

Annual Report 2016

Mida Leasing Public Company Limited

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Financial Summary

(Unit: THB in Million)

	2014	2015	2016
Assets			
Total assets	2,689.53	2,947.81	3,492.96
Hire-purchase receivables - Net	2,428.33	2,475.63	2,569.16
Liabilities and shareholders' equity			
Total liabilities	1,221.54	1,381.84	1,839.74
Total shareholders' equity	1,467.99	1,565.97	1,653.22
Performance			
Total revenue	486.32	513.30	545.77
Hire-purchase Income	410.60	421.53	413.49
Total expenses	375.65	384.76	397.55
Net profit	87.20	102.87	118.22
Profitability ratio			
Interest income** (%)	13.09%	12.71%	11.69%
Interest expense (%)	6.46%	5.22%	4.78%
Interest spread (%)	6.63%	7.49%	6.90%
Net profit (%)	17.93%	20.04%	21.66%
Earning per share (THB/share)	0.10	0.11	0.12
Return on Equity (%)	6.11%	6.78%	7.34%
Efficiency ratio			
Return on asset (%)	3.26%	3.65%	3.67%
Asset turnover	0.18	0.18	0.17
Financial policy ratio			
Debt to equity ratio (times)	0.83	0.88	1.11
Loan to borrowing ratio	2.75	2.77	2.38
Dividend payment ratio (Baht)	0.56	0.30	0.50
Doubtful account to total loan ratio (%)	1.78%	1.94%	2.49%

Remark** Interest income (%) is calculated by dividing interest income receivable by average Net Hire - purchase receivables.

Message from President

Over the past year 2016 Thailand was faced with the volatility of the economy both inside and outside the country which accumulated from the year 2015. Overall growth trend of the economy 2016, GDP growth rate is at 3.1% and on the part of the government's budget is spent relatively slower than it should be. And the most tragic news in our lifetime for all Thai people, the death of our beloved King Bhumibol Adulyadej who passed away on 13th October 2016, losing the heart of the nation who we love unconditionally and wholeheartedly.

From the events of the economy is not expanding. And the death of our beloved King Bhumibol Adulyadej (King Rama IV) of our Thai people which has had a relatively large impact on domestic economy flimsy already down. The consumption of the population was reduced dramatically. Overall, the impact would affect the business of the Company, inevitably. The domestic car market; however, it's likely to grow down from selling new cars in recent years, the number of 799,594 units in 2015 remaining only 768,788 cars in the year 2016. And the market for used cars, which is the main market of the company, it is in line with the decline in the new car market. However, The Company was trying to expand the financial services to the target groups of car exchange and logistics sector with a growth rate that is currently available. In addition, the SME loan volume has increased. As a result of the overall company's net profit, rose to 118.22 million baht from 102.87 million baht in 2015 (up to 14.92%).

Upcoming the year 2017, by the company's forecast, it is anticipated that economic trends will expand better than 2016 year past. And we have received the benefits from public investment. Therefore, I and the Board of Directors, as well as executives and employees will try to recapture the entirely dedicated to create a better financial performance in the year 2017, to build confidence of shareholders and investors for their trust throughout the company. And to engage in business with good governance Transparent policies in the future.



Mr. Wisood leosivikul

President

Type and Nature of Business

1. Business Overview

Mida Leasing Public Company Limited is in the business of leasing service focuses mainly on second-hand vehicles (both personal vehicle and pickup trucks) that are of highly marketable brands and models, such as Toyota, Isuzu, Nissan, Mitsubishi, and Honda. As of 31 December 2016, the company's hire-purchase lending portfolio comprises of personal cars and pick-up trucks in the proportion of 8.34% and 91.66%, respectively. The Company provides the services in Bangkok and other provinces through its 17 branches with cover servicing areas in 74 provinces all over Thailand.

The Company has increased the hire-purchase lending portfolio by providing hire-purchase services to new vehicles and taxi-meters and to taxi-meters operators to increase sales of the Company. In addition, the Company provides hire-purchase lending services under the "Floor Plan Loan Scheme" to second-hand car dealers as their working capital. This thus creates good business relationships with those operators, and establishes potential hire-purchase loan customer based. Moreover, the Company provides re-finance services for all types of automobiles. Customers who are in need of money can request for re-finance credit with the Company and must clearly specify the usage of the loan.

In addition to the aforementioned services, the Company provides after-sales services, which consist of the renewal of vehicle registration, car insurance policy, and third-party car insurance. These service offerings not only provide convenience to the customers and also a source of revenues of the Company.

The Company concentrates its current and future operation in providing hire-purchase loan for second-hand vehicles (all types of vehicles such as personal cars and all types of truck exclude of motorcycles). However, Mida Assets Public Company Limited, as major shareholders of the Company, will determine the future policy and the scope of business operation between itself. This is to ensure that each company will not conduct business in conflict or directly competing with one another but will operate business that will provide synergy to one another.

2. Revenue Structure

Revenue Structure of the company according to the financial statement as of 2014– 2016

Revenue	2014		2015		2016	
	Million THB	%	Million THB	%	Million THB	%
New Contracted Hire-purchase Portfolio	1,874.14		1,844.14		1,859.81	
Hire –Purchase Receivables	1,236.80		1,211.68		1,256.86	
1. Revenue from Hire-purchase						
Personal vehicles	20.51	4.22	18.59	3.62	21.04	3.86
Pick up trucks	390.09	80.21	402.94	78.50	392.45	71.90
Total Revenue from Hire-purchase	410.60	84.43	421.53	82.12	413.49	75.76
2. Other Revenue						
- Interest income	4.93	1.01	6.24	1.21	14.63	2.68
- Car transfer registration	12.76	2.62	12.95	2.52	12.65	2.32
- Commission from auto insurance	12.70	2.61	15.25	2.97	16.84	3.09
- Penalty & Late Payment Fees	15.35	3.16	18.09	3.53	19.28	3.53
- Bad debt recovery	6.56	1.35	7.62	1.49	6.48	1.19
- Operation fee income	5.20	1.07	6.71	1.31	12.07	2.21
- Debt collection income	6.24	1.28	6.32	1.23	5.51	1.01
- Seized car transferred income	3.03	0.62	4.58	0.89	3.97	0.73
- Gain on sale of investment in securities	-	-	0.58	0.11	20.05	3.67
- Others	8.96	1.85	13.42	2.62	20.79	3.81
Total other revenue	75.72	15.57	91.77	17.88	132.28	24.24
Total revenue	486.32	100.00	513.30	100.00	545.77	100.00

Revenue classification by vehicle type of the Company

Revenue from Hire – purchase	2014		2015		2016	
	Million THB	%	Million THB	%	Million THB	%
- New car	7.63	1.86	7.27	1.73	6.77	1.64
- Second hand car	402.97	98.14	414.26	98.27	406.72	98.36
Total revenue from Hire – purchase	410.60	100.00	421.53	100.00	413.49	100.00

3. Business Operation of Each Product Line

Nature of services

1. The company operates business of offering four main types loan services as follows:

- 1) Automobile Hire-purchase Service.
- 2) Working Capital Loan for Second-hand Car dealer ('Floor Plan Loan').

3) Re-financing services for all types of automobiles.

4) Additional Services such as renewal of Annual Vehicle Duty, transfer of car registration, car insurance policy, and third-party car insurance.

2. The company operates business of managing non-performing debt

Major source of income of the Company is from automobile hire-purchase service, which account approximately from 75.76% to 84.43% of total revenue from 2014 until present.

4. Market Situation & Competition

The year 2016, Thailand has total sales of new cars 768,788 units compared from year 2015 is found to have a reduced growth rate 3.90%. The market for commercial vehicles have reduced sales 2.30% and passenger car (sedans) 6.50% decreases in sales. Considering the above, it was found that sales for the overall automotive industry continue to be affected by the economic downturn. Although there are positive factors both from the disbursement of investment capital from the government to push and promote private investment. As well as purchasing power, some of which occurred prior to that will be the restructuring of excise tax on January 1 for the new car sales-car 2559 new year 2016 details are as follows.

Car sales data (separated by type): year 2016

	Sales 2015 (no. of cars)	Sales 2016 (no. of cars)	% Change (comparing to 2015)
Personal cars	299,067	279,827	-6.50%
Commercial cars	500,527	488,961	-2.30%
Pick-up truck 1 ton (Include personalized pick-up)	396,898	394,127	-0.70%
Pick-up truck 1 ton (Exclude personalized pick-up)	327,835	333,447	+1.70%
Total quantity sales	799,594	768,788	-3.90%

For the used car market in recent years found that the direction prices start signal recovery since the end of the year 2015. This can be noticed from the operator, second-hand car trading second-hand car started to increase. In 2016, used car sales total 1.37 million vehicles per year. In the year 2017 is expected to have a car trading increased to 1.50 million vehicles per year. As a result of price trends of used car with a recovery back to normal. In addition, operators have used cars promotion in conjunction with the financial institutions that provide auto loan. Offering special offers to encourage and stimulate the market and induce purchasing. This will result in a second-hand car sales are anticipated that to increase the used cars market will increase by 5-10% compared with the previous year.

According to the second hand car market began to recover, sales volume and turnover increased. Second hand car market in 2559 has grown by 5-10% at 1.31-1.37 million vehicles from 1.25 million vehicles in 2015. The year 2017, then, second-hand car market began to recover up that as an opportunity to the company will more penetrate the credit-car. The company will take advantage of the tent, car or used car operators nationwide coverage by developing standards and sales channels, to increase customer access.

Part of the company's business direction in the year 2017, auto financing, the company will closely work in conjunction with the second hand car tent partner, major-minor. In which company has more than 2000 lists of tent entrepreneurs. While the credit market like MIDA OK and MAFC, these financial products and services offer to customer directly (Direct Marketing). The company continues to focus on such target not less than 30% of total new lending in the year 2017.

In addition, the company plans to expand its business strategy around. The diversification of new business and cracking the business stronger. This marks the diversification of revenues and reduces the volatility of the sector, which provides auto loans.

In the past year 2016, the company has expanded its operations into "Business Property Management" and "Business NANO Finance". The earnings outlook in 2017 will thrive. It is because the Company's Floor Plan loans for working capital to entrepreneurs' tent cars increased.

Analysis of Financial Position and Operating Performance

Operating Performance

Mida Leasing Public Company Limited is in the business of providing hire-purchase credit facilities for both new and used cars but mainly focusing on the used car sector. The Company first began business with its first office in Bangkok in 2000 and began its expansion. Currently, the Company has 17 branches (included head office).

Revenue

For the fiscal year 2016 the Company had revenue of Baht 545.77 million, increased from year 2015 at Baht 513.30 million, or increasing rate 6.32%. As a result of the increased from facilities extended for Floor Plan and gain on sale of investments in securities.

	2014		2015		2016	
	Million THB	%	Million THB	%	Million THB	%
Hire Purchase Receivables	1,236.80	4.54	1,211.68	(2.03)	1,256.86	3.73
Hire Purchase Income	410.60	1.27	421.53	2.66	413.49	(2.01)

The Company had increased the size of its lending portfolio by 3.73% in 2016 which effected to portfolio decreased and hire-purchase interest income increased. Interest revenue decreased from Baht 421.53 million in 2015 to Baht 413.49 million in 2016, or 2.01% increase. Moreover, the interest revenue generated in 2016 includes those from leasing facilities provided since 2012 – 2015 and some from facilities extended in 2016.

As for other revenue, including commissions earned from insurance policies, penalty fees, revenue from facilities extended for Floor Plan, and etc in fiscal year 2016, total revenue amounted to Baht 132.28 million, an increased from Baht 91.77 million in fiscal year 2015 or equivalent to 44.14% increased. As a result of the increased revenue from facilities extended for Floor Plan, gain on sale of investments in securities and brokerage income.

Expenses

In fiscal year 2016, the Company had operating expenses in Baht 397.55 million, increased from Baht 384.76 million in fiscal year 2015. The Company's expenses consist of 3 parts, including of selling and administrative expenses, bad debts and doubtful accounts and finance cost. The details of the expenses are outlined below:

- The Company had selling and administrative expenses for fiscal year 2016 in the amount of Baht 275.64 million, decreased from the year 2015 of Baht 276.18 million
- The Company had bad debt and doubtful accounts for the fiscal year 2016 in the amount of Baht 50.88 million, decreased from the year 2015 which was Baht 46.21 million due to better debt collection management compared to year 2015.

- The Company had finance cost for the fiscal year 2016 in the amount of Baht 71.03 million, increased from Baht 62.37 million for fiscal year 2015 of Baht 8.66 million due to the company issued new debenture amount of Baht 1,070 million in 2016, debentures maturing Baht 600 million, compared with the year 2015 that the Company has issued debentures of Baht 600 million

Net profit

The Company had net profit after tax of Baht 118.22 million for the fiscal year 2016, increased from Baht 102.87 million in fiscal year 2015, or by 14.92% due to increase interest income and other income .

Dividend payment Policy

The Company's dividend payment policy is not less than 30% of net profit after tax of each year. Nevertheless, the Company also considered the dividend payment with other factors, such as operating performance, financial status, liquidity, company's expansion or other factors, which are relevant to the company's operation.

Financial Position

Total Assets

As of years 2016 and 2015, the total assets of the company amounted to Baht 3,492.96 million increased by Baht 545.15 million from the year 2015 which is Baht 2,947.81 million; as a result of the growth of the loan portfolio due to the expansion of the business, discounting and its non-performing loans. The investments in accounts receivable in the amount of 180.00 million baht

The quality of the debtors and appropriateness of the doubtful accounts.

Hire purchase receivables are stated at the outstanding balances less unearned hire purchase interest income and allowance for doubtful accounts. Allowance for doubtful accounts is provided for the estimated collection losses that may incur in collection of receivables. The allowance is based on collection experience and current financial status of receivables outstanding at the balance sheet date. For fiscal years 2015 to 2016, the Company had provisioned 1.94%, and 2.49%, respectively; which is a result of allowance for doubtful account.

In any event, after careful consideration and analysis, the Company strongly believes that it has a strong potential to collect on all accounts and that the provisions made are sufficient.

Total liabilities

For fiscal year 2016, the Company had total liabilities of Baht 1,839.74 million increased from Baht 1,381.84 million in fiscal year 2015, or a 33.14%. The increasing of liabilities in 2016 due to the issuance of debenture amount of Baht 1,070 million, and debentures maturing Baht 600 million, compared with the year 2015 that the Company has issued debentures of Baht 600 million

Shareholders' equity

In fiscal year 2016, the Company had a Shareholders' Equity of Baht 1,653.22 million, increased from Baht 1,565.97 million in fiscal year 2015, or by 5.57% due to the profit of the Company's operating result.

Liquidity and investment structure

In fiscal year 2016 and 2015 the Company had a Debt-to-Equity ratio of 1.11 and 0.88 respectively. The increasing of debt to equity ratio due to the issuance of debenture.

Structure and source of fund in 2016 and 2015

	2015		2016	
	Million THB	%	Million THB	%
Shareholders' equity	1,565.97	55.13	1,653.22	49.37
Short - term loan	39.82	1.40	-	-
Long-term loan				
- Current portion	6.87	0.24	5.77	0.17
- Long-term loan	30.53	1.08	22.09	0.66
Debentures	1,197.33	42.15	1,667.77	49.80
Total loan	1,274.55	44.87	1,695.63	50.63
Total	2,840.52	100.00	3,348.85	100.00

As at 31 December 2016, the Company had installment receivables in the amount of Baht 3,375.78 million which divided into portion as follows:

(In Million Thai Baht)

Current Portion of Hire purchase receivables (due within one year)	1,377.11
Long-term Portion of Hire purchase receivables (due over one year)	1,998.67

The current portion of the long-term outstanding loans as at ended of year 2016 was Baht 1,695.63 million while interest receivables for year 2017 is equivalent to Baht 5.77 million and debentures Baht 599.68 million . Therefore, there is sufficient liquidity from future cash flow to cover the outstanding debt due.

Main factors and influence which may affect the future operational performance and financial position

Effects from Interest rates

Hire purchase business generates revenue from the spread between interest receipt and interest expense. Changes in the prevailing hire purchase market rate and interest rate charged by financial institution affect the operations of the company.

The company as a matter of policy shall mitigate risk arising from interest rate volatility by sourcing fixed rate funding with low rate of interest rate.

Effects from expanding branches to outside Bangkok

The Company management has policy to expand leasing portfolio to outside Bangkok increasingly due to the competition is lower than in Bangkok and a few of other entrepreneurs. The Company can increase continually customer base in outside city and reach new customers. However, the competitive situation may become strongly if indirect competitors would increase do leasing services for second hand cars in the province.

Business Goals

The automobile market in 2016, new car sales at 768,788 units, growth rate of -3.90% declines due to the economic slowdown, resulting in overall purchasing power is relatively limited. Including economic fluctuations result the business sector and households be cautious about spending and investing. Even though there is buying accelerated in late last year before restructuring of automobile excise tax year 2016.

Due to aforesaid situation, Thailand's total year accumulated car sales totaled 768,788 units in 2016, a decline of 3.90% by commercial-vehicle deliveries slipped 6.50% and the car market dropped 2.30%.

Sales of new cars in the last 3 years.

	Year 2014	Year 2015	Year 2016	Increase / (Decrease)%.
Car sales	881,832	799,594	768,788	-3.90%

The company has policy to focus on pickups for the used car hire purchase loan which the customer groups are mostly farmers or entrepreneurs who use the cars in the agricultural sector. For the new car hire purchase loan, the company has focus on taxi meter which the customer groups are mostly entrepreneur of taxis Rental Company. The type of aforesaid cars will be slightly impact by the first-car policy and the company's used cars are almost in the age more than 10 years which have good liquidity and low volatility.

The company's business target in 2017 stills focuses on continuing the current policy with the goal to expand the business bases together with quality customers in order not to affect any risks. The company will increase its lending ratio in respect of direct car loan (Direct Marketing), i.e. no selling via car dealers, in the proportion of at least 30% for both hire purchase and cash for debt-free car owners under the following Loan Projects.

1. "MIDA OK" as a cash loan to existing customers who have good repayment records by providing a "ONE STOP SERVICES" through introduction from staff; or customers who is still under the loan obligation with the company and needs a credit limit. They are eligible and need not do any transfer of the registration document.

2. "MIDA AUTO FOR CASH" – a car hire purchase loan and cash loan and cash loan to second-handed cars through direct recommendation by the company employees.

3. "MIDA TAXI METER" – hire purchase loan to public taxi meter, i.e. "Yellow green" private taxi and "Yellow" cars in the form of Mida Leasing Plc. to individuals who want to have a taxi of their own.

4. "MIDA EASY LOAN" or "Floating Transfer" under the Concept "Easy money - No transfer" is a loan which targets on the SME entrepreneurs and owner of debt-free vehicles. Highlight of this kind of loan is as follows.

4.1 No transfer of car registration.

4.2 No VAT as is treated as a loan, not a lease.

4.3 Customers having a good payment history and can check the credit bureau.

5. Commercial truck loans Project: The project targets on SME entrepreneurs group who need working capital to enhance liquidity to their business, as well as customers who want to have trucks to use in the business.

6. NANO FINANCE concept to extend money to grass-roots people, or those who don't have access to capital.

The Company plans to add products to provide loans as "Credit sale on consignment" by the customer as a consignment seller made a contract with the Company as a consignment purchaser. The rights of collateral shall belong to the buyer's immediately upon registration of the sale. The consignment seller will received the right back when released the collateral within the period defined in contract. If the consignment seller do not proceed to release the collateral within released period, the ownership of the collateral shall completely belong to consignment purchaser or consignment seller fail to pay debt during a defined period, the Company has right to possession immediately without going through the process of litigation.

Risk Factors

Risk factors that may occur and affect the operation performance of the Company from providing automobile hire-purchase leasing are as follows:

Risk from leasing second hand cars

Hire-purchased service for second hand cars faces risk in term of the quality of the debtors and the quality of the cars used as collateral. However, the return from second hand car hire-purchase service is higher than that of new car. As of the 31 December 2016, the proportion of hire-purchased service revenues from second cars and from new cars was 98.36%: 1.64% respectively.

Risk from Non-performing loans (NPL)

The company had expanded new branches to cover other provinces outside of Bangkok over the past year. Presently the Company has 17 branches covering 74 provinces. This expansion had resulted in a rapid growth of hire-purchase loans. The new clients in this auto hire-purchase loan service may not be able to service their debt after certain period. However, the company had strong policy for approved hire purchase loan result to deduct risk from non-performing loans.

Risk from sale assets foreclose

When a client defaults payment or payments not taken unpaid accumulated since 3 consecutive periods. The company will terminate the contract and take the car back. The car taken will be sold by auction method. In which the company will use the time average of once a month. The Company will use the proceeds from the auction, auto debt outstanding. If the proceeds from the sale of cars seized not enough to pay the debt. The company also claims the absence from the debtor and the guarantor. From the company's car auctions in the past year 2016, showed a net loss decreased from the year 2015 at the rate of 20.99 which is the result of second-hand cars with the rebound from the lowest point since mid of 2015 and in 2016. Second hand car sales rates have been rising continuously. The operator tent used car from a car auction to keep rising in stock. However, expect prices of used cars becoming more dynamic in 2017, which include a combination of several factors.

1) New car is expensive. Affect the behavior of the customers buying a second hand car increases steadily.

2) Used car prices that some groups have shifted from increasing the excise tax structure, especially in the midsize car segment. On mutual effects on credit port, which makes purchasers certain popular large vehicles but limited buying power may turn to buying a used car instead.

3) Many used-car entrepreneurs have banded together to create a standard warranty to build credibility. As well as cooperation with financial institutions for the sale promotion, reducing interest rates. Increase the amount of the loan to some car models or customers with a good history with financial institutions.

Risk from marketing and competition

The demand for car tends to slowdown as a result of the first car policy that the buyer must intend to keep the car in possession for not less than 5 years and household and agricultural problem.

The Company has granted loans through 2,000 partners besides, the Company has emphasized to extend the customer trough DIRECT MARKETING because the

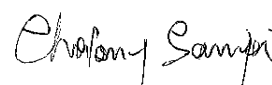
Company can screen quality to decrease risk and develop the product to meet customer needs. More over ,the Company has develop the service channel through the WEBSITE company and SOCIAL MEDIA as accommodation for the customers.

Report from the Audit Committee

The Audit Committee of the Company consists of three independent directors who have all qualifications determined by the Stock Exchange of Thailand, to perform duties and responsibilities in accordance with the rules and regulations of the Stock Exchange Commission and the Stock Exchange of Thailand. The Audit Committee reports directly to the Board of Directors of the Company. During the fiscal year 2016, the Audit Committee held 4 meetings to examine the following issues (every audit committee members attended every meeting).

- 1) Review and provide opinions on the quarterly financial statement and annual financial statement of the Company with auditors, accounting and finance department, and internal audit department prior to presenting those financial statement to the Board of Director
- 2) Review the internal control plan of 2016 of the internal audit department and recommend the set up of detailed manual of audit committee to ensure the effectiveness of the internal control system and monitor the control to be in accordance with the plan.
- 3) Review and examine the Company to perform by laws, government rules, and the Company's regulations.
- 4) Review the regulations of Related Transaction and disclosure of the information in accordance with the rules and regulations of the Stock Exchange of Thailand.

The Audit Committee gives an opinion that in 2016, the Company has an adequate corporate governance and internal control system. The preparation of and the disclosure in the financial statement are accurate and in compliance with the generally accepted accounting principles, in which the Audit Committee had reported the performance to the Board of Directors of the Company.



Pol.Lt.Gen. Chalongsamjai

Audit Committee Chairman

**Grant Thornton****INDEPENDENT AUDITOR'S REPORT**

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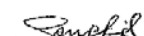
To the Shareholders of Mida Leasing Public Company Limited*Opinion*

I have audited the consolidated financial statements of Mida Leasing Public Company Limited and its subsidiaries (the "Group"), which comprise the consolidated statement of financial position as at 31 December 2016, and the consolidated statements of profit and loss and other comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies. I have also audited the separate financial statements of Mida Leasing Public Company Limited (the "Company"), which comprise the separate statement of financial position as at 31 December 2016, and the separate statements of profit and loss and other comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the separate financial statements, including a summary of significant accounting policies.

In my opinion, the consolidated and separate financial statements referred to above present fairly, in all material respects, the consolidated financial position of the Group as at 31 December 2016, and consolidated financial performance and cash flows for the year then ended, and present fairly the separate financial position as at 31 December 2016, and separate financial performance and cash flows for the year then ended, in accordance with Thai Financial Reporting Standards.

Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Group in accordance with the Federation of Accounting Professions' *Code of Ethics for Professional Accountants* that is relevant to my audit of the consolidated and separate financial statements, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.



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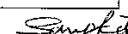


Key Audit Matters

Key audit matters are those matters that, in my professional judgment, were of most significance in my audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of my audit of the consolidated and separate financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

The Key audit matters based on my judgement, and summary of my audit procedures in response to each key audit matter are as follow:

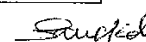
The key audit matter	Summary of responding audit procedures
<p>Allowance for doubtful accounts receivable - hire purchases</p> <p>As disclosed in note 3 to financial statements and significant accounting policies, the estimation of allowance for doubtful accounts receivable – hire purchases was based on the estimated possible losses from non-collection of receivables, from consideration of the status of outstanding receivables and various assumptions. The management is required to exercise considerable judgment in determining the assumptions to be used in estimating allowances for losses that are expected to incur should the group not be able to collect money from debtors, and determining the timing of the recognition of such allowances. Furthermore, the estimation of allowance for doubtful accounts is significant because, the Group had balance of receivables - hire purchases of Baht 2,569 million as at 31 December 2016 with allowance for doubtful accounts of Baht 90 million (the net amount represent 73 percent of total assets).</p>	<p>I made an understanding of the internal control relevant to the recording of transactions, collection of debts and receipt of payment from debtors, and the procedures for the estimation of the allowance for doubtful accounts by making enquiry of the responsible executives, gaining an understanding of the control and selecting representative samples to test the operation of the designed control. I assessed the method applied by the Group in calculating the allowance for doubtful accounts by reviewing the credibility of key information to its sources, performing comparative analysis of the assumptions that the management used and the historical and outsourced data. In addition, I evaluated the consistency of the application of assumptions, sample tested the completeness and correctness of the data used in the calculation of the allowance for doubtful accounts, and tested, on a sampling basis, the aging of outstanding debts and the calculation of allowance for doubtful accounts.</p>



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The key audit matter	Summary of responding audit procedures
<p>Revenue recognition – Financial service income on hire - purchase</p> <p>The Group policy for the recognition of interest income on Hire-Purchase business is disclosed in note 3 to financial statements, whereby the group has financial service income on hire-purchase contracts of Baht 413 million (representing 75 percent of total consolidated revenue) in 2016 which represents a major core business of the Group. Financial service income on hire-purchase was derived from hire-purchase agreements with a large number of customers, most of whom are retail customers, and recognition is reliant on data processing by information technology systems. I therefore has to emphasize on that the financial service income on hire-purchase business was made with fair amounts in the proper period.</p> <p>Revenues recognition on investments in accounts receivable</p> <p>The Group has a policy to recognize revenue from investment in Account Receivable as disclosed in note 12 to financial statements whereby the management is required to exercise considerable judgment in the determination of discounted cash flows from the collection of debts in the future for investment in accounts receivable with an outstanding amount of Baht 201 million as at 31 December 2016. I therefore have to put emphasis on the examination of income recognition as the hire-purchase loans are made up with variable small customers which income recognition is based on effective interest rates from budgeted collection periods that may cause the risk on the correctness of income recognition.</p>	<p>I assessed and tested the Group's computer - based controls and its internal controls related to the loan granting, loan instalment collection and financial service income on hire-purchase recognition processes by making enquiry of responsible executives, obtained an understanding of the controls and selecting representative samples to test the operation of the designed controls. In addition, I applied a sampling method to select hire-purchase agreements to assess whether the recording of hire purchase receivable and the revenue recognition were consistent with the conditions of the relevant agreements and were in compliance with the Group's policy. In addition, I performed analytical procedures on the recognition of financial service income on hire-purchase throughout the year, the cessation of interest income recognition and applied a sampling method for accounting entries related to financial service income on hire-purchase recognition that were made through journal vouchers.</p> <p>I examined the revenues recognition on investments in accounts receivable by testing the budgeted discounted cash flows from collections of purchased receivables and the determination of the effective interest rates for income recognition on a sampling basis. Determined whether the applied absis conform to the Group's income recognition policy or not. I also verified documents supporting collection for each period on a test basis comparing with schedule of pre-determined table of collection for adjustment of income recognition. In addition, I performed analytical procedures on revenue from collection by considering the rate of actual cash flows from collection comparing with estimated cash flows to determine unusual transaction that may occur during the period.</p>



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Other Information

Management is responsible for the other information comprises the information included in the annual report, but does not include the consolidated and separate financial statements and my auditor's report thereon. The annual report is expected to be made available for my review after the date of this auditor's report.

My opinion on the consolidated and separate financial statements does not cover the other information and I will not express any form of assurance conclusion thereon.

In connection with my audit of the consolidated and separate financial statements, my responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

When I read the annual report, if I conclude that there is a material misstatement therein, I am required to request management and those charged with governance of the Company to correct the material misstatement.

Responsibilities of Management and Those Charged with Governance for the preparation of Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with Thai Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance of the Company are responsible for overseeing the Group's financial reporting process.





Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Thai Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

As part of an audit in accordance with Thai Standards on Auditing, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.



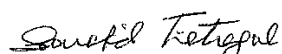


- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

I communicate with those charged with governance of the Company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide those charged with governance of the Company with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



Mr. Somckid Tiatragul

Certified Public Accountant

Registration No. 2785

Bangkok

28 February 2017

MIDA LEASING PUBLIC COMPANY LIMITED AND SUBSIDIARY
STATEMENTS OF FINANCIAL POSITION

(Unit : Baht)

		Consolidated F/S		Separate F/S	
	Notes	31 December 2016	31 December 2015	31 December 2016	31 December 2015
ASSETS					
CURRENT ASSETS					
Cash and cash equivalents	5	96,169,209	36,256,561	96,158,862	35,978,399
Investments in trading security	6, 31	84,846,868	90,655,740	84,846,868	90,655,740
Current portion of hire - purchases receivable	7	964,142,027	937,599,149	964,142,027	937,599,149
Other receivables - general customers - net		96,073,817	24,913,105	96,073,817	24,913,105
- related company	8	214,000	214,000	215,725	314,000
Short - term loan to parent company					
and interest receivable	8	-	48,933,387	161,635,192	48,933,387
Current portion of loans to other parties	9	96,552,753	25,525,574	96,552,753	25,525,574
Inventories		2,325,754	4,642,834	2,325,754	4,642,834
Assets foreclosed - net	10	28,554,006	31,162,831	28,554,006	31,162,831
Deposit for securities trading		30,074,972	-	30,074,972	-
Other current assets		238,697	50,948	233,245	47,700
Total current assets		1,399,192,103	1,199,954,129	1,560,813,221	1,199,772,719
NON - CURRENT ASSETS					
Restricted deposit with bank	11	109,910	108,830	109,910	108,830
Investment in accounts receivable	12	200,604,643	21,682,897	20,604,643	21,682,897
Hire - purchases receivable - net	7	1,605,020,972	1,538,035,446	1,605,020,972	1,538,035,446
Loans to other parties - net	9	102,991,021	10,981,515	102,991,021	10,981,515
Property, plant and equipment - net	13	103,495,046	102,292,987	103,495,046	102,292,987
Investment properties	14	42,728,462	42,728,462	42,728,462	42,728,462
Investments in subsidiary company	15	-	-	24,999,970	24,999,970
Deferred income tax asset	16	38,064,181	31,162,231	38,064,181	31,162,231
Other non - current assets		757,000	862,200	757,000	862,200
Total non - current assets		2,093,771,235	1,747,854,568	1,938,771,205	1,772,854,538
TOTAL ASSETS		3,492,963,338	2,947,808,697	3,499,584,426	2,972,627,257

MIDA LEASING PUBLIC COMPANY LIMITED AND SUBSIDIARY
STATEMENTS OF FINANCIAL POSITION (CONTINUED)

(Unit : Baht)

		Consolidated F/S		Separate F/S	
	Notes	31 December 2016	31 December 2015	31 December 2016	31 December 2015
LIABILITIES AND SHAREHOLDERS' EQUITY					
CURRENT LIABILITIES					
Bank overdrafts and short - term loans					
from financial institutions	17	-	39,815,678	-	39,815,678
Trade and accrued expenses	18	106,632,586	80,414,389	106,607,436	80,354,389
Other payable - related companies	8	210,203	78,679	210,203	78,679
Short - term loan from subsidiary company					
and accrued interest	8	-	-	-	24,984,592
Current portion of long - term loans	19	5,771,518	6,871,135	5,771,518	6,871,135
Income tax payable		20,879,628	12,155,420	20,879,628	12,134,214
Debentures	20	599,667,167	598,781,660	599,667,167	598,781,660
Other current liabilities		5,679,862	3,873,946	5,679,862	3,873,946
Total current liabilities		738,840,964	741,990,907	738,815,814	766,894,293
NON - CURRENT LIABILITIES					
Long - term loans - net	19	22,087,537	30,527,825	22,087,537	30,527,825
Debentures	20	1,068,100,979	598,552,038	1,068,100,979	598,552,038
Employee benefits obligation	21	10,713,764	10,767,541	10,713,764	10,767,541
Total non - current liabilities		1,100,902,280	639,847,404	1,100,902,280	639,847,404
TOTAL LIABILITIES		1,839,743,244	1,381,838,311	1,839,718,094	1,406,741,697

MIDA LEASING PUBLIC COMPANY LIMITED AND SUBSIDIARY
STATEMENTS OF FINANCIAL POSITION (CONTINUED)

(Unit : Baht)

		Consolidated F/S		Separate F/S	
	Notes	31 December 2016	31 December 2015	31 December 2016	31 December 2015
LIABILITIES AND SHAREHOLDERS' EQUITY (Continued)					
SHAREHOLDERS' EQUITY					
Share capital : ordinary share, Baht 0.50 par value					
Registered 1,451,996,755 shares					
(2015 : 967,999,871 shares)	22	725,998,378	483,999,936	725,998,378	483,999,936
Issued and fully paid-up 967,997,837 shares		483,998,919	483,998,919	483,998,919	483,998,919
Premium on share capital	23	165,220,048	165,220,048	165,220,048	165,220,048
Retained earnings					
Appropriated for statutory reserve	24	48,400,000	48,400,000	48,400,000	48,400,000
Unappropriated		955,601,127	868,351,419	962,247,365	868,266,593
TOTAL SHAREHOLDERS' EQUITY		1,653,220,094	1,565,970,386	1,659,866,332	1,565,885,560
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		3,492,963,338	2,947,808,697	3,499,584,426	2,972,627,257

MIDA LEASING PUBLIC COMPANY LIMITED AND SUBSIDIARY
STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEARS ENDED 31 DECEMBER

(Unit : Baht)

		Consolidated F/S		Separate F/S	
	Notes	2016	2015	2016	2015
REVENUES					
Financial service income under hire - purchase agreements		413,490,306	421,529,117	413,490,306	421,529,117
Interest income	8	14,628,707	6,233,230	21,364,937	6,230,262
Other income	8, 27	117,649,660	85,533,021	117,649,660	85,533,021
Total revenues		545,768,673	513,295,368	552,504,903	513,292,400
EXPENSES					
Selling expenses		54,022,844	63,153,891	54,022,844	63,153,891
Administrative expenses	8	221,620,463	213,021,528	221,490,220	212,715,277
Bad debts and provision for doubtful accounts	28	50,875,400	46,213,300	50,875,400	46,213,300
Financial cost	8	71,033,141	62,368,422	71,168,550	62,777,737
Total expenses		397,551,848	384,757,141	397,557,014	384,860,205
Income before income tax		148,216,825	128,538,227	154,947,889	128,432,195
Income tax	16	(29,992,438)	(25,668,126)	(29,992,438)	(25,646,920)
Net income for the year		118,224,387	102,870,101	124,955,451	102,785,275
Other comprehensive income for the year		-	-	-	-
Total comprehensive income for the year		118,224,387	102,870,101	124,955,451	102,785,275
ATTRIBUTION OF NET INCOME FOR THE YEAR :					
The Company's shareholders		118,224,387	102,870,101	124,955,451	102,785,275
Non-Controlling interests in subsidiary		-	-	-	-
		118,224,387	102,870,101	124,955,451	102,785,275
ATTRIBUTION OF COMPREHENSIVE INCOME FOR THE YEAR :					
The Company's shareholders		118,224,387	102,870,101	124,955,451	102,785,275
Non-Controlling interests in subsidiary		-	-	-	-
		118,224,387	102,870,101	124,955,451	102,785,275
Basic earnings per share					
Net income (Baht per share)		0.12	0.11	0.13	0.11
Weighted average number of ordinary shares (Share)		967,997,837	967,997,837	967,997,837	967,997,837

MIDA LEASING PUBLIC COMPANY LIMITED AND SUBSIDIARY
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEARS ENDED 31 DECEMBER

(Unit : Baht)

		Equity attributable to shareholders of the Company				Total equity of the Company's shareholders	Non-controlling interests' equity	Total shareholders' equity
Notes	Issued and fully	Premium on Share capital	Retained earnings					
	Paid - up		Statutory	Unappropriated				
	share capital		Reserve					
<u>Consolidated F/S</u>								
Balance as at 1 January 2015		439,999,942	165,220,048	44,000,000	818,773,002	1,467,992,992	-	1,467,992,992
Capital increase from stock dividend	22	43,998,977	-	-	(43,998,977)	-	-	-
Appropriated for statutory reserve	24	-	-	4,400,000	(4,400,000)	-	-	-
Cash dividend payment	25	-	-	-	(4,892,707)	(4,892,707)	-	(4,892,707)
Comprehensive income for the year		-	-	-	102,870,101	102,870,101	-	102,870,101
Balance as at 31 December 2015		483,998,919	165,220,048	48,400,000	868,351,419	1,565,970,386	-	1,565,970,386
Balance as at 1 January 2016		483,998,919	165,220,048	48,400,000	868,351,419	1,565,970,386	-	1,565,970,386
Cash dividend payment	25	-	-	-	(30,974,679)	(30,974,679)	-	(30,974,679)
Comprehensive income for the year		-	-	-	118,224,387	118,224,387	-	118,224,387
Balance as at 31 December 2016		483,998,919	165,220,048	48,400,000	955,601,127	1,653,220,094	-	1,653,220,094

MIDA LEASING PUBLIC COMPANY LIMITED AND SUBSIDIARY
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (CONTINUED)
FOR THE YEARS ENDED 31 DECEMBER

(Unit : Baht)

	Notes	Issued and fully	Premium on	Retained earnings		Total
		Paid - up	Share capital	Statutory	Unappropriated	
		share capital	Share capital	Reserve		
<u>Separate F/S</u>						
Balance as at 1 January 2015		439,999,942	165,220,048	44,000,000	818,773,002	1,467,992,992
Capital increase from stock dividend	22	43,998,977	-	-	(43,998,977)	-
Appropriated for statutory reserve	24	-	-	4,400,000	(4,400,000)	-
Cash dividend payment	25	-	-	-	(4,892,707)	(4,892,707)
Comprehensive income for the year		-	-	-	102,785,275	102,785,275
Balance as at 31 December 2015		483,998,919	165,220,048	48,400,000	868,266,593	1,565,885,560
Balance as at 1 January 2016		483,998,919	165,220,048	48,400,000	868,266,593	1,565,885,560
Capital increase from stock dividend	25	-	-	-	(30,974,679)	(30,974,679)
Comprehensive income for the year		-	-	-	124,955,451	124,955,451
Balance as at 31 December 2016		483,998,919	165,220,048	48,400,000	962,247,365	1,659,866,332

MIDA LEASING PUBLIC COMPANY LIMITED AND SUBSIDIARY
STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED 31 DECEMBER

(Unit : Baht)

	Consolidated F/S		Separate F/S	
	2016	2015	2016	2015
Cash flows from operating activities				
Income before income tax	148,216,825	128,538,227	154,947,889	128,432,195
Adjustments to reconcile income before income tax to net cash provided from (used in) operating activities				
Depreciation	4,984,101	5,223,284	4,984,101	5,223,284
Loss (gain) on changed value of investment in trading security	5,247,524	(74,804)	5,247,524	(74,804)
Bad debts and provision for doubtful accounts	50,875,400	46,213,300	50,875,400	46,213,300
Gain on disposal of fixed assets	(1,394,889)	(977,631)	(1,394,889)	(977,631)
Loss from disposal of assets foreclosed	42,791,016	52,834,022	42,791,016	52,834,022
Provision for impairment of assets foreclosed	(3,721,967)	1,875,232	(3,721,967)	1,875,232
Provision for employee benefits obligation	1,330,492	1,291,416	1,330,492	1,291,416
Dividend income from investments in trading security	(2,204,850)	-	(2,204,850)	-
Interest income	(14,628,707)	(6,233,230)	(21,364,938)	(6,230,262)
Interest expense	71,033,140	62,368,422	71,168,550	62,777,737
Cash provided from operating activities before changes in operating assets and liabilities	302,528,085	291,058,238	302,658,328	291,364,489
Decrease (increase) in operating assets				
Hire - purchases receivable	(319,606,725)	(284,804,242)	(319,606,725)	(284,804,242)
Other receivables	(72,595,335)	(6,878,943)	(72,497,060)	(6,978,943)
Investment in accounts receivable	(178,921,746)	(21,682,897)	1,078,254	(21,682,897)
Inventories	2,317,081	(1,212,928)	2,317,081	(1,212,928)
Assets foreclosed	141,279,428	134,486,904	141,279,428	134,486,904
Other current assets	(187,748)	(13,506)	(185,543)	(10,258)
Other non - current assets	105,200	(123,600)	105,200	(123,600)
Increase (decrease) in operating liabilities				
Trade and other accounts payable	24,609,122	(5,960,364)	24,643,972	(6,020,364)
Other payable - related companies	131,524	58,151	131,524	58,151
Other current liabilities	(146,922)	105,908	(146,922)	105,908
Cash provided from (used in) operating activities	(100,488,036)	105,032,721	79,777,537	105,182,220
Cash paid for interest	(68,421,047)	(57,370,780)	(68,641,049)	(57,695,503)
Income tax paid	(28,170,181)	(26,603,305)	(28,148,975)	(26,603,305)
Net cash provided from (used in) operating activities	(197,079,264)	21,058,636	(17,012,487)	20,883,412

MIDA LEASING PUBLIC COMPANY LIMITED AND SUBSIDIARY
STATEMENTS OF CASH FLOWS (CONTINUED)
FOR THE YEARS ENDED 31 DECEMBER

			(Unit : Baht)	
	Consolidated F/S		Separate F/S	
	2016	2015	2016	2015
Cash flows from investing activities				
Interest received	13,959,986	5,633,851	14,061,024	5,630,883
Investment in shares of subsidiary company	-	-	-	(24,999,970)
Increase in investment in trading securities	(29,513,625)	(90,580,936)	(29,513,625)	(90,580,936)
Increase in restricted deposits with bank	(1,080)	(1,383)	(1,080)	(1,383)
Decrease (increase) in loans to parent company	48,500,000	(48,500,000)	(106,500,000)	(48,500,000)
Increase in loans to other parties	(163,036,686)	(29,591,362)	(163,036,686)	(29,591,362)
Purchases of assets	(6,197,533)	(6,551,191)	(6,197,533)	(6,551,191)
Proceeds from disposal of assets	1,406,262	988,730	1,406,262	988,730
Dividend received from investments in trading security	2,204,850	-	2,204,850	-
Net cash used in investing activities	(132,677,826)	(168,602,291)	(287,576,788)	(193,605,229)
Cash flows from financing activities				
Decrease in bank overdrafts and short - term loan				
from financial institutions	(39,815,678)	(44,106,466)	(39,815,678)	(44,106,466)
Decrease in short - term loan from parent company	-	(25,500,000)	-	(25,500,000)
Increase (decrease) in short - term loan from subsidiary company	-	-	(24,900,000)	24,900,000
Proceeds from issuance of debentures	470,000,000	599,970,000	470,000,000	599,970,000
Repayment for long - term loans	(9,539,905)	(372,498,651)	(9,539,905)	(372,498,651)
Cash dividend payment	(30,974,679)	(4,892,707)	(30,974,679)	(4,892,707)
Net cash provided from financing activities	389,669,738	152,972,176	364,769,738	177,872,176
Net increase in cash and cash equivalents	59,912,648	5,428,521	60,180,463	5,150,359
Cash and cash equivalents at beginning of year	36,256,561	30,828,040	35,978,399	30,828,040
Cash and cash equivalents at end of year	96,169,209	36,256,561	96,158,862	35,978,399
Supplemental cash flows information:				
Non-cash transactions				
Transfer assets foreclosed from hire - purchases receivables	177,739,652	193,996,728	177,739,652	193,996,728
Capital increase from stock dividend	-	43,998,977	-	43,998,977

MIDA LEASING PUBLIC COMPANY LIMITED AND SUBSIDIARY
NOTES TO FINANCIAL STATEMENTS
31 DECEMBER 2016 AND 2015

1. GENERAL INFORMATION

Mida Leasing Public Company Limited (“the Company”) was incorporated in Thailand and has its registered office at 48/2-5, Soi Chaengwattana 14, Chaengwattana Road, Thungsonghong, Lak si, Bangkok, Thailand. As of 31 December 2015, the Company has 17 branches in Bangkok and in the provinces.

The Company has listed its shares for trading on the Stock Exchange of Thailand since 19 August 2004.

The Company’s major shareholder is Mida Assets Public Company Limited., a listed company on the Stock Exchange of Thailand, that holds 46.98% of the Company’s shares capital.

The Company has its own operations in Thailand and is principally engaged in providing financial services for used cars hire-purchasing and management of non-performing assets.

2. BASIS OF FINANCIAL STATEMENTS PREPARATION

(a) Statement of compliance

The accompanying financial statements have been officially prepared in accordance with the Accounting Act B.E. 2543 and Thai Financial Reporting Standards (“TFRS”) issued under the Accounting Professions Act B.E. 2547 and the financial reporting requirements promulgated by the Securities and Exchange Commission under the Securities and Exchange Act B.E. 2535. These financial statements are officially prepared in the Thai language. The translation of these financial statements to another language must be in compliance with the official report in Thai.

The Federation of Accounting Professions has issued new and revised TFRS effective for annual accounting periods beginning on or after 1 January 2016. The initial application of these new and revised TFRS has resulted in changes in certain Company’s and subsidiary’s accounting policies. These changes have no material effect on the financial statements.

A number of new and revised TFRS have been issued but are not yet effective and have not been applied in preparing these financial statements. Those new and revised TFRS that may be relevant to the Company’s operations, which become effective for annual financial periods beginning on or after 1 January 2017, are set out below. The Group do not plan to early adopt these TFRS.

TFRS	Topic
TAS 1 (revised 2016)	Presentation of Financial Statements
TAS 2 (revised 2016)	Inventories
TAS 7 (revised 2016)	Statement of Cash Flows
TAS 8 (revised 2016)	Accounting Policies, Changes in Accounting Estimates and Errors
TAS 10 (revised 2016)	Events After the Reporting Period
TAS 11 (revised 2016)	Construction Contracts
TAS 12 (revised 2016)	Income Taxes
TAS 16 (revised 2016)	Property, Plant and Equipment
TAS 17 (revised 2016)	Leases
TAS 18 (revised 2016)	Revenue
TAS 19 (revised 2016)	Employee Benefits
TAS 21 (revised 2016)	The Effects of Changes in Foreign Exchange Rates
TAS 23 (revised 2016)	Borrowing Costs
TAS 24 (revised 2016)	Related Party Disclosures
TAS 26 (revised 2016)	Accounting and Reporting by Retirement Benefit Plans
TAS 27 (revised 2016)	Separate Financial Statements
TAS 33 (revised 2016)	Earnings Per Share
TAS 34 (revised 2016)	Interim Financial Reporting
TAS 36 (revised 2016)	Impairment of Assets
TAS 37 (revised 2016)	Provisions, Contingent Liabilities and Contingent Assets
TAS 38 (revised 2016)	Intangible Assets
TAS 40 (revised 2016)	Investment Property
TAS 105 (revised 2016)	Accounting for Investments in Debt and Equity Securities
TAS 107 (revised 2016)	Financial Instruments: Disclosure and Presentation
TFRS 2 (revised 2016)	Share-based Payment
TFRS 5 (revised 2016)	Non-current Assets Held for Sale and Discontinued Operations
TFRS 8 (revised 2016)	Operating Segments
TFRS 10 (revised 2016)	Consolidated Financial Statements
TFRS 12 (revised 2016)	Disclosure of Interests in Other Entities
TFRS 13 (revised 2016)	Fair Value Measurement
TSIC 15 (revised 2016)	Operating Leases – Incentives
TSIC 27 (revised 2016)	Evaluating the Substance of Transactions in the Legal Form of a Lease
TFRIC 1 (revised 2016)	Changes in Existing Decommissioning, Restoration and Similar Liabilities
TFRIC 4 (revised 2016)	Determining whether an Arrangement Contains a Lease
TFRIC 10 (revised 2016)	Interim Financial Reporting and Impairment
TFRIC 13 (revised 2016)	Customer Loyalty Programmes
TFRIC 14 (revised 2016)	TAS 19 (revised 2016) Employee Benefits – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction
TFRIC 17 (revised 2016)	Distributions of Non-cash Assets to Owners
TFRIC 18 (revised 2016)	Transfers of Assets from Customers
FAP	Accounting guidance for derecognition of financial assets and financial
Announcement (05/2559)	liabilities

The Company has made a preliminary assessment of the potential initial impact on the consolidated and separate financial statements of these new and revised TFRS and does not expect material impact on the financial statements in the period of initial application.

(b) Basis of consolidation

The consolidated financial statements include the accounts of Mida Leasing Public Company Limited and subsidiary, Mida Asset Management Company Limited, for which it owns 99.99% of capital shares.

On 10 July 2015, the Company established a new subsidiary mentioned above with registered share capital of Baht 25 million. The Company therefore, initially prepared the consolidated financial statements for the year ended 31 December 2015 for the first time.

The percentage of subsidiary's total asset as at 31 December 2016 and 2015 and total revenue for the years ended 31 December 2016 and 2015 as included in the consolidated of financial statement are as follow:

	Percentage of subsidiaries' total assets to consolidated total assets		Percentage of subsidiaries' total revenues to consolidated total revenues	
			For the years ended 31 December	
	2016	2015	2016	2015
<u>Subsidiary Company</u>				
Mida Asset Management Company Limited	5.15	0.86	0.02	0.08

Significant inter-company transactions with subsidiary included in the consolidated financial statements have been eliminated.

The consolidated financial statements have been prepared with the same accounting policies as for the separate financial statements for the same accounting transactions or accounting events.

3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all fiscal periods presented in these financial statements.

Revenues

Financial service income on hire - purchase

The Company accounts for financial service income on hire-purchase business as Unearned Interest Income at the date the transaction is execution, and recognizes it as income based on the installments due with the effective interest rate method. Income from each installment is recognized on an accrual basis (based on the due date of the installment irrespective of actual collection). The Company ceases recognizing income when the receivables are overdue for 4 consecutive installments. When there is an indication that its customers will not be able to pay the balance, the income recognition is ceased immediately.

Revenues recognition on investments in accounts receivable.

The Group recognize revenues from investments in accounts receivable by using effective interest rates (expected return on debts collection) calculated from outstanding investments in accounts receivable. If actual cash flows from collection exceed calculated revenues, the remaining cash collection will be deducted from the value of investments in accounts receivable for each period. If investments in receivable are fully deducted, the Group will recognize such cash collection as revenues and recognizes loss on impairment immediately when there is an indication of significant decrease in cash flows.

Services income

Service income is recognized when services have been rendered.

Interest income

Interest income is recognized in the statement of comprehensive income on an accrual basis.

Cash and cash equivalent

Cash and cash equivalents include cash on hand and cash at bank with maturity of less than three months without restriction of usage or obligation.

Restricted deposits with financial institutions are presented under non - current assets in the statement of financial position.

Investment in trading security

Investments in securities held for trading are stated at fair value. Changes in the fair value of these securities are recorded in profit or loss. The fair value of marketable securities is based on the latest bid price of the last working day of the year. The fair value of unit trusts is determined from their net asset value.

The weighted average method is used for computation of the cost of investments. On disposal of an investment, the difference between net disposal proceeds and the carrying amount of the investment is recognised in profit or loss.

Hire-purchases receivable and allowance for doubtful accounts

Hire-purchase receivables are stated at net realizable value based on the net carrying book value less unearned interest income and allowance for doubtful accounts. Allowance for doubtful accounts is provided for the estimated losses that may incur in collection of receivables. The allowance is generally based on collection experiences and the consideration of debtor aging. The percentages of allowance for doubtful accounts are as follows :

Ages	Percentage of allowance for doubtful accounts
Not yet due	1
Past due	
1 - 3 periods	2
4 periods	20
5 - 6 periods	25
7 - 9 periods	75
Over 9 periods	100

Inventories

Inventories are stated at the lower of cost or net realizable value.

Net realizable value is the estimated selling price in the normal course of business less estimated costs to sell.

Assets foreclosed

These represent assets repossessed from debtors under hire purchase agreements. These are stated at the lower of cost or estimated net realizable value, whichever is lower.

The Company sets up allowance for possible loss on foreclosed vehicles on hand at the end of year at 25% of cost.

Investments in accounts receivable

The investments in accounts receivable represent the Company's investments in non-performing receivables of financial institutions and credit service companies at discounted values from bidding for debts management and collection. Under the purchase contracts at the discounted values of receivables, the Company takes all the risks in the collection without recourse. Such investments in accounts receivable are carried at purchase cost less amortized costs and allowance for impairment (if any). The Company recognized loss on impairment of investment when it anticipates discounted cash flows to the present values of receivables are lower than book value.

Property, building and equipment, and depreciation

Recognition and measurement

Owned assets

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses (if any).

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the assets to a working condition for their intended use, the costs of dismantling and removing the items and restoring the site on which they are located, and capitalised borrowing costs. Cost also may include transfers from other comprehensive income of any gain or loss on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment. Purchased software that is an integral of the functionality of the related equipment is capitalised as part of that equipment.

When parts of an item of property, plant and equipment are significant with different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognised at net amount as other income in profit or loss.

Subsequent costs

The cost of replacing a part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group, and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

Depreciation

Depreciation is calculated based on the depreciable amount, which is the cost of an asset, or other amount substituted for cost, less its residual value.

Depreciation is charged to profit and loss on a straight-line basis over the estimated useful life of each component of property, plant and equipment. The estimated useful lives are as follows:

Building and building improvement	5 - 20	years
Furniture, fixtures and office equipment	5	years
Vehicles	5	years

No depreciation is provided on freehold land or assets under construction.

Depreciation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

Impairment

The carrying amounts of the Company's and subsidiary's assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amounts are estimated.

An impairment loss is recognised if the carrying amount of an asset exceeds its recoverable amount. The impairment loss is recognised in profit or loss.

Investment property

Land that is not occupied by the Company, is classified as investment property. Investment property is measured initially at its cost, including related transaction costs and subsequently carried out at cost less any accumulated impairment (if any).

Operating leases

Leases of assets which all the risks and benefits of ownership are effectively retained by the lessor are classified as operating leases. Payments made under operating leases are charged to statement of income on a straight – line basis over the lease year. When an operating lease is terminated before expiry date of the lease,

any payment required to be made to the lessor by way of penalty is recognized as an expense in the year in which termination takes place.

Impairment

At the end of the year, the Group assess whether there is an indication that any asset may be impaired. If any such indication exists, the Group make estimates of the asset recoverable amounts. Where the carrying amount of the asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. Impairment losses are recognized in the statement of profit or loss. An asset recoverable amount is the higher of fair value less costs to sell and value in use.

Investments in subsidiary company

Investments in subsidiary company's shares are accounted for in the separate financial statements by the cost method. Such investments are 100% owned by the Company under the control of the Company's management. When there is an indication of impairment on investment, the Company will recognize loss from impairment as expense out rightly in the statement of profit or loss.

Debentures

Debentures are recognized initially at fair value less related transaction charges. Subsequent to initial recognition, debentures are presented at amortized cost with any difference between cost and redemption value being recognized in the statement of profit or loss over the period of the debentures at an effective interest basis. Gains or losses on early redemption are recognized in the statement of profit or loss upon redemption.

Employee Benefits

Short-term employee benefits

Salaries, wages, bonuses, contribution to the social security and provident fund, are recognised as expenses when incur based on the accrual basis.

Post-employment benefit (Defined contribution plan)

The Company and its employees have jointly established a provident fund plan to which monthly contributions are made by employees and by the Company. The fund's asset is held in a separate trustee fund from the Company's assets. The Company contribution to the fund is recognized as expenses when incur.

Post-employment benefit (Defined benefit plan)

The Company has obligation in respect of the severance payment they must make to employees upon retirement under the labour law.

The obligations under the defined benefit plan are determined by the actuarial technique computed by a qualified independent actuary, using the projected unit credit method.

Actuarial gains or losses for the computation of post-employee benefits are presented under other comprehensive income.

Income tax

The income tax expense for the year comprises current and deferred income taxes. Current and deferred income taxes are recognized in profit or loss, except to the extent that they relate to items recognized directly in equity or other comprehensive income.

Current income tax

Current income tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantially enacted at the end of the reporting period, and any adjustment to tax payable in respect of earlier years.

Deferred income tax

Deferred income tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities and the amounts of corresponding items used for income tax computation purpose. Deferred income tax is measured by applying the tax rate to the temporary differences which are expected to be reversed, using tax rate enacted or substantively enacted at the end of the reporting period.

Deferred income tax assets are recognized to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilized. Deferred tax assets are reviewed at the end of each reporting period and reduced to the extent that the related tax benefit will be realized.

Related parties

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

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

Measurement of fair values

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

When measuring the fair value of an asset or a liability, the Company uses market observable data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Financial instruments

Financial assets shown in statement of financial position comprise cash, cash equivalent hire-purchases receivable and loan to other parties. Financial liabilities shown in statement of financial position comprise bank overdraft and short - term loan from financial institution, trade accounts payable and borrowings. The accounting policy for each item is disclosed in separate notes.

Segment reporting

Segmental results that are reported to the executive committee (the chief operating decision maker) include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

Share premium

The Company recorded cash received in excess of the par value of the shares issued as share premium in the statement of financial position, share premium is netted of transaction costs associated with the issuing of shares and related income tax benefits.

Dividend payment

Dividend payment is recorded in the financial statements in the period in which they are approved by the Shareholders or Board of Directors of the Company.

Basic earnings per share

The Company presents basic earnings per share for its ordinary shares. Basic earnings per share is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period, adjusted by treasury stock.

Use of accounting estimates

The preparation of the financial statements in accordance with Thai Financial Reporting Standards requires management to make estimates and assumption that affect the reporting amounts of revenues, expenses, assets, liabilities and disclosure of contingent assets and liabilities. The actual results may differ from those estimates.

Provisions for liabilities and expenses, and contingent assets

Provisions are recognized in the financial statements when the Group have legal or constructive obligation as a result of past events with probable outflow of resources to settle the obligation and where a reliable estimate of the amount can be made. The contingent asset will be recognized as separate asset only when the realization is virtually certain.

4. CRITICAL ACCOUNTING ESTIMATES, ASSUMPTION AND JUDGEMENT AND CAPITAL RISK MANAGEMENT

4.1 Critical accounting estimates, assumption and judgments

4.1.1 Impairment of receivables

The Group account for allowance for doubtful accounts to reflect impairment of receivables that may result from non-collection of customer accounts. The estimated losses are based on historical collection experiences and review of outstanding receivables at reporting date.

4.1.2 Estimated cash in - flow from investment in accounts receivable

The Group estimate future cash collection from investments in accounts receivable based on quality, type, aging of receivables and historical information of debt collection. The total estimated future cash collection shall not exceed anticipated initial cash in - flows which management had expected in bidding. The Company assesses the periods of collection of investments in accounts receivable for 4 - 5 years.

4.1.3 Property, plant and equipment

Management regularly determine the estimated useful lives and residual values for building and equipment of the Company and will revise the depreciation where useful lives and residual values previously estimated have changed or subject to be written down for their technical obsolescence or if they are no longer in use.

4.1.4 Impairment of investments

The Group treat investments as impaired when there has been a significant or prolonged decline in the fair value below their cost or when other objective evidence of impairment exists. The determination of what is “significant” or “prolong” requires management judgment.

4.1.5 Leases

In determining whether a lease is to be classified as an operating lease finance lease, management is required to use judgment regarding whether significant risk and rewards of ownership of the leased asset has been transferred, taking into consideration terms and conditions of the arrangement.

4.1.6 Impairment of assets

The Group consider allowance for impairment of assets whenever there is an indication that an asset may be impaired. If such indication exists with a significant decline in the fair value below

its cost, the Company makes an estimate of the asset recoverable amount for comparison with the recorded value. The determination of recoverable amount requires management judgment.

4.1.7 Post-employment benefit under defined benefit plans

The obligation under defined benefit plan is determined based on actuarial techniques. Inherent within these calculations are assumption as to discount rates, future salary increases, mortality rates and other demographic factors. In determining the appropriate discount rate, management selects an interest rate that reflects the current economic situation. The mortality rate is based on publicly available mortality table for the country. Actual post-retirement costs may ultimately differ from these estimates.

4.1.8 Deferred tax assets

The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the future taxable income against which the deductible temporary differences can be utilized. In addition, management judgment is required in assessing the impact of any legal or economic limits or uncertainties in various tax jurisdictions.

4.2 Capital risk management

The Company's objectives in the management of capital is to safeguard its ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders, and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company may adjust dividend payment policy, issue new shares or issue new debentures to finance debts or sell assets to reduce debts.

5. CASH AND CASH EQUIVALENTS

	(Unit : Thousand Baht)			
	Consolidated F/S		Separate F/S	
	2016	2015	2016	2015
Cash on hand	1,021	1,021	1,021	1,021
Cash in-transit	17,486	16,946	17,486	16,946
Savings Accounts	71,183	13,889	71,173	13,610
Current Accounts	6,479	4,401	6,479	4,401
Total	96,169	36,257	96,159	35,978

As at 31 December 2016, savings accounts with banks bear interest at the rates 0.10% - 0.40% per annum. (31 December 2015 : 0.10% - 1.10% per annum).

6. INVESTMENT IN TRADING SECURITY

(Unit : Thousand Baht)

	Consolidated and separate F/S					
	2016			2015		
	Cost	Fair value	Unrealized gain	Cost	Fair value	Unrealized gain
Investments in trading securities						
Investments in trading security	47,700	42,350	(5,350)	-	-	-
Krungsri Star Plus Fund	42,395	42,497	102	90,581	90,656	75
Total	90,095	84,847	(5,248)	90,581	90,656	75

Movements in trading securities for the year ended 31 December 2016 and 2015 are as follows:

(Unit : Thousand Baht)

	Consolidated F/S		Separate F/S	
	2016	2015	2016	2015
Net carrying amount as at 1 January	90,656	-	90,656	-
Purchase of securities	1,145,930	698,800	1,145,930	698,800
Sale of securities	(1,146,491)	(608,219)	(1,146,491)	(608,219)
Changes in unrealized gain (loss) on revaluation	(5,248)	75	(5,248)	75
Net carrying amount as at 31 December	84,847	90,656	84,847	90,656

7. HIRE - PURCHASES RECEIVABLE - NET

(Unit : Thousand Baht)

	Consolidated and separate F/S							
	Current portion		Long – term portion		Long – term portion		Total	
	due within		due over one year but		due after five years			
	one year		not over five years					
	2016	2015	2016	2015	2016	2015	2016	2015
Hire – purchases receivable	1,377,111	1,332,385	1,995,492	1,916,271	3,174	924	3,375,777	3,249,580
<u>Less</u> Unearned hire – purchases interest income	(363,025)	(359,245)	(353,632)	(347,213)	(164)	(45)	(716,821)	(706,503)
Balance	1,014,086	973,140	1,641,860	1,569,058	3,010	879	2,658,956	2,543,077
<u>Less</u> Allowance for doubtful accounts	(49,944)	(35,541)	(39,656)	(31,890)	(193)	(11)	(89,793)	(67,442)
Net	964,142	937,599	1,602,204	1,537,168	2,817	868	2,569,163	2,475,635

As at 31 December 2016 and 2015, the balances of receivables under hire - purchase contracts (net of unearned hire - purchase interest income) and allowance for doubtful accounts, classified by ages of outstanding receivables are as follows:

	Consolidated and separate F/S							
	Hire – purchases receivable		Percentage of allowance for doubtful accounts		Allowance for doubtful accounts		Hire – purchases receivables – net	
	2016	2015	2016	2015	2016	2015	2016	2015
Hire-purchases receivable								
Not yet due	1,687,661	1,593,736	1	1	16,936	15,994	1,670,725	1,577,742
:Past due								
1 – 3 periods	847,222	851,676	2	2	16,944	17,034	830,278	834,642
4 periods	48,497	47,208	20	20	9,700	9,442	38,797	37,766
5 – 6 periods	29,473	29,156	25	25	7,368	7,289	22,105	21,867
7 – 9 periods	29,035	14,470	75	75	21,777	10,852	7,258	3,618
Over 9 periods	17,068	6,831	100	100	17,068	6,831	-	-
Total	<u>2,658,956</u>	<u>2,543,077</u>			<u>89,793</u>	<u>67,442</u>	<u>2,569,163</u>	<u>2,475,635</u>

On 30 April 2004, the Federation of Accounting Profession (FAP) with the approval of the Office of the Securities and Exchange Commission, stipulated an accounting guideline for the consumer finance business, whereby full allowance for doubtful accounts is to be recorded, and recognition of revenue is to discontinue, for accounts receivable which are overdue by more than 3 periods, and general allowance is to be provided for accounts receivable which are overdue not more than 3 periods. Should the Company follow this accounting guideline, without considering general allowance, the Company had to increase its allowance for doubtful accounts as at 31 December 2016 of Baht 34.28 million (31 December 2015 : Baht 30.22 million) and reduced the amount of revenue recognized for the years ended 31 December 2016 by Baht 11.31 million (31 December 2015 : Baht 10.38 million).

However, this accounting guideline provides an alternative for application should the basis of allowance policy be not in compliance with the guideline. Whereby, such other method can be used by the Company with clear disclosure of the reasons. To follow this guidance, the Company sets a policy to cease recognizing revenue from hire purchases receivable which has been overdue for more than 4 periods and to set up allowance based on consideration of the current status of debtors, their ability to make payment, past experiences and historical data on actual losses on collection. As at 31 December 2016, allowance for doubtful accounts has been set aside at an average rate of 4.69% of hire - purchases receivable before deducting collateral values, which is higher than an average actual bad debt on the statistic information for the past 3 years (2013 - 2015).

As at 31 December 2016, balance of hire - purchases receivable which have been overdue for more than 3 consecutive periods but the Company still recognizes revenue amounted to Baht 48.50 million (31 December 2015 : Baht 47.21 million).

According to the accounting standard No. 17 – “Lease”, the Company recognizes the financial lease income, net of direct costs for each year, using effective interest rate method on hire - purchase contracts executed on or after 1 January 2008. For hire- purchase contracts executed before 1 January 2008, the income is recognized on the sum-of-the digits method until the contracts expire. The balance of such old contracts as at 31 December 2016 and 2015 are as follows::

(Unit : Thousand Baht)

Consolidated F/S and Separate F/S

	2016	2015
Hire - purchases receivable	306	306
<u>Less</u> Unearned interest on hire - purchase	-	-
Hire - purchases receivable - net	306	306

During the year, movements of allowance for doubtful accounts receivable are as follow:

(Unit : Thousand Baht)

Consolidated F/S and
Separate F/S

Balance as at 1 January	67,442
Additional allowance during in the year	54,723
Reversal of allowance or bad debts written off during in the year	(32,372)
Balance as at 31 December	89,793

8. TRANSACTIONS WITH RELATED PARTIES

The financial statements include the transactions with related parties which have been reflected on the basis agreed upon between the Company and the related companies which basis might be different from the basis used for transactions with unrelated persons or juristic persons as follow:

Name of Companies	Type of business	Type of relationship
Mida Assets Public Company Limited	Sales and hire purchase of electric appliances and real estate development business	Parent company
Mida Asset Management Company Limited	Asset management from transferred non-performing asset of financial institution	Subsidiary
Mida Property Co., Ltd.	Real estate development	Co directors
Top Elements Co., Ltd.	Hotel operations	Co directors
Mida Ad Co., Ltd.	Billboard rental	Co directors
Mida Hotel and Resort Co., Ltd.	Golf course operations and real estate development	Co directors
Max Hotel Ramkumhang Co., Ltd.	Rental, sale, purchase and operate of properties	Co directors
Max Real Estate Co., Ltd.	Rental, sale, purchase and operate of properties	Co directors
Mida Assets Sanadu Co., Ltd.	Rental, sale, purchase and operate of properties	Co directors
Wipa Condominium Co., Ltd.	Rental, sale, purchase and operate of properties	Co directors
Max Condo Kaset Co., Ltd.	Rental, sale, purchase and operate of properties	Co directors
The Retreat Hua Hin Co., Ltd.	Real estate development and hotel operations	Co directors
Mida (Lao) Financing Co., Ltd.	Hire purchase services	Co directors
Mida Development Co., Ltd.	Real estate development	Co directors
Max Hotel Co., Ltd.	Hotel operations	Co directors
Mida Agency and Development Co., Ltd.	Real estate agency	Co directors
MD Adrenaline (Thailand) Co., Ltd.	Advertising, public relation and events services	Co directors
Prompt Printing Co., Ltd.	Produce billboard, advertising media, and other Publication	Co directors
Tropical Beverage Corporation Co., Ltd.	Producing alcoholic beverages.	Co directors

Baansaensuk Nakhonpathom Co., Ltd.	Rental guesthouses	Co directors
SW Health Club Group Co., Ltd.	Rental, sale, purchase and operate Hotel, resort and properties	Co directors
Phuket Beer (Thailand) Co., Ltd.	Wholesale Alcoholic Beverages	Co directors
JKR Energy Co., Ltd.	Operation of the production and transmission of Electricity	Co directors
Bangkok Charan Asset Management Co., Ltd.	Asset management from purchases of non-performing receivables of financial institutions	Co directors
Memory Master LED Co., Ltd.	Rental space for advertising signage	Co directors
MD Media Global Co., Ltd.	Rental space for advertising signage	Co directors
Malachi Co., Ltd.	Cosmetics distributor Imports from Korea	Co directors
Eastern Printing Public Company Limited	Printing media production	Co directors
Lopburi Solar Co., Ltd.	Production and distribution of electricity from solar energy.	Co directors
Aquatist Energy Co., Ltd.	Production and distribution of energy	Co directors
Eastern Power Group Public Company Limited	Power Generation	Co directors
C.S.R. Ice Industry Co., Ltd.	Production and distribution of ice	Co directors
EpcO Green Power Plus Co., Ltd.	Production and distribution of electricity from solar energy.	Co directors
Naga Heritage Co., Ltd.	Rental and carry on real estate owned or leased for non-residents.	Co directors
Fabric spa Thailand Co., Ltd.	Laundry, cleaning clothes Apparel and other textiles.	Co directors
M Advance Media Co., Ltd.	Creative advertising service	Co directors

Pricing policies for each transaction are as follows:

Type of transactions	Pricing policy
Interest income	Interest rates of 5.1 per annum
Other income	Contract price
Other expenses	At agreed price
Financing Cost	Interest rates of MLR + 0.25% per annum

The significant transactions with related parties for the years ended 31 December 2016 and 2015 are as follows:

	(Unit : Million Baht)			
	Consolidated F/S		Separate F/S	
	2016	2015	2016	2015
Transactions with parent company				
Interest income	1.81	1.61	1.81	1.61
Other expenses	1.29	0.87	1.29	0.87
Finance cost	-	0.29	-	0.29
Transactions with related parties				
Interest income	-	-	6.74	-
Other income	0.21	0.20	0.21	0.20
Other expenses	0.38	0.12	0.38	0.12
Finance cost	-	-	0.14	0.41

			(Unit : Million Baht)	
	Consolidated F/S		Separate F/S	
	2016	2015	2016	2015
Key management personnel compensation				
Current employment benefits	15.89	11.97	15.89	11.97
Post-employment benefits	0.16	0.15	0.16	0.15
Total	16.05	12.12	16.05	12.12

The balances with related companies as at 31 December 2016 and 2015 are as follows:

			(Unit : Thousand Baht)	
	Consolidated F/S		Separate F/S	
	2016	2015	2016	2015
<u>Other receivables – related companies</u>				
MD Adrenaline (Thailand) Co., Ltd.	214	214	214	214
Mida Assets Management Company Limited	-	-	2	100
Total	214	214	216	314
<u>Short - term loan to related companies and interest receivable</u>				
Mida Assets Public Company Limited	-	48,933	-	48,933
Mida Assets Management Company Limited	-	-	161,635	-
Net	-	48,933	161,635	48,933
<u>Other payable - related companies</u>				
Mida Assets Public Company Limited	117	72	117	72
Max Hotel Co., Ltd.	-	7	-	7
Mida Ad Company Limited	85	-	85	-
The Retreat Hua Hin Co., Ltd.	8	-	8	-
Total	210	79	210	79
<u>Short – term loan from subsidiary company and accrued interest expense</u>				
Mida Assets Management Company Limited	-	-	-	24,985

Movements in the short - term loans to parent company and short - term loans from parent company for the year ended 31 December 2016 are as follows :

(Unit : Thousand Baht)			
Consolidated F/S			
	1 January 2016	Increase	31 December 2016
<u>Short - term loan to parent company</u>			
Mida Assets Public Company Limited			
Loan	48,500	309,000	(357,500)
Accrued interest	433	1,815	(2,248)
			-
			-
(Unit : Thousand Baht)			
Separate F/S			
	1 January 2016	Increase	31 December 2016
<u>Short - term loan to parent company</u>			
Mida Assets Public Company Limited			
Loan	48,500	309,000	(357,500)
Accrued interest	433	1,815	(2,248)
			-
			-
Mida Assets Management Company Limited			
Loan	-	155,000	-
Accrued interest	-	6,736	(101)
			155,000
			6,635
<u>Short - term loan from subsidiary company</u>			
Mida Assets Management Company Limited			
Loan	24,900	-	(24,900)
Accrued interest	85	135	(220)
			-
			-

9. LOANS TO OTHER PARTIES - NET

(Unit :Thousand Baht)		
Consolidated and Separate F/S		
	2016	2015
Loans to other parties	199,544	41,921
<u>Less</u> Current portion due within one year	(96,553)	(25,526)
Balance	102,991	16,395
<u>Less</u> Allowance for doubtful accounts	-	(5,414)
Net	102,991	10,981

The movements in loans to other parties during the year are as follows:

	(Unit : Thousand Baht)			
	Consolidated and Separate F/S			31 December
	1 January			
	2016	Increase	Decrease	2016
Loans to other parties	41,921	243,056	(85,433)	199,544
<u>Less</u> Allowance for doubtful accounts	(5,414)	-	5,414	-
Loans to other parties – net	36,507	243,056	(80,019)	199,544

The above loans bear interest at rates of 12% - 24% per annum. The outstanding balance with collaterals as at 31 December 2016 and 2015, are as follows:

(Unit : Million Baht)			
Principal amount			Collateral
Consolidated and Separate F/S			
2016	2015		
1)	135.96	18.84	The pledges of car registration books, share certificates of a local company, and land title deeds
2)	36.14	19.61	Personal guarantee
3)	24.76	-	Secured by transferring right of receive money from the service
4)	2.68	3.47	Secured by transferring right of rental area of 3 – floor building

10. ASSETS FORECLOSED – NET

	(Unit : Thousand Baht)			
	Consolidated F/S		Separate F/S	
	2016	2015	2016	2015
Vehicles	38,072	44,403	38,072	44,403
<u>Less</u> Allowance for impairment of vehicles	(9,518)	(13,240)	(9,518)	(13,240)
Net	28,554	31,163	28,554	31,163

11. RESTRICTED DEPOSITS WITH BANK

As at 31 December 2016, the Company fixed deposit with a bank of Baht 0.11 million is restricted for usage as it has been pledged as collateral for electricity usage (31 December 2015 : Baht 0.11 million).

12. INVESTMENT IN ACCOUNTS RECEIVABLE

(Unit : Thousand Baht)

	Consolidated F/S			
	2016		2015	
	No. of contracts	Amount	No. of contracts	Amount
Accounts receivable - Hire purchases	428	200,605	483	21,683

(Unit : Thousand Baht)

	Separate F/S			
	2016		2015	
	No. of contracts	Amount	No. of contracts	Amount
Accounts receivable - Hire purchases	427	20,605	483	21,683

Movements in accounts receivable-hire purchase during the year are as follows:

	(Unit : Thousand Baht)	
	Consolidated F/S	Separate F/S
Balance as at 1 January 2016	21,683	21,683
<u>Add</u> Purchase investment	180,000	-
<u>Less</u> Portion decreased from cash collection during the year	(1,078)	(1,078)
Balance as at 31 December 2016	200,605	20,605

The Company expect to collect cash from debtors from the investments of Baht 10 million within one year.

13. PROPERTY, PLANT AND EQUIPMENT – NET

(Unit : Thousand Baht)

	Consolidated and Separate F/S				
	Land and land improvement	Building and improvement	Furniture, fixtures and equipment	Vehicle	Total
<u>Cost</u>					
As at 1 January 2015	76,336	26,743	20,616	21,538	145,233
Increase	-	586	1,924	4,041	6,551
Decrease	-	(47)	(2,306)	(10,817)	(13,170)
As at 31 December 2015	76,336	27,282	20,234	14,762	138,614
Increase	-	193	1,008	4,997	6,198
Decrease	-	(60 9)	(3,786)	(4,334)	(8,729)
As at 31 December 2016	76,336	26,866	17,456	15,425	136,083

	Consolidated and Separate F/S				
	Land and land improvement	Building and improvement	Furniture, fixtures and equipment	Vehicle	Total
<u>Accumulated depreciation</u>					
As at 1 January 2015	-	11,541	16,101	16,615	44,257
Depreciation charge for the year	-	1,846	1,791	1,586	5,223
Decrease	-	(46)	(2,296)	(10,817)	(13,159)
As at 31 December 2015	-	13,341	15,596	7,384	36,321
Depreciation charge for the year	-	1,792	1,726	1,466	4,984
Decrease	-	(598)	(3,785)	(4,334)	(8,717)
As at 31 December 2016	-	14,535	13,537	4,516	32,588
<u>Net Book Value</u>					
As at 31 December 2015	76,336	13,941	4,638	7,378	102,293
As at 31 December 2016	76,336	12,331	3,919	10,909	103,495
Depreciation for the year 2015					
- Administrative expense					5,223
Depreciation for the year 2016					
- Administrative expense					4,984

As at 31 December 2016, certain building improvement and equipment items have been fully depreciated but are still in use. The original cost of those assets amounted to approximately Baht 15.71 million (2015 : Baht 19.17 million).

The Company has mortgaged land with structures thereon with a total net book value as at 31 December 2016 of Baht 46.32 million as collaterals for credit facilities granted by domestic financial institutions as described in Note 19 (31 December 2015 : Baht 61.03 million).

14. INVESTMENT PROPERTIES

The investment properties represent vacant land, land and buildings not used in operations and held for undetermined future usage. These are stated at the cost.

Fair value of the investment properties are Baht 48.83 million which were appraised in 2015 by independent professionally qualified appraiser who hold a recognized professional qualification, and the assessment of land prices from Bangkok Metropolis land office.

The Company had mortgaged land with a value of Baht 14 million as collateral for bank overdrafts and long-term loans granted by a domestic financial institution described in the Notes 17 and 19.

15. INVESTMENTS IN SUBSIDIARY COMPANY

(Unit : Thousand Baht)

	Separate F/S					
	Paid up share capital		Shareholding Percentage (%)		Cost	
	2016	2015	2016	2015	2016	2015
Mida Asset Management Company Limited. (Asset management from transferred non-performing asset of financial institution)	25,000	25,000	99.99	99.99	25,000	25,000

16. DEFERRED TAX ASSET/LIABILITY AND INCOME TAX

Deferred income tax asset and liability are as follows :

(Unit : Thousand Baht)

	Consolidated F/S		Separate F/S	
	31 December 2016	31 December 2015	31 December 2016	31 December 2015
Deferred income tax asset	38,205	31,239	38,205	31,239
Deferred income tax liability	(141)	(77)	(141)	(77)
Deferred income tax asset - net	38,064	31,162	38,064	31,162

The movements in deferred income tax asset and liability are as follows :

(Unit : Thousand Baht)

	Consolidated F/S			
	1 January 2016	Recognized as income (expenses)		31 December 2016
		Statement of income	Shareholders' equity	
<u>Deferred income tax asset</u>				
From allowance for doubtful hire – purchases receivable	20,774	4,585	-	25,359
From allowance for doubtful other accounts receivables	2,451	507	-	2,958
From allowance for doubtful short - term loans receivable - other companies	2,344	1,188	-	3,532
From allowance for devalued assets foreclosed	2,648	(744)	-	1,904
From allowance for employee benefits obligation	3,022	380	-	3,402
From allowance for decline value of investment in trading security	-	1,050	-	1,050
Total	31,239	6,966	-	38,205
<u>Deferred income tax liability</u>				
Difference of depreciation between accounting and tax bases	(77)	(64)	-	(141)

	Consolidated F/S			
	1 January 2015	Recognized as income (expenses)		31 December 2015
		Statement of income	Shareholders' equity	
<u>Deferred income tax asset</u>				
From allowance for doubtful hire – purchases receivable	19,143	1,631	-	20,774
From allowance for doubtful other accounts receivables	1,908	543	-	2,451
From allowance for doubtful short - term loans receivable - other companies	2,344	-	-	2,344
From allowance for devalued assets foreclosed	2,273	375	-	2,648
From allowance for employee benefits obligation	2,665	357	-	3,022
Total	28,333	2,906	-	31,239
<u>Deferred income tax liability</u>				
Difference of depreciation between accounting and tax bases	(47)	(30)	-	(77)

(Unit : Thousand Baht)

	Separate F/S			
	1 January 2016	Recognized as income (expenses)		31 December 2016
		Statement of income	Shareholders' equity	
<u>Deferred income tax asset</u>				
From allowance for doubtful hire – purchases receivable	20,774	4,585	-	25,359
From allowance for doubtful other accounts receivables	2,451	507	-	2,958
From allowance for doubtful short - term loans receivable - other companies	2,344	1,188	-	3,532
From allowance for devalued assets foreclosed	2,648	(744)	-	1,904
From allowance for employee benefits obligation	3,022	380	-	3,402
From allowance for decline value of investment in trading security	-	1,050	-	1,050
Total	31,239	6,966	-	38,205
<u>Deferred income tax liability</u>				
Difference of depreciation between accounting and tax bases	(77)	(64)	-	(141)

	Separate F/S			
	1 January 2015	Recognized as income (expenses)		31 December 2015
		Statement of income	Shareholders' equity	
<u>Deferred income tax asset</u>				
From allowance for doubtful hire – purchases receivable	19,143	1,631	-	20,774
From allowance for doubtful other accounts receivables	1,908	543	-	2,451
From allowance for doubtful short - term loans receivable - other companies	2,344	-	-	2,344
From allowance for devalued assets foreclosed	2,273	375	-	2,648
From allowance for employee benefits obligation	2,665	357	-	3,022
Total	28,333	2,906	-	31,239
<u>Deferred income tax liability</u>				
Difference of depreciation between accounting and tax bases	(47)	(30)	-	(77)

Income tax expenses for the years ended 31 December 2016 and 2015 are as follows :

	Consolidated F/S		Separate F/S	
	2016	2015	2016	2015
Current tax expense				
Current year	36,894	28,544	36,894	28,523
Deferred tax expense				
Movements in temporary differences	(6,902)	(2,876)	(6,902)	(2,876)
Total income tax expense	29,992	25,668	29,992	25,647

Reconciliation of effective tax rate

	(Unit : Thousand Baht)			
	Consolidated F/S		Separate F/S	
	2016	2015	2016	2015
Income before income tax	154,948	128,432	154,948	128,432
Income (loss) before income tax - subsidiary	(6,731)	106	-	-
Income before income tax	148,217	128,538	154,948	128,432
Tax rate (percentage)	20	20	20	20
Income tax using corporation tax rate	30,990	25,708	30,990	25,687
Income tax of items allowed as expenses under Revenue Code	(269)	(176)	(269)	(176)
Income tax of expenses not deductible for tax purposes	(729)	136	(729)	136
Income tax expense	29,992	25,668	29,992	25,647
Effective tax rate (percentage)	19.36	19.97	19.36	19.97

17. BANK OVERDRAFTS AND SHORT - TERM LOANS FROM FINANCIAL INSTITUTIONS

	(Unit : Thousand Baht)			
	Consolidated F/S		Separate F/S	
	2016	2015	2016	2015
Promissory note	-	39,816	-	39,816

As at 31 December 2016 and 2015, the Company has credit facilities and the related interest rate as follows:

	2016	2015
Overdraft credit facility (Unit : Million Baht)	20	20
Promissory notes credit facility (Unit : Million Baht)	-	40
Interest rate for normal limits (Percent per annum)	MOR - 0.5	MOR - 0.5, 3.95
Interest rate for the excess limits. (Percent per annum)	18	18

As at 31 December 2016, the Company has unutilized credit facilities of Baht 20 million (31 December 2015 : Baht 20 million)

The above credit facilities are collateralized by the mortgage of land of the Company as disclosed in Note 14 to the financial statements.

18. TRADE ACCOUNTS PAYABLE AND ACCRUED EXPENSES

	Consolidated F/S		(Unit : Thousand Baht)	
			Separate F/S	
	2016	2015	2016	2015
Trade accounts payable	44,778	22,632	44,778	22,632
Accrued bonuses	18,637	16,838	18,637	16,838
Accrued insurance premium	13,678	12,955	13,678	12,955
Accrued interest	11,332	9,723	11,332	9,723
Accrued expenses	7,281	6,432	7,256	6,372
Other payables	10,927	11,834	10,926	11,834
Total	106,633	80,415	106,607	80,354

19. LONG - TERM LOANS

	Consolidated F/S		(Unit : Thousand Baht)	
			Separate F/S	
	2016	2015	2016	2015
Long – term loans	27,859	37,399	27,859	37,399
<u>Less</u> Current portion due within one year	(5,771)	(6,871)	(5,771)	(6,871)
Net	22,088	30,528	22,088	30,528

Balance of long - term loans as at 31 December 2016 and 2015 are as follows :

	Thousand Baht		Interest rate (% per annum)	Term of payment
	2016	2015		
Loan for Land purchasing	-	4,143	MRR p.a.	Monthly installments with interest at least Baht 0.2 million and repayable within 18 March 2018
Loan for Land purchasing	27,859	33,256	ML R- 0.50% p.a.	Monthly installments with interest at least Baht 610,000 and repayable within 2 July 2021
Total	27,859	37,399		
<u>Less</u> Current portion	(5,771)	(6,871)		
Long-term loan - net	22,088	30,528		

As at 31 December 2016, the Company has credit facility with financial institution for purchasing of land total Baht 40 million. These loan bear interest rate ranging MLR-0.5 per annum. These loan is repayable by monthly installments of Baht 0.61 million. These loan is collateralized by the Company's land and construction thereon (Note 13)

20. DEBENTURES31 December 2016

(Unit : Thousand Baht)					
Debenture	Duration	Date of issue	Maturity date	Interest Rate (% p.a.)	Consolidated and separate F/S
1	2 years and 1 month	19 March 2015	10 April 2017	5.00	199,896
2	2 years	24 April 2015	24 April 2017	5.00	399,771
3	3 years 1 day	19 May 2016	20 May 2019	4.30	169,838
4	2 years 1 day	29 September 2016	29 September 2018	4.50	199,791
5	3 years	24 November 2016	24 November 2019	5.00	698,472
Total					1,667,768
<u>Less</u> Current portion					(599,667)
Long - term loans – net					1,068,101

31 December 2015

Debenture	Duration	Date of issue	Maturity date	Interest Rate (% p.a.)	Thousand Baht
1	2 years	27 November 2014	27 November 2016	5.00	598,782
2	2 years 1 month	19 March 2015	10 April 2017	5.00	199,517
3	2 years	24 April 2015	24 April 2017	5.00	399,035
Total					1,197,334
<u>Less</u> Current portion					(598,782)
Long - term loans - net					598,552

Movements in debentures during the years ended 31 December 2016 and 2015 are as follows :

(Unit : Thousand Baht)		
Consolidated and separate F/S		
	2016	2015
Balance as at 1 January	1,197,334	597,500
Newly issued debentures	1,070,000	600,000
Bond maturity	(600,000)	-
Underwriting costs	(2,025)	(2,310)
Amortization of underwriting costs	2,459	2,144
Balance as at 31 December	1,667,768	1,197,334

The Company issued unsubordinated, unsecured, with no trustee debentures to individuals and financial institutions. The interest on these debentures is payable every 3 months. The Company uses the proceeds from this issuance of debentures to repay debts and/or for working capital required to fund business expansion. In addition, the debentures were issued with covenants relating to various matters, such as the decrease in share capital, the merger, the payment of dividend and limitations on the execution of new loan obligation.

21. EMPLOYEE BENEFITS OBLIGATION

Movements in employee benefit obligations for the years ended 31 December 2016 and 2015 are as follows :

	Consolidated F/S		(Unit : Thousand Baht)	
	2016	2015	2016	2015
Balance as at 1 January				
Portion due within one year	2,777	3,894	2,777	3,894
Employee benefits obligation – net	10,768	9,436	10,768	9,436
Current service costs	1,330	1,291	1,330	1,291
Interest on obligation	569	496	569	496
Actuarial gain recognized under shareholders' equity	-	-	-	-
Benefit paid	-	(1,572)	-	(1,572)
Total	15,444	13,545	15,444	13,545
<u>Less</u> Portion due within one year	(4,730)	(2,777)	(4,730)	(2,777)
Balance as at 31 December	10,714	10,768	10,714	10,768
Total	15,444	13,545	15,444	13,545

Principal actuarial assumptions are as follows:

Discount rate	4.62%
Salary increase rate	8.27%
Mortality rate	Thai Mortality Table 2008
Normal retirement ages (years)	60 years

Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

		(Unit : Thousand Baht)			
		Consolidated F/S		Separate F/S	
		Increase	Decrease	Increase	Decrease
		0.5%	0.5%	0.5%	0.5%
Discount rate					
Increase (decrease) in the employee benefits obligation		(385)	408	(385)	408
Future salary growth					
Increase (decrease) in the employee benefits obligation		550	(521)	550	(521)
Employee turnover					
Increase (decrease) in the employee benefits obligation		(632)	673	(632)	673

As at 31 December 2016, expected maturity of employee benefits obligation before discount are as follow :

			(Unit : Thousand Baht)
		Consolidated F/S	Separate F/S
Within one year		4,730	4,730
Between 2 -5 years		3,300	3,300
Between 6 – 10 years		5,861	5,861
Between 11 - 15 years		2,444	2,444
Total		16,335	16,335

22. SHARE CAPITAL

On 28 April 2016, the Annual General Meeting of Shareholders meeting of the Company passed a resolution approving as follows:

- To approve the decrease for authorized share capital from Baht 483,999,930.50 to Baht 483,998,918.50 by reducing the number of shares from 967,999,877 shares to 967,999,837 shares with a par value of Baht 0.50 each.
- To approve the increase in its registered share capital from Baht 483,998,918.50 (967,997,837 ordinary shares of Baht 0.50 per share) to Baht 725,998,377.50 (1,451,996,755 ordinary shares of Baht 0.50 per share) by using 483,998,918 new ordinary shares with a par value of Baht 0.50 each. The Company registered the increase of share capital on 11 May 2016 with the Ministry of Commerce.
- To approve the issuance of warrants ("ML-W2") not over 483,998,918 warrants, free of charge, to the shareholders. The exercise ratio is 2:1. The warrants can be converted to ordinary shares within three years from the issuance date with the exercise price of Baht 3.50 per share.

As at 31 December 2016, the warrants are excluded from the computation of diluted earnings per share as the exercised price is higher than the fair value of the ordinary shares.

On 23 April 2015, the Annual General Meeting of Shareholders meeting of the Company passed a resolution approving as follows:

- To approve the decrease for authorized share capital from Baht 440,000,000 to Baht 439,999,941.50 by reducing the number of shares from 880,000,000 shares to 879,999,883 shares with a par value of Baht 0.50 each.
- To approve the increase in authorized share capital from Baht 439,999,941.50 to Baht 483,999,935.50 by issuing new 87,999,988 ordinary shares at Baht 0.50 par value to reserve for stock dividend payment to existing shareholders. The Company registered the increase in its share capital with the Ministry of Commerce on 30 April 2015

23. PREMIUM ON SHARE CAPITAL

Under Section 51 of the Public Companies Act B.E. 2535, the Company is required to set aside share subscription money received in excess of the par value of the share as a reserve account ("Share premium on share capital"). Premium on share capital is not available for dividend distribution.

24. LEGAL RESERVE

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

25. DIVIDEND PAYMENT

At the Annual General Meeting of Shareholders on 28 April 2016, the shareholders passed resolutions to approve the dividend payment for operations of the year 2015 for 967,958,737 ordinary shares dividend rights into cash dividend at the rate of Baht 0.032 per share, totalling Baht 30,974,679.34

At the Annual General Meeting of Shareholders on 23 April 2015, the shareholders passed resolutions to approve the dividend payment from operating profit of the year 2014 for 879,999,883 ordinary shares into 2 categories as follows:

- Stock dividend at the ratio of 10 existing share to 1 stock dividend or at Baht 0.05 per share, totalling Baht 43,999,994.
- Cash dividend at the rate of Baht 0.00556 per share, totalling Baht 4,892,799.

26. PROVIDENT FUNDS

The Company and its employees have established a contributory Provident Fund. This Provident Fund has already been registered under the Provident Fund Act, B.E. 2530. Under the Fund plan, employee has to contribute to the fund at the specific rate and will be entitled to receive the fund when he is no longer member in accordance with regulation of the Fund. The Company's contribution to the Fund for the years 2015 amounted to Baht 1.14 million (2015 : Baht 1.03 million)

27. OTHER INCOME

	Consolidated F/S		(Unit : Thousand Baht)	
			Separate F/S	
	2016	2015	2016	2015
Insurance brokerage income	16,842	15,246	16,842	15,246
Penalty income	19,278	18,095	19,278	18,095
Income from transferring of carregisters	12,652	12,952	12,652	12,952
Bad debt recovery	6,484	7,624	6,484	7,624
Gain on sale of investments in securities	20,047	581	20,047	581
Operation fee income	12,073	6,711	12,073	6,711
Debt collection income	5,506	6,316	5,506	6,316
Seized car transferred income	3,973	4,584	3,973	4,584
Others	20,795	13,424	20,795	13,424
Total	117,650	85,533	117,650	85,533

28. EXPENSES BY NATURE

	Consolidated F/S		(Unit : Thousand Baht)	
			Separate F/S	
	2016	2015	2016	2015
Salaries, wages and other employee benefit	101,889	85,059	101,889	85,059
Commission expense	37,081	39,402	37,081	39,402
Bad debt and doubtful accounts	50,875	46,213	50,875	46,213
Loss from disposal of assets foreclosed	44,870	53,917	44,870	53,917
Insurance premium	10,840	17,647	10,840	17,647
Management benefit expense	15,893	11,974	15,893	11,974
Depreciation	4,984	5,223	4,984	5,223
Changes in finished goods	2,317	(1,213)	2,317	(1,213)

29. SEGMENTAL FINANCIAL INFORMATION

The Company's business is confined to the two business segments of hire purchase financing for used cars and non – performing receivable management business. However, the revenue arising from non – performing receivable management business is immaterial. The Company, therefore does not present segmental financial information. Major businesses are carried in Thailand. All revenues, operating profits and assets reflected in these financial statements are therefore pertaining to the aforementioned industry and geographic area.

Major Customer

The Company does not have major customer under its operations to generate major income under hire-purchase agreements and does not have risk of loss of major customer.

30. FINANCIAL INSTRUMENTS

Financial risk management

The Company's financial instruments principally comprise cash and cash equivalents, restricted deposits with bank, hire-purchases receivable, loans, bank overdrafts and short - term loans from financial institutions, long-term loans and debentures. The Company has risks associated with these financial instruments. They are managed as described below.

Credit risk

The Company has exposure to credit risk primarily with respect to hire-purchases receivable and loans. The Company manages the risk by adopting appropriate credit control policies and procedures. In addition, they do not have high concentration of the credit risk since they have a large customer base diversified across many areas. The maximum exposure to credit risk is limited to the carrying amounts of receivables and loans as stated in the statement of financial position.

Interest rate risk

The Company's exposure to interest rate risk relates primarily to its cash at banks, hire – purchases receivable, short-term loans and long – term loans which bear interest. However, since most of the Company's financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate, the interest rate risk is expected to be minimal.

Significant financial assets and liabilities as at 31 December 2016 and 2015 classified by type of interest rates are summarized below, with those financial assets and liabilities that carry fixed interest rates further classified based on the maturity date or the reprising date (if this occurs before the maturity date) as follows :

(Unit : Million Baht)

	Consolidated F/S					
	2016					
	Fixed interest rates		Floating	Non-	Total	Effective
	Within	Over1	Floating	interest		interest rate
	1year	to5years	interest rate	bearing		(% p.a.)
Financial Assets						
Cash and cash equivalents	-	-	71.18	24.99	96.17	0.10 - 0.40
Hire-purchases receivable -net	964.14	1,605.02	-	-	2,569.16	18.26
Restricted d eposit withbank	-	0.11	-	-	0.11	0.90
Short-term loans to other parties - net	96.55	102.99	-	-	199.54	12.00 - 24.00
	<u>1,060.69</u>	<u>1,708.12</u>	<u>71.18</u>	<u>24.99</u>	<u>2,864.98</u>	
Financial Liabilities						
Long-term loans from bank	-	-	27.86	-	27.86	MLR - 0.50
Debentures	599.67	1,068.10	-	-	1,667.77	4.30, 4.50, 5.00
	<u>599.67</u>	<u>1,068.10</u>	<u>27.86</u>	<u>-</u>	<u>1,695.63</u>	

(Unit : Million Baht)

	Consolidated F/S					
	2015					
	Fixed interest rates		Floating	Non-		Effective
	Within	Over1	Floating	interest		interest rate
	1year	to5years	interest rate	bearing	Total	(% p.a.)
Financial Assets						
Cash and cash equivalents	-	-	13.89	22.37	36.26	0.10 - 1.10
Hire-purchases receivable -net	937.60	1,538.04	-	-	2,475.64	18.22
Short-term loan to parent company	-	-	48.93	-	48.93	MLR + 0.25
Restricted d eposit withbank	-	0.11	-	-	0.11	1.00
Short-term loans to other parties - net	25.53	10.98	-	-	36.51	12.00 - 24.00
	963.13	1,549.13	62.82	22.37	2,597.45	
Financial Liabilities						
Short-term loans from financial institutions	39.81	-	-	-	39.81	3.95
Long-term loans from bank	-	-	37.40	-	37.40	MRR, MLR - 0.50
Debentures	598.78	598.55	-	-	1,197.33	5.00
	638.59	598.55	37.40	-	1,274.54	

(Unit : Million Baht)

	Separate F/S					
	2016					
	Fixed interest rates		Floating	Non-		Effective
	Within	Over1	Floating	interest		interest rate
	1year	to5years	interest rate	bearing	Total	(% p.a.)
Financial Assets						
Cash and cash equivalents	-	-	71.17	24.99	96.16	0.10 - 0.40
Hire-purchases receivable -net	964.14	1,605.02	-	-	2,569.16	18.26
Short-term loan to parent company	155.00	-	-	-	155.00	5.10
Restricted d eposit withbank	-	0.11	-	-	0.11	0.90
Short-term loans to other parties - net	96.55	102.99	-	-	199.54	12.00 - 24.00
	1,215.69	1,708.12	71.17	24.99	3,019.97	
Financial Liabilities						
Long-term loans from bank	-	-	27.86	-	27.86	MLR - 0.50
Debentures	599.67	1,068.10	-	-	1,667.77	4.30, 4.50, 5.00
	599.67	1,068.10	27.86	-	1,695.63	

(Unit : Million Baht)

	Separate F/S					
	2015					
	Fixed interest rates		Floating	Non-		Effective
	Within	Over1		interest		interest rate
	1year	to5years	interest rate	bearing	Total	(% p.a.)
Financial Assets						
Cash and cash equivalents	-	-	13.61	22.37	35.98	0.10 - 1.10
Hire-purchases receivable -net	937.60	1,538.04	-	-	2,475.64	18.22
Short-term loan to parent company	-	-	48.93	-	48.93	MLR + 0.25
Restricted d eposit withbank	-	0.11	-	-	0.11	1.00
Short-term loans to other parties - net	25.53	10.98	-	-	36.51	12.00 - 24.00
	963.13	1,549.13	62.54	22.37	2,597.17	
Financial Liabilities						
Short-term loans from financial institutions	39.81	-	-	-	39.81	3.95
Short-term loan from subsidiary company	24.98	-	-	-	24.98	4
Long-term loans from bank	-	-	37.40	-	37.40	MRR, MLR - 0.50
Debentures	598.78	598.55	-	-	1,197.33	5.00
	663.57	598.55	37.40	-	1,299.52	

Fair value financial instrument

The financial asset and liability are mainly reclassified in the type of short term by natures. Long-term loan from merchant bank bears interest rate under the same basis as the market. The management believes that book value of such financial asset and liability reflect value materially indifferent from fair values.

31. FAIR VALUE MEASUREMENT

As at 31 December 2016, the Group has financial assets measured at fair value in the statement financial position are grouped into levels of a fair value hierarchy as follows.

(Unit : Thousand Baht)				
	Consolidated and separate F/S			Total
	Level 1	Level 2	Level 3	
Assets measured at fair value				
Investment in trading security	-	84,847	-	84,847

32. COMMITMENTS

As at 31 December 2016, the Company has commitment for building rental and services agreement obligation under lease agreements as follow:

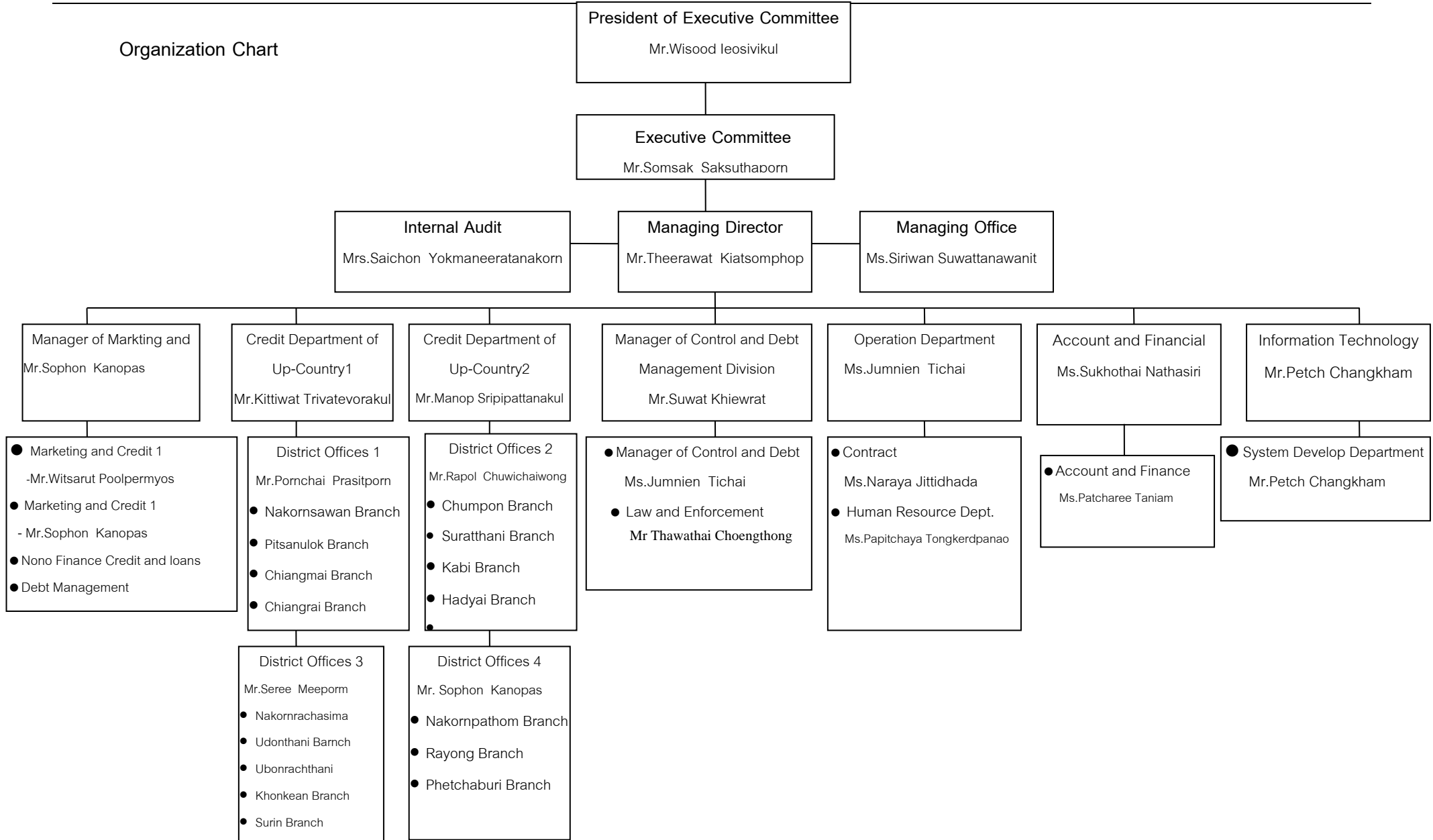
	(Unit : Million Baht)	
	Consolidated F/S	Separate F/S
Payment:		
Within 1 year	2.62	2.62
2 - 5 years	2.34	2.34
Total	4.96	4.96

33. APPROVAL OF FINANCIAL STATEMENTS

These financial statements have been approved by the Company's Board of Directors on 28 February 2017.



Organization Chart



Capital and Management Structure

List of major shareholders of the Company as of December 28, 2016

<u>No.</u>	<u>Name</u>	<u>No. of Share</u>	<u>% of paid-up capital</u>
1	Mida Assets Public Company Limited	454,740,000	46.98
2	Ms. Chitwadee leosivikul	40,552,940	4.19
3	Mr. Thatveep Ruangral	35,005,000	3.62
4	Ms.Tippawan Panyajirawut	26,564,207	2.74
5	Ms.Narumol Jamkajang	24,095,298	2.49
6	Mr.Virun Jaiyindee	14,539,269	1.50
7	Ms. Chawanluck leosivikul	12,767,892	1.32
8	Mr. Nipon Nattawut	12,288,596	1.27
9	Mr. Thaned Dirosakayavitoon	11,537,542	1.19
10	Thai NVDR Co.,LTD	11,303,368	1.17
Total		643,394,112	66.47

*** Per value is 0.50 baht

Management structure of the Company consists of Board of Directors, Audit Committee, Executive Committee, and management. List and duties and responsibilities of the directors and managements of the Company are as follows:

Board of Directors

Board of Directors of the Company as of December 31, 2016 consists of nine directors, who had all completed the Directors Accreditation Program (DAP).

<u>No.</u>	<u>Name</u>	<u>Position</u>
1.	Mr. Wisood leosivikul	President of Board Director
2.	Mr. Somsak Saksuthaporn	Director
3.	Ms. Roongrawee lampongpaithoon	Director
4.	Mr. Sorasak leosivikul	Director
5.	Mr. .Akachai leosivikul	Director
6.	Ms.Tippawan Panyajirawut	Director
7.	Pol.Lt.Gen Chalong Sonjai	Director and Chairman of Audit committee
8.	Mr. Kiattiporn Sirichaisakul	Director and Audit committee member
9.	Ms.Pinnapa Ngansujarit	Director and Audit committee member

** Appointment of Mr. Akachai leosivikul as a director to replace Ms. Kittika Chatchaval effective from January 21, 2016

** Appointment of Ms. Tippawan Panyajirawat as a director to replace Ms. Kwankamon Kidprasam effective from March 4, 2016

Ms. Roongrawee lampongpaithoon is the secretary for the Board of Directors.

Currently the Company has 9 directors, of which 5 directors are representatives of major shareholders, namely, Mr. Wisood leosivikul, Mr. Somsak Saksuthaporn, Ms. Roongrawee lampongpaithoon, Mr. Sorasak leosivikul, Mr. Akachai leosivikul Director. Audit Committee members are Pol. Lt. Gen. Chalongsong Sonjai, Mr. Kiattiporn Sirichaisakul, Ms. Pinnapa Ngansujarit

Authorized Directors

Authorized Directors of the Company are Mr. Wisood leosivikul, Mr. Somsak Saksuthaporn, Ms. Roongrawee lampongpaithoon, Mr. Sorasak leosivikul, Mr. Akachai leosivikul two of five directors co-sign together with the Company's seal.

Scope of duties and responsibilities of the Board of Directors

Board of Directors shall utilize their knowledge, capability and experiences in operating the company's business in compliance with the law, objectives and articles of association of the Company as well as resolutions of the shareholders' meeting. Board of Directors shall specify policy for business operation, financial management, risk management and have effective internal control system and internal audit based on the best benefits of shareholders. Board of Directors shall also govern and control the executive to operate business under the specified policy with efficiently and effectively, and shall not operate, nor be a partner and not be a director of business that has the same nature as or in competition with that of the Company.

In addition, Board of Directors has the authority to appoint some directors to be the executive directors to perform the specific one or many duties. Board of Directors agree to appoint authorized directors to operate all businesses except the following operations should be approved by the shareholders' meeting

- 1) All operations compliance with law must be approved by shareholders' meeting
- 2) All operations that a director has an interest and specified by law or by the regulations of the Stock Exchange of Thailand that should have the resolution from shareholders.

However, the transaction must not be authorized by directors may have a conflict of interest or other conflict with the company or its subsidiaries, me.

Audit Committee

Audit Committee of the Company as of December 31, 2016 consists of three directors as follows:

<u>No.</u>	<u>Name</u>	<u>Position</u>
1.	Pol. Lt. Gen. Chalongsong Sonjai	Chairman
2.	Mr. Kiattiporn Sirichaisakul	Member
3.	Ms. Pinnapa Ngansujarit	Member

Ms. Roongrawee lampongpaithoon is the secretary of the Audit Committee.

Scope of duties and responsibilities of the Audit Committee

The Audit Committee has duty and responsibilities according to the regulation imposed by the Stock Exchange Commission and the Stock Exchange of Thailand and reports directly to the Company's Board of Directors.

- 1) To review the Company's financial reporting process to ensure accuracy and adequacy by coordinating with auditor and management who responsible for preparing quarterly and yearly financial statement as well as recommend the auditor in the necessary transactions that should be concern.
- 2) To ensure that the Company has suitable and efficient internal control system and internal audit by working with auditor and internal auditor.
- 3) To review the performance of the Company to ensure compliance with the securities and exchange law, regulations of SET or laws that relating to business of the Company.
- 4) To consider, select, nominate and recommend remuneration of the Company's external auditor.
- 5) To review the disclosure of information of the Company and to infer in case that there is a connected transaction or transaction that may lead to conflict of interest so as to ensure the accurateness and completeness.
- 6) To prepare a report on monitoring activities of the audit committee and disclose it in an annual report of the Company, and have such report signed by the chairman of the audit committee. The report should provide the following information:
 - The inference of correctness in financial reporting process and disclosure information in the financial statement.
 - The inference of the adequacy and sufficiency of internal control system.
 - The reason to support that the auditor is suitable to be appointed for further one term.
 - The reference of the Company's compliance with securities and exchange, regulations of SET and the laws relating to the Company's business.
 - The other information that should be disclosed to shareholders and investors under the scope of power and duties delegated by Board of Directors.
- 7) To perform any other act as assigned by the Board of Directors with approval of the audit committee.

Executive Committee

As of December 31, 2016 the Company has two executive directors as follows:

<u>No.</u>	<u>Name</u>	<u>Position</u>
1.	Mr. Wisood leosivikul	President of Executive Committee
2.	Mr. Somsak Saksuthaporn	Executive Committee

Ms. Roongrawee Iampongpaithoon is the secretary for the Executive Committee.

Scope of duties and responsibilities of the Executive Committee

The Board of Directors has delegated authorization to Executive Directors to operate business under the following condition:

- 1) Authorization in managing the Company's business in compliance with the objectives, articles of association of the Company as well as the resolutions of the shareholders' meeting and Board of Director's meeting.
- 2) Authorization in approval the Company's normal business operation as the acquisition of products, vehicles and hire purchase sales approval with the limit of each transaction not more than THB 50 million.
- 3) Authorization in approval for important investments that is determined in the annual budget, which are delegated from the Board of Directors or already approved by the Board of Directors.
- 4) Authorization in approval the Company's borrowing and investing as the purchase/sale of permanent assets with the limit of each transaction not more than THB 50 million or equivalent.
- 5) Authorization in establishing organization structure, management and management committee by covering the detail of recruitment, training, employment and unemployment.
- 6) Authorization in appointment and withdrawal all employees with the position below managing director.
- 7) Authorization in preparing, recommendation and establishing business policy as well as business strategy to Board of Directors for approval.
- 8) Authorization in setting business plan, management authority, approval annual budget and operate business under the business plan and strategy approved by Board of Directors.
- 9) Perform other special functions as delegated from Board of Directors.

The authority of the Executive Committee does not include the approval of any transactions that may be deemed conflict or transactions that executive members and related person may have any conflict of interest or other benefits that may conflict with that of the Company or its affiliate companies in accordance with the regulations of the Stock Exchange of Thailand. The approval of those transactions shall be presented to the Board of Directors' meeting and/or shareholders' meeting for consideration and approval in accordance with the articles of association of the Company and other related regulations.

Management

As of December 31, 2016 the Company has 6 managements as follows:

<u>No.</u>	<u>Name</u>	<u>Position</u>
1.	Mr. Theerawat Kiatsompob	Managing Director
2.	Mr. Manop Sripipattanakul	Operation Division 1 Dept. Manager
3.	Mr. Suwat Khiewrat	Manager Control and debt Management Division
4.	Mr. Kittiwat Trivatevorakul	Operation Division 2 Dept. Manager
5.	*Ms. Roongrawee lampongpaiboon	Finance & Accounting Director
6.	Mr. Petch Changkham	Information Technology Manager

* Ms. Sukhothai Natasiri resigned on November 30, 2016 Ms. Roongrawee lampongpaiboon (Acting Representative)

Scope of duties and responsibilities of Managing Director

The Managing Director is authorized to manage and control the normal business operation and to approve the normal business transaction such as the purchasing of products, vehicles, materials, tools and equipments as well as the expenses approval, and consultants hiring with the limit of each transaction not exceed 20 million bath and the

approval of hire-purchase with the limit of each transaction not exceed THB 1 million. For the approval of borrowing and investing such as buying-selling investments or permanent assets shall be approved by the Executive Directors.

The Managing Director shall perform in accordance with the delegation of Board of Directors or Executive Directors and he can delegate to the appropriated person to perform on behalf of him by under his consideration.

All the above authorities shall comply with the articles of the association of the Company and the authority shall not be delegated to Managing Director nor to his delegation whom has interest or conflict of interest with the company or the affiliation.

Nomination Committee

The Company does not have nominating committee to perform the selection and appointment directors. In addition the directors of the Company will be elected by Board of Directors considering from the working experiences, knowledge and should be qualified to criteria in Public Limited Company Act B.E. 2535 and the announcement of SEC. The procedure for the appointment of directors can be summarized as follows:

- 1) One Shareholder has one vote per one share
- 2) Shareholder vote on candidate by candidate
- 3) The candidates who get the highest scores follow by consequence one will be elected to be the director until complete to total number of appointed directors. In case of tied votes, the chairman of the meeting shall be entitled to a casting vote.

Remuneration for management

a. Monetary remuneration

Directors

Directors' Remuneration 2016

<u>No.</u>	<u>Name</u>	<u>Position</u>	<u>Directors' fees</u>	<u>Representation fees</u>
1.	Mr. Wisood leosivikul	Chairman and President of Board Director	200,000.00	20,000.00
2.	Mr. Somsak Saksuthaporn	Director	100,000.00	20,000.00
3.	Ms. Roongrawee lampongpaithoon	Director	100,000.00	20,000.00
4.	Ms. Sorasak Leosivikul	Director	100,000.00	20,000.00
5.	Mr. .Akachai leosivikul	Director	100,000.00	20,000.00
6.	Ms.Tippawan Panyajirawut	Director	100,000.00	20,000.00
7.	Pol.Lt.Gen Chalong Sonjai	Director and Chairman of Audit committee	200,000.00	20,000.00
8.	Mr. Kiattiporn Sirichaisakul	Director and Audit committee member	100,000.00	20,000.00
9.	Ms. Pinnapa Ngansujarit	Director and Audit committee member	100,000.00	20,000.00

Management

Remuneration (THB)	2014	2015	2016
No. of Management	5	6	6
- Salary	7,096,070	7,676,890	9,324,939
- Bonus	2,084,750	3,516,285	4,274,892
- Other such as Board allowance and Transportation and telephone expenses	738,969	626,900	587,507
Provident Fund	141,921	153,538	175,522
Total	10,061,710	12,189,362	14,362,860

b. Other remunerationDirectors

- None -

Management

- None

Management Profile

Name	Position	Age (yrs)	Education Background	Relationship with other Mgt	Share holding %	Working Experience		
						Period	Position	Company name
1. Mr.Wisood leosivikul	- Chairman of the Board - President of Executive Committee	58	<u>Bachelor Degree in</u> Community Development Rajabhat Institute Nakornpatom Training DAP 16/2004	<u>Old Brother</u> Mr. Sorasak leosivikul Mr.Eakachai leosivikul <u>Brother</u> Mrs.Tipapawan Panyajirawut	0.53	Jul'2015 – Present	Director	Mida Asset Management Co.,Ltd
						Nov'2015 – Present	Director	Bangkok Charan Asset Management Co.,Ltd.
						Oct'2015 – Present	Director	Memory Master LED Co.,Ltd.
						Sep'2015 – Present	Director	MD Media Global Co.,Ltd.
						2015 – Present	Director	Phuket Beer (Thailand) Co.,Ltd.
						2014 - Present	Director	MD Adrenarine (Thailand) Co.,Ltd.
						Nov'2013 – Present	Director	Tropical Beverage Corporation Co.,Ltd.
						2009 – Present	President and Managing	Mida Leasing Pcl.
						2009 – Present	President and Managing	Mida Assets Pcl.
						2012 – Present	Director	Mida Agency&Development Co.,Ltd.
						2011 – Present	Director	Mida Development Co.,Ltd.
						2009 – Present	Director	Mida(Lao) Financing Co.,Ltd.
						2009 – Present	Director	Max Hotel Co.,Ltd.
						2009 – Present	Director	Mida Ad Co.,Ltd.
						2009 – Present	Director	The Retreat Hua-Hin Co.,Ltd.
						2009 – Present	Director	Mida Hotel and resort Co.,Ltd.
						2009 – Present	Director	Max Hotel Ramkhamhaeng Co.,Ltd.
						2008 – Present	Director	Mida Assets Xanado Co.,Ltd.
						2008 – Present	Director	Max Real Estate Co.,Ltd.
						2006 – Present	Director	Mida Property Co.,Ltd
						2006 – Present	Director	Top Elements Co.,Ltd.

Name	Position	Age (yrs)	Education Background	Relationship with other Mgt	Share holding %	Working Experience		
						Period	Position	Company name
2. Mr.Somsak Saksuthaporn	- Excutive Committee	63	High School - Sitabudt Bumrung School - Training DAP 50/2006		-	Nov'2015 –Present	Director	Bangkok Charan Asset Management Co.,Ltd.
						Oct'2015 -Present	Director	Mida Asset Management Co.,Ltd.
						2004-Present	Director	Mida Leasing Pcl.
						2004-Present	Director	Mida Assets Pcl.
3.Ms.Roongrawee lampongpaition	- Director - The secretary for the Board of Director	49	Master Degree in Accounting - Thammasart University Diploma in Auditing Thammasart University Bachelor Degree in Accounting(Honorable) - Thammasart University - Training DAP 16/2004		0.04	Nov'2015 –Present	Director	Bangkok Charan Asset Management Co.,Ltd.
						Oct'2015 -Present	Director	Memory Master LED Co.,Ltd.
						Sep'2015 - Present	Director	MD Media Global Co.,Ltd.
						Jul'2015 – Present	Director	Mida Asset Management Co.,Ltd.
						2015 – Present	Director	Mida Development Co.,Ltd.
						2015 – Present	Director	Mida Ad Co.,Ltd.
						2015 -Present	Director	MD Adrenarine (Thailand) Co.,Ltd.
						Nov'2013 –Present	Director	Tropical Beverage Corporation Co.,Ltd.
						2012 - Present	Director	Eastern Power Group Pcl.
						2012 - Present	Director	JKR Energy Co.,Ltd
						2012 - Present	Director	Ecpo Green Power Plus Co.,Ltd.
						2012 - Present	Director	Aquatist Energy Co.,Ltd.
						2012 - Present	Director	Lopburi Solar Co.,Ltd.
						2012 - Present	Director	Mida Agency&Development Co.,Ltd.
						2011 - Present	Director	Eastern Printing Pcl.
						2009 - Present	Director	Mida Hotel and resort Co.,Ltd.
						2005 – Present	Director	Mida Assets Pcl.
						2004 - Present	Director	Mida Leasing Pcl.

Name	Position	Age (yrs)	Education Background	Relationship with other Mgt	Share holding %	Working Experience		
						Period	Position	Company name
4. Mr.Sorasak leosivikul	- Director	52	<u>Certificate</u> - Vocational Certificate in Accounting Chetupon Commercial College - Training DAP 16/2004	<u>Brother</u> Mr.Wisood leosivikul Mr.Eakachai leosivikul Mrs.Tipapawan Panyajirawut	-	Nov'2015- Present	Director	Bangkok Charan Asset Management Co.,Ltd
						May'2015- Present	Director	Mida Leasing Pcl
						2015- Present	Director	Mida Development Co.,Ltd.
						2014 - Present	Director	MD Adrenarine (Thailand) Co.,Ltd.
						2013- Present	Director	Mida Assets Sanadu Co.,Ltd.
						2012- Present	Director	Mida Agency And Development Co.Ltd.
						2010- Present	Director	Max Real Estate Co.,Ltd.
						2009- Present	Director	Max Hotel Co.,Ltd.
						2009- Present	Director	Max Hotel Ramkumhang Co.,Ltd.
						2009- Present	Director	The Retreat Hun Hin Co.,Ltd.
						2006- Present	Director	Mida Hotel and Resort Co.,Ltd.
						2006- Present	Director	Top Elements Co.,Ltd.
						2002- Present	Deputy Managing Director	Mida Assets Pcl.

Name	Position	Age (yrs)	Education Background	Relationship with other Mgt	Share holding %	Working Experience		
						Period	Position	Company name
5. Mr.Akachai leosivikul	- Director	55	Certificate - Diploma in Business and Marketing Rajabhat Institute Nakornpatom	Brother Mr. Wisood leosivikul Mrs.Tipapawan Panyajirawut Old Brother Mr. Sorasak leosivikul	-	2016– Present	Director	Mida Leasing Pcl
						2015– Present	Director	Phuket Beer (Thailand) Co.,Ltd.
						2015– Present	Director	Memory Master LED Co.,Ltd.
						2015– Present	Director	MD Adrenarine (Thailand) Co.,Ltd.
						2015– Present	Director	MD Media Global Co.,Ltd.
						2013– Present	Director	Top Elements Co.,Ltd.
						2013– Present	Director	Mida Assets Sanadu Co.,Ltd.
						2013– Present	Director	Mida Hotel and Resort Co.,Ltd.
						2013– Present	Director	Max Real Estate Co.,Ltd
						2013– Present	Director	Max Hotel Ramkumhang Co.,Ltd.
						2013– Present	Director	Max Hotel Co.,Ltd
						2013– Present	Director	The Retreat Hun Hin Co.,Ltd
						2013– Present	Director	Mida Development Co.,Ltd.
						2013– Present	Director	Mida Agency And Development Co.Ltd.
						2013– Present	Director	Mida Property Co.,Ltd
						2004– Present	Deputy Managing Director	Mida Assets Pcl.

Name	Position	Age (yrs)	Education Background	Relationship with other Mgt	Share holding %	Working Experience		
						Period	Position	Company name
6. Mrs.Tipapawan Panyajirawut	- Director	59	<u>Certificate</u> - Diploma Accounting in Rajabhat Institute Nakornpatom	<u>Old Sister</u> Mr. Wisood leosivikul Mr. Sorasak leosivikul Mr.Eakachai leosivikul	2.74	2016– Present	Director	Mida Leasing Pcl
						2015– Present	Director	MD Media Global Co.,Ltd.
						2015– Present	Director	Phuket Beer (Thailand) Co.,Ltd.
						2013– Present	Director	Memory Master LED Co.,Ltd.
						2014– Present	Director	Tropical Beverage Corporation Co.,Ltd.
						2013– Present	Director	MD Adrenarine (Thailand) Co.,Ltd.
						2013– Present	Director	Mida Assets Sanadu Co.,Ltd.
						2013– Present	Director	Mida Development Co.,Ltd.
						2013– Present	Director	Max Real Estate Co.,Ltd
						2013– Present	Director	Max Hotel Co.,Ltd
						2013– Present	Director	Max Hotel Ramkumhang Co.,Ltd.
						2013– Present	Director	Mida Ad Co.,Ltd
						2013– Present	Director	Mida Property Co.,Ltd
						2013– Present	Director	The Retreat Hun Hin Co.,Ltd
						2005– Present	Audit Manager	Mida Assets Pcl.
7. Mr. Theerawat Kiatsomphob	- Managing Director	59	<u>Master Degree</u> - EX-MBA University of the Thai Chamber of Commerce - Bachelor Degree in Liberal Arts (Political Science) Ramkhamhaeng University		-	Dec'14 - Present	Director	Mida Leasing Pcl.
						2001- Dec'14	Executive Committee and Managing Director	Mida Leasing Pcl.

Name	Position	Age (yrs)	Education Background	Relationship with other Mgt	Share holding %	Working Experience		
						Period	Position	Company name
8. Pol.Lt.Gen Chalong Sonjai	- Director - President of Auditing Committee	68	<u>Master Degree</u> Graduate School of Administration National Institute of Develop Administration		-	Dec'2015 –Present 2011 -2014	Director and President of Auditing Committee Vice Minister for Interior	Mida-leasing Pcl.
9. Ms. Pinnapa Ngansujarit	- Director - Audit Committee	48	<u>Master Degree</u> Master of accounting Chulalongkorn University <u>Bachelor Degree</u> Faculty of Economics and business administration Accounting(Honorable) Kasetsart University		-	May'15 - Present 2008 -2013	Director and Audit Director and Audit	Mida Leasing Pcl. Green Resources Pcl. (Form Mida Medalist Entertainment Pcl.)
10. Mr.Kiattiporn Sirichaisakul	- Director -Audit Committee	49	<u>Bachelor Degree</u> - Accounting Thammasart University		-	2014 - Present 2011 – Present 2009 – 2015 2006 - Present 1992- Present	Director Director and Audit Committee Director Director and Audit Committee Auditor	Marachi Co.,Ltd Filtlevision Pcl. Piyavate Pcl. Mida Leasing Pcl. Finer Coopers

Name	Position	Age (yrs)	Education Background	Relationship with other Mgt	Share holding %	Working Experience		
						Period	Position	Company name
11. Mr. Kittiwat Trivatevorakul	Operation Division 1 Dept. Manager	52	<u>Bachelor Degree</u> - Faculty of Law Sripathum University		-	2016	Manager of Up-Country Credit 2 Department	Mida Leasing Pcl.
						2015	Manager of Up-Country Credit 1 Department	Mida Leasing Pcl.
						2014	Manager of Up-Country Credit 2 Department	Mida Leasing Pcl.
						2012 - 2013	Manager of Up-Country Credit 1 Department	Mida Leasing Pcl.
						2006 - 2012	Manager of Control and Debt	Mida Leasing Pcl.
12. Mr. Manop Sripipattanakul	Operation Division 2 Dept. Manager	65	<u>Bachelor Degree</u> - Faculty of Political Science Ramkhamhaeng University		-	2015	Manager of Credit Department 1	Mida Leasing Pcl.
						2014	Manager of Credit Department 1	Mida Leasing Pcl.
						2013	Manager of Credit Department 1	Mida Leasing Pcl.
						Dec '09 -2013	Manager of Credit Department 2	Mida Leasing Pcl.

Name	Position	Age (yrs)	Education Background	Relationship with other Mgt	Share holding %	Working Experience		
						Period	Position	Company name
13. Mr. Suwat Khiewrat	On Behalf of Manager Control and debt Manager Dept.	54	<u>Bachelor Degree</u> - Faculty of Political Science Ramkhamhaeng University		-	2012– Present	Manager of Control and Debt	Mida Leasing Pcl.
						2008 - 2011	Management Department	Mida Leasing Pcl.
14. Mr. Petch Changkham	Information Technology Manager	50	<u>Bachelor Degree</u> Computer Science Ramkhamhaeng University		-	2009– Present	Senior managers Department	Mida Leasing Pcl.

*** Share holding as of December 31, 2016 ***

Internal Control

The Board of Directors meeting of Mida Leasing Public Company Limited no. 4/2016, held on 14 November 2016, attended by three audit committee members. The Board of Directors assessed the internal control of the Company by means of conducting inquiries with the management and concluded from the assessment of the internal control system in five areas, namely, control environment, risk assessment, control activities, information and communication, and monitoring to protect directors, managements, major shareholders or related parties as mentioned above that it is sufficient.

As for the internal control in other aspects, in practice, the Company has an appropriate credit approval procedure. Credit officer, credit review officer and Account Receivables Department officers are independent from one another and can be monitored, in which they report directly to each of their department supervisor. Moreover, the internal control department randomly checks the correctness and completeness on the information of the customers and carefully monitors the credit approval process to ensure the sufficient monitoring system.

The Board of Directors opines that Mida Leasing Public Company Limited has an adequate and appropriate internal control system and that the monitoring process on the operation of the Company can protect the Company from any misuse by the management without authorized authority.

Governance of the usage of inside information

The Company has a policy to protect directors and managements from directly or indirectly disclosing inside information of the Company for their own and others benefits no matter their will receive compensation or not. In addition directors and managements who receive financial information of the Company must not exploit such information prior to the disclosure to the public. The Company also educates directors and managements the responsibilities in reporting the possession of securities of himself/herself, his/her spouse, and his/her minor children to the Stock Exchange Commission. The Company has determined the penalty on person who exploits the Company's inside information for their own benefit or disclose to public lead that may damage the Company. The Company shall review each case suitably. However, early prevention measures include verbal warning, written notice, sanction and termination of employment (if it deems appropriate).

Report on the Good Corporate Governance

The Board of Directors has adopted the Code of Best Practices stipulated for executives of the listed companies and in compliance with the guidelines of the SET.

Good governance practices as adopted by the Company is as follows:

1. Policy on Corporate Governance

The Company is aware of the importance of good corporate governance for the long-term benefits and sustainability of the Company, stakeholders, clients and employees. The Company has thus mapped out the policy and directions regarding the internal control, internal audit, risk management and so that the management can operate the business in accordance to policy efficiently with the purview of the laws and the code of business ethics.

2. Rights of Shareholders and Shareholders' Meeting

In early 2004, the Company was still a private limited company. The Company has arranged for Shareholders' Meeting by sending Notice summoning the meeting and meeting documents to the shareholders in line with the Company's Bylaws. The Company also provides an opportunity for the shareholders to have their questioned answered, and suggestions and opinion addressed. Once the Company changed its status to a public limited company and became one of the listed companies on the Stock Exchange of Thailand, the Company also offers an alternative to the shareholders who are unable to meeting to appoint the Independent Directors as their proxies. The Company is aware of the importance of disseminating the information regularly and on the fair basis to all shareholders.

3. Rights of Stakeholders

The Company is fully aware of the importance of the rights of all groups of stakeholders such as employees, executive management, creditors, competitors, and the society. The Company thus complies with the law and regulations to ensure that all stakeholders are duly taken care at the most.

4. Leadership and Vision

The Board of Directors of the Company considered and put in place the Company's visions, missions, strategies, targets, business plans and budget plans as proposed by the management team, as well as monitoring the implementation of the above. The Board also put in place effective internal control system, internal audit system and risk management measures. Moreover, the Board also considers the segregation of duties and responsibilities, as well as the authorization of credit approval of that of, the Board of Directors, the management and that of the Managing Director.

5. Conflicts of Interests

The Board of Directors will take a prudent action in the transactions of cross over entries and may create conflict of interests, for an example, should any of the directors is a conflicting party in any board meeting, he shall not exercise his vote and details will be recorded in the meeting minute accordingly. The Company has also established

procedure to prevent possible conflict in the future. Any connected transactions or those that are deemed conflicting must seek acknowledgment from the Audit Committee. The above matters might have to be obtained by an approval from the board's and/or shareholders should it be deemed necessary. In essence, the Company will duly comply with the regulations and the requirements by the Securities Exchange Commission (SEC) and the Stock Exchange of Thailand. The details of the transaction in terms of value, agreement parties, rationale and necessity will be disclosed in the annual report and Form 56-1 accordingly.

6. Business Ethics

The Company has established its missions and business objectives with business ethics as its utmost importance. The Company, therefore, put in writing the Code of Best Practices for the directors, management and employees to adhere to ensure that directors, management and employees perform their duties with integrity, transparency and fairness to the Company, all groups of stakeholders and the public. Compliance guidelines and disciplinary punishment measures are also established.

7. Balance of Power from the Non-Management Directors

The Board of Directors is composed of nine members, as detailed below:

<i>Name</i>	<i>Management</i>	<i>Non-Management</i>	<i>Independent Directors</i>	<i>Audit committee</i>
1. Mr. Wisood leosivikul	✓	-	-	-
2. Mr. Somsak Saksuthaporn	✓	-	-	-
3. Ms. Roongrawee Iampongpaiboon	-	✓	-	-
4. Mr. Sorasak leosivikul	-	✓	-	-
5. Mr. Akachai leosivikul	-	✓	-	-
6. Mrs. Tipapawan Panyajirawut	-	✓	-	-
7. Pol. Lt. Gen. Chalongsong Sonjai	-	✓	✓	✓
8. Mr. Kiattiporn Sirichaisakul	-	✓	✓	✓
9. Ms. Pinnapa Ngansujarit	-	✓	✓	✓
Total	2	7	3	3

- No. of Management Directors: 2 (out of 9 directors)
- No. of Non-Management Directors: 7 (out of 9 directors)
- Independent Directors: 3 (all of which are in the Audit Committee or one-third of all directors)

8. Consolidation and Segregation of Power

In order to segregate the policy making from business supervision and routine administration, the President and the Managing Director shall not be the same person. Besides, the authorization of each position is clearly defined and neither one of them has the absolute power. In addition, a balance of power to monitor the management is ensured by the appointment of three independent directors in the audit committee in the Board of Directors.

9. Remuneration of Directors and Executives

With the approval from the Shareholder's meeting, the total director's remuneration shall not exceed two million baht per annum. The executives' remuneration is as detailed in earlier section. The above remuneration will be commensurate with the appropriateness and responsibilities of each director and executives, as well as it should be at competitive level to attractive capable directors and executives for the Company.

10. Board of Directors' Meetings

The Board of Directors' Meetings will be held on a regular basis and the extra meetings as deemed necessary. A notice together with the agenda and documents summoning the meeting will be sent at least 7 days in advance. Every meeting minute will be recorded in writing and later prepared in form of a report for examination the directors and related persons. In 2016 there are altogether 21 th board of directors' meetings being held.

11. Sub Committee

The Company has various subcommittees as follows:

- Executive Committee

The Executive Committee, consist 3 directors, was appointed as of January 3,2006 and having 2-year term of office.

- Audit Committee

The Audit Committee, consist 3 independent directors, was appointed as of January 16,2006 and having 2-year term of office.

- Allocation Committee

In the mean time, the Company does not have a remuneration committee but has planned to set up this committee in the future. At present, the Company's remuneration is compatible with that of similar businesses of the same size and business performance.

12. Internal Control and Audit System

Internal control and audit system is always of major concern to the Company. To ensure the effectiveness and independence of the internal audit, the internal audit department directly reports the audit result to the Managing Director and Audit Committee. The Audit Committee regularly evaluates the adequacy and appropriateness of the internal audit system as well as following up the corrections of the weaknesses based on the result of the inspections so as to minimize the risk involved. The Company has also clearly defined in writing the power and duties of the operating staffs and supervisors to ensure appropriateness internal check and balance. Additionally, the Company also gives importance to the comments as given by the external auditors so as to ensure the effectiveness of the internal control system.

13. The Board of Directors Report

The Board of Directors is entirely responsible for the approval of the annual Financial Statements of the Company and for the financial information disclosed in the annual report. After its careful consideration, the Board of Directors is of the opinion that the Financial Statements were prepared in accordance with generally accounting standards having sufficient disclosure of information in the notes to the Financial Statements. According to the General Meeting of the Shareholders No: 1/2016, the Audit Committee, which comprised of independent directors were appointed to oversee the quality of the financial reports and the internal control system.

14. Relationship with investors

The Company is aware of the importance of reporting accurate and complete information within the prescribed time period to all shareholders and related parties. The Company therefore will set up the investor relation division to answer all questions raised by shareholders and responsible for preparing all information that will be released to SET and shareholders in the timely manner.

15. Corporate Social Responsibilities: CSR

Mida Leasing Plc. has the principle in doing business for its growth on the basis of good governance and sustainable social & environment Responsibility .The Company has a focus on CSR both within the organization and outside the organization. Starting from create culture building for the staff to recognizing the value creation alongside social and environmental value creation in the business for sustainable growth. The company has introduced sustainable management as its key component these are then deployed into action for business process for continuous practice and to achieve maximum efficiency which comprises the following 8 principles.

15.1 Operations with fairness

The Company operates with business competencies and ethics. The company conducts its business with honesty. By adhering to the corporate social responsibility and all stakeholders according to the principle of supervision to ensure the company's policy is define the responsibilities and guidelines to take appropriate action as follow;

- The company is committed to conducting business to create satisfaction and maximum benefit to the shareholders and investors. Moreover, the Company has a policy to treat all the shareholders and investors equally.
- The company has focused on the development and support of human resources. Both in terms of knowledge and interests of employees. The company treats every employee equitably
- The company focuses on providing quality service to customers both before and after the sale.
- The Company strictly follows the rules of competition, avoids any inappropriate or corrupted methods or destroy competitors' reputation, which has been established and disclosed in the Company's Code of Business Conduct towards its Competitors.

15.2 Anti-corruption policies

The management of the Company regard the importance of anti-corruption by stipulates corruption policy as guidelines of business operating and therefore directors, management and all employees have to follow the implementation. The policy was clearly defined sanctions for violators to reduce fraud, to create transparency and to aware of moral and ethical which is summarized as follows;

15.2.1 No such behaviors of grafting acts within stakeholders for the wrongful benefits are allowed

15.2.2 Procurement process must be done through the regulations of the Company to ensure transparency.

15.2.3 Neither action related to internal politics nor using of company resources to deal with the politics can be acceptable. The Company committed to be politically neutral and encourage compliance with the law. There would be no policy for political support, either direct or indirect.

15.2.4 Employees shall not ignore or neglect the situation when exposed to the action or behavior deemed as corruption. Employees must notify their supervisors or the responsible person in case of facing any offense against the moral or company code of conduct. Should there be any questions or inquiries, employees should consult with their supervisors or the persons responsible in compliance with this policy

15.2.5 The Company recognizes the importance of publicity, education, counseling and understanding its employees and also those concerned with the anti-corruption act.

15.2.6 Policies against corruption covers personnel administration from the selection, promotion, training, evaluation of the performance of employees and compensation. All supervisors are required to communicate and make understanding with their employees.

15.2.7 The company has established a system of internal controls to ensure operational efficiency and to reduce exposure to the business. It is a tool that helps to reduce opportunities and motivation for abuse and corruption to a minimum, such as segregation of duties between employees who authorized the payment and employees who pay cheque. The Company also set tracking process to promptly report to management about the causes of defects or irregularities situation. The system can improve the preventive appropriately in assessing the internal control system. Internal Audit Department is an important part of the process.

15.3 Respect for human rights

The company has a written policy on human rights. The company treats their employees and community stakeholders with respect for their human values. Taking into account of living, caring and helping each other in suffering time as the basic of subsistence, the company maintains the privacy of employees' information and encourages employees to exercise their rights as good citizens constitutionally and legally

15.4 To treat all labor forces fairly

Because employees are a key part of the business to grown sustainably. The company treats every employee equitably. The employees shall receive reasonable compensation based on their wages including reasonable overtime pay. They shall have weekly holidays, annual vacation as well as maternity leaves so that employees can work to their full potential and also have more time for family. The company provides freedom in making comments or complaints by setting up communication channels. The company is concerned with employees' health and safety protection by making the office atmosphere to be a nice work place that enhances productivity. The Company used a bulletin board to share

knowledge to employee .Moreover, The Company has held a morning meeting to exchange experience in the operation, discuss problems to find suitable solution together. We encourage our employees to be lecturer in training inside the company to develop their skills as an expert and creating a knowledge sharing culture in the Company

15.5 Consumer Responsibility

The Company has a policy in treating all customers in the areas of credit facilities and after-sales service. The company pays attention to a good service with an aim to give customers the maximum benefit and satisfaction by providing speedy and efficient customer service. Moreover, the Company also maintains customers' confidentiality and never abuses the information for the benefit of the customer itself or its associated persons. With regard to the car price, the company reasonably offers the car prices and giving sufficient information about the realistic characteristics and quality of the car to buyers so that they could have more sufficient information for their decision making.

15.6 Environmental care

The Company encourages employees to have more a concern in using of office equipment, water supply, electricity, telephone, air-conditioning, papers save and cost-effectively. The company improves employees' uniform that suits the climate change by using of environmentally friendly products so that the employees have been involved in the natural environment conservation campaign The Company has prepared projects and activities as follows:

The company has cultivated the habit of saving energy and resources to employee, such as turning off lights and air conditioning when not in use. The Company has reduced unnecessary paper use by e.g. printing double sided used recycle paper, giving fabric bags to employee in order to support the abolition of plastic bags, limited car parking to reduce used of private car as indirect energy savings. Moreover, the Company also saves energy such as use energy saving light bulbs.

15.7 Community development or social

The company has a policy of social and community responsibility as a whole. The company regularly organizes recreation activities so as to contribute to the better quality of life of the community, either on its own arrangement or joining hands with the government and the community. The company has a quick and effective response to any situation that has an impact on the environment; and always gets full cooperation from the community as well as related agencies.

The company always supports creative social activities. The employees should have a sense of social contribution. As well, the company also promotes education, religion, ethics and good health. The company recognizes the importance of the quality of children and youth of the country; and gives scholarships and equipment to schools in Ban Nong Pak long School (Prachanukroh), Muang Nakhon Pathom ,Nakhon Pathom province so at to promote and encourage the youth to have a better quality of education. The company recognizes the importance of education and has continuous policy in supporting the education of the youth in the future. The quality of growing youth population will result in Thailand moving forward firmly.

15.8 The innovation and the dissemination of innovation derived from social, environment and stakeholder responsibility.

The company's hire purchase business is concerned with social development in term of enhancing the quality of life of people in the society by the financial support to the population so as to have more chance to buy a car with their

ability to pay the installment. The Company has reviewed the work process and more effective service. The company jointly works with the insurance company, the business partners and encourages customers to buy car insurance, i.e. to protect the car that has to be repaired or replaced when having an accident. Moreover, the insurance can cover the car hire purchase facilities, whereas the insurance company will be responsible for payment of all remaining lease amount on behalf of customers in case of disability or death. The company also jointly works with commercial banks so as to reduce the use of checks by means of using electronic funds transfer system. The work procedures has been developed successively and finally become the standard operations of the Company. This is considered as the innovation that helps enhance the quality service to society and add value to the company.

Related Transaction

1. Summary of related transaction between the Company and related person who may have conflicts as of 2014, 2015, and 2016.

Related person who may have conflicts of interest	Relationship	Description	Pricing policy	Value of Transaction (THB)			
				2014	2015	2016	Outstanding creditor/debtor 2016
1. Mida Asset Public Co., Ltd.	Major shareholders of the Company and have common Management and Directors *	1. The Company purchased air conditions, office equipment, and computer system from MIDA to install at the office and branches of the Company and Expenses on stationary, building insurance, and advertising etc.	Actual purchase price as market price	721,328	662,322	1,219,902	116,803
		2. Guarantee fees 1,000 million Baht	Rate of 0.25% per annum	2,500,00	208,330	-	-
		3. Short term loan.	Interest rate of 6.4 -7.5% p.a.	25,500,000	-	-	-
		4. Interest	Actual interest rate as market price	312,315	293,137	-	-
		5. Short term loan.	Interest rate of MLR+0.25% p.a.	-	48,500,000	-	-
		6. Interest receivable	Actual interest rate as market price	1,875,457	1,608,811	1,815,013	-
2. Max Hotel Co. Ltd.	- Common Directors and Management, Mr. Wisood leosivikul	Accommodation fee and food & beverage	Market price	84,190	115,652	12,523	-
3.Mida Add Co.Ltd.	- Common Directors and Management, Mr. Wisood leosivikul	Advertising expense	Market price	-	-	320,000	85,600
4. Mida Hotel and Resort Co.,Ltd	- Common Directors and Management, Mr. Wisood leosivikul	Accommodation fee and training	Market price	198,187	-	-	-

Related person who may have conflicts of interest	Relationship	Description	Pricing policy	Value of Transaction (THB)			
				2014	2015	2016	Outstanding creditor/debtor 2016
5.The Retreat huahin Co.,Ltd.	Common Directors and Management, Mr. Wisood leosivikul	Accommodation fee	Market price	5,058	2,336	36,830	7,800
6.Top Elements Co.,Ltd.	Common Directors and Management, Mr. Wisood leosivikul	Accommodation fee	Market price	125,869	-	-	-
7. Mida Asset Management Co., Ltd.	A Subsidiary Mida Leasing Held 99%	1. Short term loan.	Rate of 5.1% per annum	-	24,900,000	155,000,000	155,000,000
		2. Interest	Rate of 5.1% per annum	-	409,315	135,410	-
		3. Interest receivable	Rate of 5.1% per annum	-	-	101,574	6,635,192
		4. fees	Market price	-	-	-	1,725
8. MD Adrenaline (Thailand) Co.,Ltd.	Common Directors and Management, Mr. Wisood leosivikul	Service revenue	Contract price	-	200,000	200,000	214,000

Note: * The Company and Mida assets Pcl. have 5 co-management and directors, which are (1) Mr.Wisood leosivikul (2) Mr.Somsak Saksuthaporn (3) Ms Roongrawee lampongpaiboon ,(4) Mr.Sorasak leosivikul

(5) Mr.Eakachai leosivikul in which the first 2 Directors are co-management.

**Update December 31, 2016

2. Necessity and reasonableness of the transactions

The related transactions described above are considered necessary and reasonable as those are determined by normal business practice, based on the market price, and are not considered as special conditions between the Company and related parties. The fee is determined in accordance with normal rate that is comparable to other non-related parties. The Company anticipates these transactions to continue in the future.

Transaction	Necessity and Reasonableness
Purchase of goods	Used in business
Guarantee fees Baht 1,000 million	Baht 1,000 million credit facility has extended loans to be used for credit and / or working capital and / or repayment of debt.

3. Measures or approval process for the related transactions

The Board of Directors of the Company reviewed and approved all related transactions in the past, even though the Company had not determined the approval process for the related transactions, as it was a limited company. However, the Board of Directors considered the entering into related transactions based on the best interest of the Company.

For any future related transactions, the Company has the policy of having the Audit Committee of Mida Leasing Public Company Limited reviews and approves the transactions prior to the occurrence of related transactions. Member(s) who may have conflict of interest shall not be involved in providing opinions on the related transactions.

However, the related transactions will be performed based on the rationales and necessity of the Company, in which the compensation should be in accordance with the fair market price and the Audit Committee shall provide opinion on those transactions.

4. Policy on the related transactions

The type of related transactions anticipated to occur in the future are the office space sub-contract from the sales commission paid to Mida Assets Public Company Limited in introducing customers to the automobile hire-purchase services of the Company. In case of future related transactions, the Company has the policy to operate as a normal business practice. The Company will request Audit Committee or external auditor or independent expert to review and provide opinion on the reasonableness of the price and the necessity and reasonableness of the transactions.

Board of Directors of the Company shall comply with the law governing securities and securities exchange and the provisions, notifications, orders or regulations, of the Stock Exchange of Thailand relevant to the related transactions and the acquisition and disposal of assets of the Company and its subsidiary according to the Thai Accounting Standards and the Institute of Certified of Accountants and Auditors of Thailand.

If the Company is to perform any related transaction with persons who may have conflict of interest or may have conflict of interest in the future, the Audit Committee will provide opinion on the necessity and reasonableness of that transaction. In case the audit committee has no expertise in such transaction, the Company will arrange for an independent expert or external auditor to provide opinions, which will be used as a basis for decision-making by the Board of directors or the shareholders, as the case may be. The Company will disclose all related transactions in notes of the financial statements audited by the external auditor.

Other Relevant Information

Name	: Mida Leasing Public Company Limited
Nature of Business	: Automobile hire-purchase services and management of non-performing assets
Head Office	: 48/2-5 Soi Changwattana 14 Changwattana Rd. Thungsonghong Laksi Bangkok 10210
Company's Registration No.	: 0107574700532
Telephone	: 0-2574-6901
Fax	: 0-2574-6902
Registered Capital	: 1,451,996,755 ordinary shares as of 31 December 2016 Issued 967,997,837 shares and paid-up share capital 483,998,918.50 baht per value is Baht 0.50
Registrar	: Thailand Securities Depository Co., Ltd. 93, 14th Floor, Ratchadaphisek Road, Dindaeng, Dindaeng, Bangkok 10400
Auditor	: Mr. Somckid Tiatragul Certified Public Accountant Registration No. 2785 Grant Thornton CO.,LTD. 18th Floor Capital Tower, All Season Place, 87/1 Wireless Road, Lumpini, Bangkok 10330.

Address and Contact Information of Head Office and Branch offices

HQ/ Branch Office	Address & Contact Information
Head Office	Add: 48/2-5 Soi Changwattana 14 Changwattana Rd. Thungsonghong Laksi Bangkok 10210 Tel: 0-2574-6901 Fax: 0-2574-6902-3
Nakorn Pathom Branch	Add: 35/8-9 Moo.5 Petkasem Rd. Iujphaya Maung Nakornpathom 73000 Tel: (034) 244-250-1 Fax: (034) 244-252
Nakorn Sawan Branch	Add: 232/7-8 Moo 10 Nakornsawan-Pitsanulok Rd. Nakornsawantok Maung Nakornsawan 60000 Tel: (056) 231-735-7 Fax: (056) 231-738
Nakornrachasima Branch	Add: 1015 Moo.4 rajsima - pakthongchai Rd. nongjabok Maung Nakornrachasima 30000 Tel: (044) 357-101-3 Fax: (044) 357-106
Rayong Branch	Add: 222/10 Moo4. Bypass Rd. 36 Choengnoen Maung Rayong 21000 Tel: (038) 018-640 Fax: (038) 018-641
Chumpon Branch	Add: 59/6-7 Moo.11 Chumpon – Ranong Rd. Wangpai Maungchumpon Chumpon 86000 Tel: (077) 658-757-9 Fax: (077) 658-758
Udonthani Branch	Add: 419/15-16 Moo 7 Robmaung Rd. Markkang Maung Udonthani 41000 Tel: (042) 230-112-4 Fax: (042) 230-115
Pitsanulok Branch	Add: 59/10 Moo 7 Pitsanulok - wangthong Rd. samorkae Maung Pitsanulok 65000 Tel: (055) 986-277-8 Fax: (055) 986-279
Chiangmai Branch	Add: 236/91 Moo1 Mahidol Rd. Nonghoi Maung Chiangmai 50000 Tel: (053) 140-211-3 Fax: (053) 140-214
Ubonrachathani Branch	Add: 1-3 Soi Chayangkool 36 Chayangkoo Maung Ubonrachathani 34000 Tel: (045) 317-555-7 Fax: (045) 317-558
Khonkean Branch	Add: 588/13-14 Moo.5. Maungkao Maung Khonkean 40000 Tel: (043) 340-336-7 Fax: (043) 340-338
Surat Thani Branch	Add: 16/27 Moo.3 Liangmuang Rd. Bangkung Maung Suratthani 84000 Tel: (077) 310-188 Fax: (077) 310-189
Krabi Branch	Add: 16/12-13 Moo 11 Phetkasemt Rd. Krabinoi Maung Krabi Krabi 81000 Tel: (075) 650-606 Fax: (075) 650-607
Hadyai Branch	Add: 142/29 Moo.7 thachang bangklam Songkla 90110 Tel: (074) 536-581-2 Fax: (074) 536-580
Chiangrai Branch	Add: 8/9-10 Moo.22 Wiengburapha Rd. Robwieng Maung Chiangrai 57000 Tel: (053) 602-768 Fax: (053) 602-769
Phetchaburi Branch	Add : 60 Moo.2 Petkasem Rd. Raisom Maung Phetchaburi 76000 Tel : (032) 402-427-8 Fax: (032) 402-429
Surin Branch	Add: 259/8 Moo.7 Surin-Sikhoraphum Salakdai Maung Surin 32000 Tel: (044)530-831-2 Fax: (044)530-833