 December 2020 - 2022 and 30 September 2023, the Company had receivables from securities and derivatives business amounting to THB 3,759.48 million, THB 4,339.92 million, THB 4,392.88 million and THB 4,372.67 million, respectively. As of 30 September 2023, the Company has receivables from securities and derivatives business, which is considered the Company's assets with the highest proportion, decreased by THB 14.67 million or 0.44%.

As of 31 December 2022, the Company has receivables from securities and derivatives business increased by THB 52.96 million or 1.22%, which will change according to the volume of clients' securities trading in the last two business days of each accounting period. The increase in this transaction was, therefore, considered the normal course of business of the Company and is a change that does not have a significant impact on the Company's business in any way. In this regard, the Company has prepared accounts for non-performing debtors in accordance with Thai Financial Reporting Standards: TFRS 9 established by the Board of Accounting Standards regarding the allowance for impairment of securities and derivatives business receivables using the expected credit loss model, and the Company has used its judgment in estimating the expected loss. The amount of the allowance for credit losses is determined by taking into account the risk of collection and the value of the collateral. However, the use of different estimates and assumptions may affect the amount of the expected credit loss allowance. Expected credit that may occur in the future.

As of 31 December 2021 and 2020, the Company had receivables from securities and derivatives business increase from THB 580.44 million and THB 1,200.96 million from the previous year, respectively, or equivalent to increase 15.44% and 46.94% from the previous year, respectively, The changes in receivables from securities and derivatives business were due to volume of trading turnover of the client's securities on the last two business days of each accounting period which is considered a normal business operation of the Company and does not have a significant impact on the business of the Company.

(c) Investments

As of 31 December 2020 - 2022 and 30 September 2023, the Company had financial assets amounting to THB 918.39 million, THB 850.56 million, THB 561.30 million and THB 432.21 million, respectively. As of 30 September 2023, a decrease of THB 129.09 from 2022 due to the fair value remeasurement through profit or loss decreased by THB 139.18 million, while investment measured at cost increased by THB 9.98 million.

As of 31 December 2022, a decrease of THB 289.26 million or 34.01% from 2021, due to a decrease in trading securities of THB 273 million, while fixed deposits increased by THB 110 million, and domestic non-marketable equity securities increased by THB 10 million.

As of 31 December 2021, the Company had financial assets decreased by THB 67.83 million or equivalent to 7.39% from the previous year, while as of 31 December 2020, the Company had financial assets increased by THB 16.10 million or equivalent to 1.78% from the previous year. This is because of the fair value remeasurement at the period end regarding the Thai Financial Reporting Standards.

(d) Investments in an associate

As of 31 December 2020 - 2022 and 30 September 2023, the Company had investment in an associate amounting to THB 121.19 million, THB 135.12 million, THB 141.96 million and THB 150.59 million, respectively. As of 30 September 2023, the Company has investments in an associate amounting increased by THB 8.64 million or 6.09% from 2022, due to share of net profit from the associate, SBIR, which was presented by the equity method.

As of 31 December 2022, an increase of THB 6.84 million from the previous year or 5.06 % due to subsidiaries and associated companies operating profits, SBIR's operating results increased by THB 5 million compared to the end of 2021, recorded under the equity method.

As of 31 December 2021 and 2020, the Company has investment in an associate amounting increased by THB 13.93 million and THB 4.78 million from the previous year or 11.49% and 4.11%, respectively. The increase was due to share of net profit from the associate, SBIR, which was presented by the equity method, and due to the effect of the depreciation of the exchange rate, respectively.

(e) Office condominium and equipment and Intangible assets

As of 31 December 2020 - 2022 and 30 September 2023, the Company had office condominium and equipment and intangible assets amounting to THB 671.48 million, THB 618.47 million, THB 698.16 million and THB 712.39 million, respectively. As of 30 September 2023, the Company has office condominium and equipment and intangible assets increase by THB 14.23 million when compared to 2022. This was because of the developments in the Biz application trading system during the year.

As of 31 December 2022, the Company had office condominium and equipment and intangible assets increased of THB 79.69 million from the previous year or 12.89 % from the acquisition of FSL as a subsidiary of FSSIA, so the Company had acquired the building and equipment including the location of FSL's head office and intangible assets increased by THB 27 million from the improvement of the Company's trading system to be able to respond to the needs of customers in a timely manner.

As of 31 December 2021 and 2020, the Company's office space and equipment and intangible assets decreased by THB 53.01 million and THB 26.79 million from the previous year, respectively, or equivalent to 7.89% and 3.84% from the previous year, respectively. This was because of the depreciations and amortization and disposal of assets.

(f) Right-of use assets

As of 31 December 2020 – 2022 and 30 September 2023, the Company has right-of-use assets amounting to THB 282.37 million, THB 251.29 million, THB 200.89 million and THB 179.87 million, respectively. As of 30 September 2023, right-of-use assets of the Company decreased by THB 21.02 million or 10.46% from depreciation during the year.

As of 31 December 2022 and 2021, the Company has right-of-use assets decreased by THB 50.40 million and THB 31.08 million from the previous year, respectively, or equivalent to 20.06% and 11.01% from the previous year, respectively. This was because of the depreciation during the period and disposal of lease contract during the year. As of 31 December 2020, the Company has right-of-use assets increased by THB 282.37 million or 100.00% as the Company applied financial reporting standards relating to lease liabilities for the first time.

(g) Other assets

The Company has other assets such as accrued interest receivables, prepaid expenses, deposits, contributions to the compensation fund for securities settlement and settlement system security margin, advance payment, withholding tax deducted, etc. As of 31 December 2020 - 2022 and 30 September 2023, the Company had other assets amounting to THB 222.71 million, THB 230.63 million, THB 430.59 million and THB 290.20 million, respectively. As of 30 September 2023, other assets of the Company decreased by THB 140.39 million or 32.60% from a decrease in bank deposits for customers under the order of the Anti-Money Laundering Office that the Company has already transferred to the Anti-Money Laundering Office.

As of 31 December 2022, other assets increase from THB 199.96 million or 86.70% from an increase in bank deposits for customers under the order of the Anti-Money Laundering Office and Contributions to the Compensation Fund in the Securities Settlement and Delivery System.

As of 31 December 2021, the Company has other assets increase by THB 7.92 million or 3.56% from an increase in contributions to the Compensation Fund in the payment and settlement system of THB 20 million, while advance payment and withholding tax decreased by THB 10 million.

As of 31 December 2022, the Company has other assets increase by THB 14.66 million or 7.04% from contributions to the Compensation Fund in the settlement and settlement system increased by THB 18 million, while the deposit under the lease that has not yet been effective decreased by THB 8 million.

Liquidity and Adequacy of the Company's Capital**(a) Source of Funds**

As of 30 September 2023, the Company had 2 sources of funds: debt of THB 3,939.68 million and owner's equity of THB 2,755.45 million, with a debt-to-equity ratio of 1.43 times. Considering the debt part, the main items of liabilities are securities business creditors and futures contracts, accounting for 28.6 percent of the total funding sources. These items will change according to the volume of securities trading in the last 2 business days of each accounting period. Therefore, these items were not the actual source of funds. Bank loans and debentures offered to institutional investors and high-net-worth investors showed a balance of 1,013.40, which is 15.1 percent of the total funding sources. Therefore, the Company's debt-to-equity ratio, excluding the securities business creditors and futures contracts, would be only 0.74 times, decreasing from the end of 2022. In addition, the interest coverage ratio is 2.15 times, decreasing

from 7.39 times in 2022 due to the significant decrease in profits from the Company's operations as compared to the end of 2022.

As of 31 December 2022, the Company had 2 sources of funds: debt in the amount of THB 5,168.60 million and owner's equity in the amount of THB 2,844.04 million, with a debt-to-equity ratio of 1.82 times as the Company issued and offered the debentures to be utilized as working capital within the Company during the year. Considering the debt part, the main items of liabilities are securities business creditors and futures contracts, accounting for 28 percent of the total funding sources. These items will change according to the volume of securities trading in the last 2 business days of each accounting period. Therefore, these items are not the actual source of funds. During 2022, the Company issued and offered debentures to institutional investors and high-net-worth investors in the amount of THB 465.40 million, which are due in 2024, with the objective to purchase all the ordinary shares of FSL according to the restructuring plan and to provide working capital for the Company. Therefore, the Company's debt-to-equity ratio, excluding the securities business creditors and futures contracts, would be only 1.0 time, increasing from the end of 2021 when the debt-to-equity ratio was 0.5 time. In addition, the interest coverage ratio was 7.68 times, which decreased from 11.94 times in 2021, showing that the Company had the less ability to pay interest than in 2021 due to lower operating results and an increase in issuance of debentures to purchase a subsidiary and utilize as working capital. However, the Company still had cash flow from the operating activities which stayed continuously positive. In addition, the Company has also been rated BBB+ by Fitch Ratings (information as of 29 December 2022).

As of 31 December 2021, the Company had 2 sources of funds: debt of THB 4,849.05 million and owner's equity of THB 2,710.88 million, with a debt-to-equity ratio equal to 1.79 times. Considering the debt part, the main items of liabilities are securities business creditors and futures contracts, accounting for 43 percent of the total funding sources. These items will change according to the volume of securities trading in the last 2 business days of each accounting period. Therefore, these items were not the actual source of funds. Therefore, the Company's debt-to-equity ratio, excluding the securities business creditors and futures contracts, would be only 0.5 times, decreasing from the end of 2020 at the rate of 0.7 times. In addition, the interest coverage ratio was 11.94 times, which increased from 8.11 times in 2020, showing that the Company had an increased ability to pay interest from 2020. Therefore, the Company was able to source funds by borrowing in the future to increase the Company's operating capabilities and increase cash flow.

As of 31 December 2020, the Company had 2 sources of funds: debt of THB 4,132.33 million and owner's equity of THB 2,423.02 million, with a debt-to-equity ratio equal to 1.71 times. Considering the debt part, the main items of liabilities are securities business creditors and futures contracts, accounting for 32.43 percent of the total funding sources. These items will change according to the volume of securities trading in the last 2 business days of each accounting period. Therefore, these items were not the actual source of funds. Thus, the Company's debt-to-equity ratio, excluding the said items, would be only 0.65 times, increasing from the end of 2019 which the debt-to-equity ratio was 0.42 times.

(b) Adequacy of Liquidity

For the year 2020 - 2022 and for the 9-month period ended 31 September 2023, the Company has changes in cash and cash equivalents, divided into various activities as follows:

| Liquidity and Adequacy of the Company's Capital | |
|---|---|
| Year | Financing Activity |
| Operating Activity | Investing Activity |
| <p>2023 Cash and cash equivalents decreased by THB 176.28 million.</p> | <p>The Company used net cash in investing activities in the amount of THB 76.24 million for cash payments to purchase equipment and intangible assets.</p> |
| <p>2022 Cash and cash equivalents increased by THB 259.58 million.</p> | <p>The Company used net cash in investing activities in the amount of THB 582.78 million to purchase equipment and intangible assets in the amount of THB 103.59 million and to invest in subsidiaries in the amount of THB 479.63 million.</p> |
| <p>2020 Cash and cash equivalents decreased by THB 31.30 million.</p> | <p>The Company used net cash in investing activities in the amount of THB 48.32 million, mainly for the purchase of equipment and intangible assets in the amount of THB 51.41 million.</p> |
| <p>2020 Cash and cash equivalents increased by THB 131.40 million.</p> | <p>The Company used net cash in investing activities in the amount of THB 53.77 million for the purchase of equipment and intangible assets in the amount of THB 53.86 million.</p> |

The Company's used net cash in operating activities in the amount of THB 54.74 million, mainly due to net loss before income tax and depreciation in the amount of THB 52.59 million and cash received from interest and dividends totaled THB 116.03 million.

The Company's net cash received from operating activities is THB 499.27 million, mainly because the Company had profit before income tax and depreciation of THB 422.11 million, and cash received from interest and dividends of THB 195.96 million.

The Company's net cash received from operating activities is THB 262.95 million, mainly from receiving the Company's income and dividends in cash in the amount of THB 145.22 million.

The Company used net cash in operating activities in the amount of THB 244.34 million, mainly from receiving the Company's income and dividends in cash in the amount of THB 95.19 million. There was also a decrease in the Company's cash payments to clearing houses and securities companies by THB 359.40 million.

The Company's used net cash in financing activities in the amount of THB 45.29 million, mainly due to debt payment under financial lease contracts.

The Company's net cash received from financing activities is THB 343.09 million, mainly from the issuance of debt instruments worth THB 465.40 million as working capital for business operations and investment in subsidiaries. However, the Company has paid for debt payment under financial lease contracts and dividends in cash totaling THB 122.31 million.

The Company used net cash in financing activities in the amount of THB 245.93 million, mainly due to cash repayments to financial institutions. However, the Company received cash from issuing debt instruments in the amount of THB 209.66 million.

The Company received net cash from financing activities in the amount of THB 429.51 million, which mainly resulted from an increase of loans borrowed from financial institutions and additional debt instruments issued.

In this regard, another issue that should be taken into account for considering the liquidity of FSX's group is the ability to maintain the net capital ratio (NCR) in accordance with the rules of the SEC. NCR will change according to various factors such as volume of securities trading or underwriting, etc. In the past, FSX's group has maintained the NCR higher than 7 percent, which is the minimum rate required by the NCR criteria specified by the SEC, which is sufficient for the business operations of FSX's group for capital allocation and liquidity.

(c) The Ability to Find Additional Funding Sources

Currently, the Company has no outstanding loan from commercial banks but has issued debenture which was utilized as a source of funds for the acquisition of subsidiaries and working capital. In case the Company requires additional funds, the Company may issue debentures or bills of exchange or borrow from financial institutions. The Company's policy for additional funding is to obtain appropriate funding sources by considering the cost of capital, not relying on any single source of funding. The Company regularly analyzes its cash flow needs to match its capital needs and short-term or long-term investments.

As of 31 December 2020 - 2022 and 30 September 2023, the Company has outstanding debt instruments (i.e., promissory notes, bills of exchange, and debentures) totaling THB 628.98 million, THB 505.60 million, THB 971.00 million and THB 713.40 million, respectively, with the following details:

Detail of Debt Instruments Issued by the Company

| Details (Unit : THB million) | Promissory Notes | | | Bills of Exchange | | | Debentures | | | |
|------------------------------------|-------------------|----------|--------------------|-------------------|----------|--------------------|-------------------|---------------|--------------------|---------------|
| | As of 31 December | | As of 31 September | As of 31 December | | As of 31 September | As of 31 December | | As of 31 September | |
| | 2020 | 2021 | 2022 | 2020 | 2021 | 2022 | 2020 | 2021 | 2022 | |
| Payment due period | | | | | | | | | | |
| Less than 1 year | 350.00 | - | - | 278.98 | - | - | - | - | 505.60 | 465.40 |
| 1 - 5 years | - | - | - | - | - | - | - | 505.60 | 465.40 | 248.00 |
| More than 5 years | - | - | - | - | - | - | - | - | - | - |
| Total | 350.00 | - | - | 278.98 | - | - | - | 505.60 | 971.00 | 713.40 |
| Interest rate/discount p.a. (%) | 0.95-1.85 | N.A. | N.A. | 3.25 | N.A. | N.A. | N.A. | 3.60 | 3.60 | 3.60 |

Additionally, the Company must comply with the requirement to maintain financial ratios from the issuance of debentures No. 1 in 2021 regarding the maintenance of the net capital ratio, which must not be lower than 7.00 percent, which is the minimum rate required by the NCR criteria specified by the SEC. For the 9-month period ended 30 September 2023, the Company has a net capital ratio of 27.94 percent, which is higher than such requirement.

4. Purpose of the Issuance of the Newly Issued Ordinary Shares and Plan for Use of Proceeds

If the Private Placement Transaction completes, the Company will receive an amount of not exceeding THB 662,400,000, and if the all existing shareholders fully exercise their rights to subscribe for the newly issued shares under the Rights Offering Transaction, the Company will receive an amount of not exceeding THB 1,996,237,760.30, which totals not exceeding THB 2,658,637,760.30. The Company plans to use the monies received from the capital increase as follows:

| Objective | Estimated amount (THB million) | Period for use of proceeds |
|--|-----------------------------------|----------------------------|
| 1. To expand the lending limit to the customers for securities purchases and block trade transactions of Single Stock Futures | 1,250 | 2024 |
| 2. To develop the system and expand businesses related to the Company's group, including investing in developing the online trading system, investing in back-office system development, and investing in tools to offer comprehensive services to customers to personnel of the Company's group, etc. | 500 | 2024 - 2027 |
| 3. To expand the investment in the digital asset business and other related businesses such as the initial coin offering portal. | 150 | 2024 |
| 4. To repay the Company's loan debt to the subsidiaries to allow such subsidiaries to repay debt instruments and/or use as working capital. | 759 | Within quarter 2/2024 |
| Total | 2,659 | |

5. Information on the Potential Impact of Capital Increase or Allocation of Newly Issued Shares by way of Private Placement

5.1 Impact on Existing Shareholders from the Issuance and Offering of the Newly Issued Ordinary Shares by way of Private Placement, Excluding the Issuance and Offering of the Newly Issued Ordinary Shares to the Company's Existing Shareholders in Proportion to Their Shareholding

(1) Price Dilution

After issuing and offering the newly issued ordinary shares to the Investors, the market price of the shares will be affected by approximately 3.14 percent, with the details of the calculation as follows:

$$\begin{aligned}
 &= \frac{\text{Market price before offering} - \text{Market price after all offerings}}{\text{Market price before offering}} \times 100 \\
 &= \frac{2.55 - 2.47}{2.55} \times 100 \\
 &= 3.14 \text{ percent}
 \end{aligned}$$

The market price after the offering is calculated from:

= (Market price before the offering x Number of paid-up shares) + (Offering price of PP shares x Number of PP shares offered)

Number of paid-up shares + Number of PP shares offered

$$= \frac{(2.55 \times 579,929,461) + (2.30 \times 288,000,000)}{579,929,461 + 288,000,000}$$

$$= \text{THB 2.47 per share}$$

Remarks: The market price before the offering is equal to the weighted average price of the past 12 consecutive business days before the meeting of the Board of Directors No. 6/2023 on 28 November 2023 (i.e., between 10 - 27 November 2023) (Source: SETSMART) which is equal to THB 2.55.

(2) Control Dilution

After issuing and offering the newly issued ordinary shares to the Investors, the voting rights of the shareholders in the Company will be affected by approximately 33.18 percent, with the details of the calculation as follows:

$$= \frac{\text{Number of shares offered for sale}}{\text{Number of paid-up shares} + \text{Number of shares offered}}$$

$$= \frac{288,000,000}{(579,929,461 + 288,000,000)}$$

$$= 33.18 \text{ percent}$$

(3) Earnings Dilution

After issuing and offering the newly issued ordinary shares to the Investors, the earnings per share of the shareholders of the Company will be affected by approximately 33.18 percent, with the details of the calculation as follows:

$$= \frac{\text{Earnings per share before offering} - \text{Earnings per share after offering}^*}{\text{Earnings per share before offering}}$$

$$= \frac{0.019 - 0.012}{0.019}$$

$$= 33.18 \text{ percent}$$

The earnings per share before the offering is calculated from:

$$= \frac{\text{Net profit}}{\text{Number of paid-up shares}}$$

$$= \frac{10,813,440}{579,929,461}$$

$$= \text{THB } 0.019 \text{ per share}$$

The earnings per share after the offering is calculated from:

$$= \frac{\text{Net profit}}{\text{Number of paid-up shares} + \text{Number of PP shares offered}}$$

$$= \frac{10,813,440}{579,929,461 + 288,000,000}$$

$$= \text{THB 0.012 per share}$$

*Remarks: Earnings per share (EPS) before offering and after offering are calculated from the Company's latest consolidated financial statements ending 30 September 2023, which has been reviewed by a certified public accountant, together with the Company's pro forma financial statements for the 4th quarter period ending 31 December 2022 which was prepared by the Company's management, which refers to the financial statements of the Company and Finansia Syrus Securities Public Company Limited for the period ending 31 December 2022 which has been reviewed by the auditor, in order to obtain the profits attributable to the parent company during October - December 2022, resulting in the earnings per share for the 12-month period.

5.2 Impact on Existing Shareholders from the Issuance and Offering of the Newly Issued Ordinary Shares by way of Private Placement and the Issuance and Offering of the Newly Issued Ordinary Shares to the Company's Existing Shareholders in Proportion to Their Shareholding

(1) Price Dilution

After issuing and offering the newly issued ordinary shares to the Investors, the market price of the shares will be affected by approximately 6.67 percent, with the details of the calculation as follows:

$$= \frac{\text{Market price before offering} - \text{Market price after all offerings}}{\text{Market price before offering}} \times 100$$

$$= \frac{2.55 - 2.38}{2.55} \times 100$$

$$= 6.67 \text{ percent}$$

The market price after the offering is calculated from:

$$= \frac{(\text{Market price before the offering} \times \text{Number of paid-up shares}) + (\text{Offering price of PP shares} \times \text{Number of PP shares offered})}{\text{Number of paid-up shares} + \text{Number of PP shares offered}}$$

$$= \frac{(2.55 \times 579,929,461) + (2.30 \times 288,000,000) + (2.30 \times 867,929,461)}{579,929,461 + 288,000,000 + 867,929,461}$$

$$= \text{THB 2.38 per share}$$

Remarks: The market price before the offering is equal to the weighted average price of the past 12 consecutive business days before the meeting of the Board of Directors No. 6/2023 on 28 November 2023 (i.e., between 10 - 27 November 2023) (Source: SETSMART) which is equal to THB 2.55.

(2) Control Dilution

After issuing and offering the newly issued ordinary shares, the voting rights of the shareholders in the Company will not be affected as all existing shareholders would exercise their rights to subscribe in proportion to their shareholding. However, if all existing shareholders, except for the Investors, do not exercise their rights, the voting rights of shareholders will be affected, at the highest, by approximately 54.37 percent. However, the Investors will not subscribe for the newly issued ordinary shares under the Rights Offering Transaction to the point where the Investor would hold more than 49.99 percent of the total number of issued shares of the Company after the Issuance and Offering of Newly Issued Ordinary Shares Transaction, with the details of the calculation as follows:

$$= \frac{\text{Number of shares offered to the Investors}}{\text{Number of paid-up shares} + \text{Number of shares offered to the Investors}}$$

$$= \frac{288,000,000 + 403,000,000}{579,929,461 + 288,000,000 + 403,000,000}$$

$$= 54.37 \text{ percent}$$

(3) Earnings Dilution

After issuing and offering the newly issued ordinary shares, the earnings per share of the shareholders of the Company will be affected by approximately 66.59 percent, with the details of the calculation as follows:

$$\begin{aligned}
 &= \frac{\text{Earnings per share before offering} - \text{Earnings per share after offering}^*}{\text{Earnings per share before offering}} \\
 &= \frac{0.019 - 0.006}{0.019} \\
 &= 66.59 \text{ percent}
 \end{aligned}$$

The earnings per share before the offering is calculated from:

$$\begin{aligned}
 &= \frac{\text{Net profit}}{\text{Number of paid-up shares}} \\
 &= \frac{10,813,440}{579,929,461} \\
 &= \text{THB 0.019 per share}
 \end{aligned}$$

The earnings per share after the offering is calculated from:

$$\begin{aligned}
 &= \frac{\text{Net profit}}{\text{Number of paid-up shares} + \text{Number of PP shares offered} + \text{Number of RO shares offered}} \\
 &= \frac{10,813,440}{579,929,461 + 288,000,000 + 867,929,461} \\
 &= \text{THB 0.006 per share}
 \end{aligned}$$

*Remarks: Earnings per share (EPS) before offering and after offering are calculated from the Company's latest consolidated financial statements ending 30 September 2023, which has been reviewed by a certified public accountant, together with the Company's pro forma financial statements for the 4th quarter period ending 31 December 2022 which was prepared by the Company's management, which refers to the financial statements of the Company and Finansia Syrus Securities Public Company Limited for the period ending 31 December 2022 which has been reviewed by the auditor, in order to obtain the profits attributable to the parent company during October - December 2022, resulting in the earnings per share for the 12-month period.

5.3 Benefits to the Shareholders Compared to Earnings Dilution or Control Dilution

Gortune is a prominent asset management corporation based in Guangzhou, China. Founded in 2016, Gortune was sponsored by the government of Guangdong Province in collaboration with leading players in various industries, giving it a unique position in the market. With the paid-up registered capital of RMB 16 billion, Gortune and its group has invested in a wide variety of sectors, with one of its main focuses being financial services sector.

Gortune's corporate strategy is constructed by the three major businesses of investment banking, industrial investment and asset management as summarized below.

Investment Banking

In addition to providing capital support, technical support and operational resources, investment banking service also provides enterprises with full-cycle, full-scene and all-round comprehensive support and empowerment through investment banking thinking and professional capabilities such as restructuring, mergers and acquisitions, and spin-off.

Industrial Investment

The industrial investment business is the circular direct investment on new energy, life science, agricultural modernization, consumption, high-end manufacturing as well as on the upstream and downstream of the industrial chain. Gortune has made significant investment in the lithium battery material industry and has become a key shareholder of China Baoan Group Co., LTD., whose holding subsidiary, BRT New Materials Group Co., LTD., is the world's largest supplier of anode materials in lithium battery.

With the development of medical technology, Gortune continuously explores new opportunities in the field of biomedicine through cooperation with listed companies and local governments. Gortune has invested in Liaoning Chengda and became its biggest shareholder. The holding subsidiary of Liaoning Chengda, Chengda Biology, is the global human rabies vaccine leader.

Asset Management

Combined with wealth management, Gortune's asset management serves the majority of small and medium-sized customers, helps the transformation of household's asset allocation, and achieves wealth appreciation.

Founded in 2017, Gortune Private Fund Management Co., LTD. (referred to as Gortune Fund) is an equity investment platform controlled by Gortune and registered in China as a private equity fund manager in February 2017. Gortune Fund helps entities grow steadily by building a platform for enterprises to access the capital market. In addition to providing capital support for enterprises, Gortune Fund also provides full cycle, full scene support to invested enterprises by giving strategic consulting advice, industrial resources and investment banking services.

Gortune Investment Private Equity Fund Management (Shenzhen) Co., LTD, a subsidiary of Gortune Fund, was established in November 2020 and was registered in China as a private equity investment fund manager in October 2022.

Enclosure 2

The core investment team has served as fund managers of public funds and social security funds, and has rich experience in fund management and investment operation.

Gortune Alternative Investment (Zhuhai Hengqin) Co., LTD. is an alternative asset management investment company led by Gortune and jointly established with a group of professionals who focus on alternative investment in China. It focuses on various special investments in economic restructuring and industrial transformation and upgrading.

Main Companies under Gortune's Group

| Names of Companies | Types of Companies | Business |
|---|---|---|
| 1. Shaoguan Gaoteng Enterprise Management Co., LTD. | wholly-owned subsidiary | holding company (mainly holding 15.3% of the shares in Liaoning Chengda) |
| 2. Shaoguan Gaochuang Enterprise Management Co., LTD. | wholly-owned subsidiary | holding company (mainly holding 16.03% of the shares in China Baoan Group Co., LTD.) |
| 3. Shaoguan Gaohua Enterprise Management Co., LTD. | wholly-owned subsidiary | holding company |
| 4. Gortune (Guangzhou) Financial Investment Co., LTD. | wholly-owned subsidiary | investment company in infrastructure and property business |
| 5. Gortune International Investment Holding Limited | wholly-owned subsidiary | holding company |
| 6. Zhuhai Gaoteng Enterprise management Co., LTD. | holding subsidiary | holding company |
| 7. Gortune Private Fund Management Co., LTD. | holding subsidiary | asset management |
| 8. Gortune Investment Private Equity Fund Management (Shenzhen) Co., LTD. | holding subsidiary of Gortune Fund | asset management |
| 9. Gortune Alternative Investment (Zhuhai Hengqin) Co., LTD. | holding subsidiary | alternative investment |
| 10. Guangdong Central Kitchen Union Co., LTD. | holding subsidiary | food processing |
| 11. China Baoan Group Co., LTD. | Shaoguan Gaochuang Enterprise Management Co., LTD. holds 16.03% of the shares | investment company in lithium battery material and pharmaceuticals business |

| | | |
|----------------------|--|--|
| 12. Liaoning Chengda | Shaoguan Gaoteng Enterprise Management Co., LTD. holds 15.3% of the shares | investment company in financial, energy and pharmaceuticals business |
|----------------------|--|--|

When comparing the benefits which the shareholders would receive from the Issuance and Offering of Newly Issued Ordinary Shares Transaction to the earnings dilution or control dilution resulting from the Issuance and Offering of Newly Issued Ordinary Shares Transaction as detailed above, the Company is of the view that the said offering of the newly issued ordinary shares will be more beneficial to the shareholders as it would create strength and financial stability for the Company's group to be ready for the implementation of the strategic plan in relation to the digital transformation in order to suitably and effectively apply digital technology to the business of the Company. In addition, the issuance of the newly issued ordinary shares to the Investors will increase the potential of the Company in operating the business as a result of the acquisition of a strong business partner like Gortune, which is a Chinese private investment company initially established by Guangdong Province joint by the private sectors who are leaders in various industries with experiences in investing in a number of businesses, with total investment value of over USD 3 billion. Thus, it would boost the potential of the business of the Company's group by relying on the potential of Gortune's investment ecosystem, especially in the financial services business, which would promote the securities business of the Company's group in a number of aspects, such as the opportunity to increase business value by expanding the customer base, especially Chinese customers, and the passing on the technology which is an important factor that will contribute to the sustainable success and growth of the Company's group.

6. Connected Persons and the Scope of the Interests

Currently, the Investors are not connected persons of the Company. However, after entering into the Private Placement Transaction, the person(s) nominated by the Investor(s) will be appointed as an executive(s) of the Company. As a result, the Investors would then be considered as connected persons of the Company according to the Notifications on Connected Transactions.

7. Interested Directors and/or Connected Persons who do not Participate in the Consideration and Voting

Directors who have conflict of interests who did not participate in the voting on the Issuance and Offering of Newly Issued Ordinary Shares Transaction are as follow:

- (1) Mr. Chatchaval Jiaravanon, the Chairman, due to his spouse and son being the major shareholders of the seller, Blue Whale, under the Share Purchase Transaction; and
- (2) Mr. Vorapak Tanyawong, Vice Chairman and Mr. Chuangchai Nawongs, Director and Chief Executive Officer, due to the said persons being the major shareholders of the seller, PILGRIM, under the Share Purchase Transaction.

Moreover, the names of shareholders with vested interest as of 18 December 2023, which is the date for determining

the list of shareholders entitled to attend the Extraordinary General Meeting of Shareholders No. 1/2024 (Record Date), who are not entitled to vote on agenda 2-6 of the Extraordinary General Meeting of Shareholders No. 1/2024 are as follows:

- (1) PILGRIM, who is the seller under the Share Purchase Transaction, holds 170,269,978 shares in the Company, representing 29.36 percent of the total issued shares of the Company;
- (2) Blue Whale with MS acting as a custodian, who is the seller under the Share Purchase Transaction, holds 40,191,611 shares in the Company, representing 6.93 percent of the total issued shares of the Company;
- (3) Ms. Chayuda Jiaravanon, who is the major shareholder of Blue Whale, holds 9,500,000 shares in the Company, representing 1.64 percent of the total issued shares of the Company; and
- (4) Mr. Chaval Jiaravanon, who is the major shareholder of Blue Whale, holds 9,500,000 shares in the Company, representing 1.64 percent of the total issued shares of the Company.

8. Opinion of the Board of Directors regarding the Issuance and Offering of Newly Issued Ordinary Shares Transaction

8.1 Reason and Necessity of Capital Increase

8.1.1 Private Placement Transaction

The Board of Directors is of the opinion that the Company's group is in the process of entering the digital transformation process, which is a process of changing from the traditional work system towards working through a full digital system. Therefore, a large amount of investment funds is required not only for the technology, but also for the training, developing, and strengthening the skills (upskill and re-skill) of personnel to be ready to support such change. Such investment is thus a key factor towards the success in increasing the competitive potential and capabilities as well as the business development of the Company's group to be able to grow steadily and sustainably. Therefore, the issuance and offering of the newly issued ordinary shares to the Investors will allow the Company to receive the funds to be used for investment according to the said plan of the Company which would partially reduce the additional investment burden from the existing shareholders. Moreover, the Board of Directors has carefully considered the matter and viewed that the Investors, in which their shares are directly and indirectly held by Gortune HK which is a company within Gortune's group, are potential investors. The potential of Gortune should help support and develop various businesses of the Company's group to develop and grow sustainably. In addition, the offering of the newly issued ordinary shares by way of private placement will help reduce the time required to raise funds and reduce the financial burden on the Company as compared to the borrowing of money from commercial banks.

8.1.2 Rights Offering Transaction

The Board of Directors is of the view that even though the Company has already issued and offered a certain number of PP shares to the Investors, it is still insufficient according to the Company's strategic plan. Therefore, the increase of capital by offering shares to existing shareholders is required as it will help strengthen the Company's capital structure and shorten the time required to raise funds and reduce the Company's financial burden as compared to the borrowing of money from commercial banks, in the same manner as the Private Placement Transaction.

8.2 Feasibility of the Plan for Use of Proceeds

The Board of Directors is of the opinion that the Company will use the money received from the offering of the newly issued ordinary shares of the Company for the purpose of issuing the newly issued ordinary shares and the plan for use of proceeds as detailed in item no. 4. above.

8.3 Reasonableness of the Capital Increase

8.3.1 Private Placement Transaction

The Board of Directors is of the opinion that this capital increase and the offering of the newly issued ordinary shares to the investors are reasonable and will create the utmost benefits to the Company as the Company is in need of raising funds for the purpose of entering the digital transformation process which the Company's group aim for a business model transformation which is not only a change in the work process, but also a change in the business model. Therefore, the Issuance and Offering of Newly Issued Ordinary Shares Transaction will provide the Company with the required amount of capital in line with the strategic plan. In addition, the Company would also benefit from the business collaboration from Gortune which is the indirect shareholder of the Investors, which will help stabilize and strengthen the business operations of the Company's group going forward. This is because at present, the leading securities companies in China in which Gortune is indirectly investing have already gone through a period of digital transformation. Such experience from the Investors and Gortune will help push the Company's group to be able to adapt to new business changes (Mega trends) rapidly and effectively.

8.3.2 Rights Offering Transaction

The Board of Directors is of the opinion that this capital increase is reasonable and will create the utmost benefits to the Company for the reasons and necessities stated above. The Issuance and Offering of Newly Issued Ordinary Shares Transaction will provide the Company with the required amount of capital in line with the funding plan and business expansion and improvement plan as strategically planned. The newly issued ordinary shares will be allocated to every shareholder of the Company in proportion to each of their shareholding.

8.4 Potential impacts on the Company's Business, Financial Position, and Operating Results as a Result of the Capital Increase and Implementation of Plan for Use of Proceeds

The Board of Directors is of the opinion that this capital increase would be beneficial to the business operations of the

Company's group as it will strengthen and stabilize the Company's financial position, reduce the Company's debt to equity ratio from 1.43 times at present to 0.60 times after the Company's capital increase (calculated based on the Company's consolidated financial statements which has been reviewed by a certified public accountant for the accounting period ending 30 September 2023, under the assumption that the Company has its paid-up registered capital from the offering of the newly issued ordinary shares in the full amount), allowing the Company to repay debts to FSS. FSS may then use the proceeds received to repay debt instruments which are nearly due. This will cause FSS's debt-to-equity ratio to decrease from 1.41 times at present to 1.16 times (calculated using information from FSS's audited financial statements which has been reviewed by a certified public accountant for the accounting period ending 30 September 2023). Furthermore, it would enhance the financial liquidity of the Company. This will help strengthen and stabilize the Company's financial structure and allow the Company to implement its strategic plan and expand its investment in various businesses, which will provide the Company with the opportunities to receive more returns from investment or business expansion. As a result, the operations of the Company are likely to grow in the future. In case such fundraising is not successful, the Company may lose important business opportunities to generate long-term income and returns.

However, in the case where the Company is unable to increase capital from the issuance and offering of the newly issued ordinary shares of the Company through private placement to the Investors and the issuance and offering of the newly issued ordinary shares of the Company to the Company's existing shareholders through rights offering in the full amount, the Company may need to reconsider its strategic plan and business expansion and investment plan to be in line with the financial condition and capital of the Company. Alternatively, the Company may consider seeking other sources of funds, e.g., issuance of other financial instruments to enable the Company to operate in accordance with the business plan which may be delayed from planned.

8.5 Reasonableness of the Offering Price of the Newly Issued Ordinary Shares under the Private Placement Transaction

The Board of Directors of the Company is of the opinion that the price of the newly issued ordinary shares offered to the Investors under the Private Placement Transaction is appropriate, given the price is not considered an offer of newly issued shares at a price lower than 90 percent of the weighted average price of the Company's shares which is equal to THB 2.30 (as detailed in item no. 3.3). Such offering price is an appropriate price which would allow the Company to source funds in the required amount under the current economic and capital market conditions, considering the Investors have a stable financial position and the potential to invest in the Company, with knowledge, ability, experience, or potential from the businesses already invested in China, which can support the business of the Company's group.

However, Gortune HK, one of the Investors, will enter into the Share Purchase Transaction at the price of 2.50 baht per share. This price is the result of negotiations between the contracting parties, namely PILGRIM and Blue Whale (as the seller), and Gortune HK (as the purchaser).

8.6 Basis for the Determination of the Offering Price under the Private Placement Transaction

The offering price is derived from the negotiations and mutual agreement between the Company and the Investors based on the pricing criteria set out in item no. 3.2.

8.7 Reasonableness of the Private Placement Transaction when Compared to the Entering into a Transaction with an Independent Third Party

The Board of Directors is of the opinion that the offering of the newly issued ordinary shares to the Investors is reasonable as compared to the entering into such transaction with an independent third party, given the Investors is in Gortune's company group which invested in the leading securities company in China which is the same as the main business of the Company. Therefore, the Company views that the Investors and Gortune will help promote and/or develop the potential of the Company in expanding its customer base, especially Chinese customers, and pass on the technology which is an important factor that will contribute to the sustainable success and growth of the Company's group.

In addition, the said share offering will help stabilize the Company's financial position. Also, the offering price of the newly issued ordinary shares is not a low offering price according to the PP Notification. The Board of Directors has therefore considered and opined that such action is beneficial to the Company and fair to the shareholders of the Company.

9. Certification of the Company's Directors

In the case where the directors of the Company fail to perform their duties in compliance with the applicable laws, objectives, the Articles of Association of the Company, and the resolutions of the shareholders' meeting, with honesty and due care in protecting the interests of the Company relating to the capital increase by the action or refraining from action which is a failure to perform such duties and causing damage to the Company, the Company can claim compensation from such director(s). However, if the Company does not claim such compensation, the shareholder(s) holding shares collectively not less than 5 percent of the total issued shares may notify the Company to make such claim. If the Company does not proceed as notified by the shareholder(s), such shareholder(s) may file a lawsuit to claim damages from the said director(s) on behalf of the Company according to Section 85 of the Public Limited Companies Act B.E. 2535 (1992) (as amended). In addition, if the action or refraining from any action by the director(s) is a failure to perform duties in accordance with the applicable laws, objectives, the Articles of Association of the Company, and the resolutions of the shareholders' meeting with honesty and due care in protecting the interests of the Company relating to the capital increase, the director(s) shall be responsible for returning such benefits to the Company, or the shareholder(s) who hold the shares with the voting rights of collectively not less than 5 percent of the total number of voting rights may request the Company to demand such benefits. If the Company fails to take action as requested by the shareholder(s) within 1 month from the date of the request, such shareholder(s) may exercise their rights to file a lawsuit to recover the benefits from such director(s) on behalf of the Company according to Section 89/18 of the Securities and Exchange Act B.E. 2535 (1992) (as amended).

10. Opinion of the Audit Committee and/or the Director Which is Different from the Board of Directors' Opinion

- None -