

Annual Report 2018

Mida Leasing Public Company Limited

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Financial Summary

(Unit: THB in Million)

	2016	2017	2018
Assets			
Total assets	3,492.96	3,599.45	3,730.29
Hire-purchase receivables - Net	2,569.16	2,816.13	2,938.31
Liabilities and shareholders' equity			
Total liabilities	1,839.74	1,849.56	1,937.26
Total shareholders' equity	1,653.22	1,749.89	1,793.03
Performance			
Total revenue	545.77	588.93	601.79
Hire-purchase Income	413.49	443.15	473.07
Total expenses	397.55	445.98	477.94
Net profit	118.22	112.52	96.39
Profitability ratio			
Interest income** (%)	15.90%	15.88%	15.78%
Interest expense (%)	4.78%	5.01%	5.13%
Interest spread (%)	11.11%	10.87%	10.65%
Net profit (%)	21.66%	19.11%	16.02%
Earning per share (THB/share)	0.12	0.11	0.09
Return on Equity (%)	7.34%	6.61%	5.44%
Efficiency ratio			
Return on asset (%)	3.67%	3.17%	2.63%
Asset turnover	0.17	0.17	0.16
Financial policy ratio			
Debt to equity ratio (times)	1.11	1.06	1.08
Loan to borrowing ratio	2.38	2.24	2.34
Dividend payment ratio (Baht)	0.50	0.45	-
Doubtful account to total loan ratio (%)	2.49%	2.69%	3.22%

Remark** Interest income (%) is calculated by dividing interest income receivable by average Net

Hire - purchase receivables.

Message from President

From the economic situation in Thailand during the past year and continue through year 2019 was affected from the world economic fluctuated from trading war between United States of America and China Including Thailand's economic was decreased.

Therefore, effected from different situations both direct and indirect led to the business sector in the country. And due to Thailand's election will occur during the first quarter for year 2019 including money market situation that the interest rate would be increasing. Bank of Thailand's policy increase interest rate from 1.5% to 1.75% per annum. which effected to business sector. But in contrary car industrial in Thailand was growth opposite to the interest rate New cars sold in year 2018 was 1,039,158 units. Compared to year 2017 was 870,748 units increased 19.34% which led to the second-hand cars markets increased.

The Company's operating for the year 2018 had net profit 96.36 million baht compared to year 2017 had net profit 112.52 million baht which decreased 14.33 % Expected the company's operation in year 2019 will be increasing. The company granted permission from Bank of Thailand to operated personal loan since October 9,2018

Finally, the board of directors and me, including executives through all employees will work professional for the company to have good operation and for satisfied to all shareholders.



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 2018, the company's hire-purchase lending portfolio comprises of personal cars and pick-up trucks in the proportion of 11.40% and 88.60%, 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 2016– 2018

Revenue	2016		2017		2018	
	Million THB	%	Million THB	%	Million THB	%
New Contracted Hire-purchase Portfolio	1,859.81		2,178.66		2,135.98	
Hire –Purchase Receivables	1,256.86		1,448.53		1,441.59	
1. Revenue from Hire-purchase						
Personal vehicles	21.04	3.86	27.31	4.64	41.33	6.87
Pickup trucks	392.45	71.90	415.84	70.61	431.74	71.74
Total Revenue from Hire-purchase	413.49	75.76	443.15	75.25	473.07	78.61
2. Other Revenue						
- Interest income	14.63	2.68	42.80	7.27	38.98	6.48
- Car transfer registration	12.65	2.32	13.90	2.36	13.81	2.29
- Commission from auto insurance	16.84	3.09	22.00	3.73	17.75	2.95
- Penalty & Late Payment Fees	19.28	3.53	15.79	2.68	19.80	3.29
- Bad debt recovery	6.48	1.19	6.59	1.12	7.02	1.17
- Operation fee income	12.07	2.21	14.86	2.52	8.49	1.41
- Debt collection income	5.51	1.01	5.98	1.02	7.05	1.17
- Seized car transferred income	3.97	0.73	2.52	0.43	2.11	0.35
- Gain on sale of investment in securities	20.05	3.67	0.08	0.01	0.00	0.00
- Others	20.79	3.81	21.26	3.61	13.71	2.28
Total other revenue	132.28	24.24	145.78	24.75	128.72	21.39
Total revenue	545.77	100.00	588.93	100.00	601.79	100.00

Revenue classification by vehicle type of the Company

Revenue from Hire – purchase	2016		2017		2018	
	Million THB	%	Million THB	%	Million THB	%
- New car	6.77	1.64	5.16	1.16	5.55	1.17
- Second hand car	406.72	98.36	437.99	98.84	467.52	98.83
Total revenue from Hire – purchase	413.49	100.00	443.15	100.00	473.07	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 75.25% to 78.61% of total revenue from 2016 until present.

4. Market Situation & Competition

In the year 2018, new car market has sold a total of 1,039,158 cars in Thailand compared to total sales, with total sales in 2017 of 870,748 cars. Growth rate has increased by 19.34% while the car seat (Sedan) has the highest growth rate at 17.11%

The return is the direction the expansion of cars sold the domestic market and gradually regaining export market since 2018 to support manufacturers and distributors (dealer) have better outcomes. But there will be a risk that intense competition situation. Car manufacturer: expected outcomes in year 2019 The trend of the domestic car market will be close to the year 2018, which is 1,000,000 units due to clear and continuous government investment. Which plays an important role in stimulating investment from the private sector Including introducing new models in the car market. The top selling new cars a year 2018 details are as follows.

Car sales data (separated by type): year 2018

	Sales 2017 (no. of cars)	Sales 2018 (no. of cars)	(+/-) (comparing to 2017)	Estimated annual sales 2019 (cars)
Personal cars	345,501	397,542	+15.06	384,900
Commercial cars	525,247	641,616	+22.16	615,100
Pick-up truck 1 ton (Include personalized pick-up)	424,282	511,676	+20.60	494,500
Pick-up truck 1 ton (Exclude personalized pick-up)	364,706	447,069	+22.58	430,500
Total quantity sales	870,748	1,039,158	+19.34	1,000,000

For second-hand car market, dealers have a recovering signs that the price are over the lowest point. And expected the demand for cars are increasing according to the economic recovery. Effected to the turnover of cars are improving. However, the market competition are quite severe due to the supply for cars in year 2019 are increasing resulted from the 'First car policy is mature in 5 years. Will be sold to the market. And it led to car turnover increasing both new cars and second-hand cars. Besides, in year 2019, the economic recovery after election will be a positive effect to automobiles market.

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 2018 the Company had revenue of Baht 601.79 million, increased from year 2017 at Baht 588.93 million, or increasing rate 2.18%. As a result of the increased from operation fee income.

	2016		2017		2018	
	Million THB	%	Million THB	%	Million THB	%
Hire Purchase Receivables	1,256.86	3.73	1,448.53	15.25	1,441.59	(0.48)
Hire Purchase Income	413.49	(1.91)	443.15	7.17	473.07	6.75

The Company had decreased the size of its lending portfolio by 0.48% in 2018 which effected to portfolio increased and hire-purchase interest income increased. Interest revenue decreased from Baht 443.15 million in 2017 to Baht 473.07 million in 2018, or 6.75% increase. Moreover, the interest revenue generated in 2018 includes those from leasing facilities provided since 2014 – 2017 and some from facilities extended in 2018.

As for other revenue, including commissions earned from insurance policies, penalty fees, revenue from facilities extended for Floor Plan, and etc in fiscal year 2018, total revenue amounted to Baht 128.72 million, an increased from Baht 145.78 million in fiscal year 2017 or equivalent to 11.70% decreased. As a result of the decreased revenue from facilities extended for Floor Plan.

Expenses

In fiscal year 2018, the Company had operating expenses in Baht 477.94 million, increased from Baht 445.98 million in fiscal year 2017. 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 2018 in the amount of Baht 312.08 million, increased from the year 2017 of Baht 298.78 million
- The Company had bad debt and doubtful accounts for the fiscal year 2018 in the amount of Baht 76.57 million, decreased from the year 2017 which was Baht 62.43 million due to better debt collection management compared to year 2017.

- The Company had finance cost for the fiscal year 2018 in the amount of Baht 89.29 million, increased from Baht 84.77 million for fiscal year 2017 of Baht 4.52 million as a result of interest rates rising from 2017

Net profit

The Company had net profit after tax of Baht 96.39 million for the fiscal year 2018, decreased from Baht 112.52 million in fiscal year 2017, or by 14.33 % due to increased administrative expenses and finance cost .

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 2018 and 2017, the total assets of the company amounted to Baht 3,730.29 million increased by Baht 130.84 million from the year 2017 which is Baht 3,599.45 million; as a result of the growth of the loan portfolio due to the expansion of the business.

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 2017 to 2018, the Company had provisioned 2.69%, and 3.22%, 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 2018, the Company had total liabilities of Baht 1,937.26 million increased from Baht 1,849.57 million in fiscal year 2017, or a 4.74%. The increasing of liabilities in 2018 as a result the company had bank overdraft of Baht 39.60 million.

Shareholders' equity

In fiscal year 2018, the Company had a Shareholders' Equity of Baht 1,793.03 million, increased from Baht 1,749.89 million in fiscal year 2017, or by 2.46% due to the profit of the Company's operating result.

Liquidity and investment structure

In fiscal year 2018 and 2017 the Company had a Debt-to-Equity ratio of 1.08 and 1.06 respectively.

Structure and source of fund in 2017 and 2018

	2017		2018	
	Million THB	%	Million THB	%
Shareholders' equity	1,749.89	50.86	1,793.03	51.19
Short - term loan	3.93	0.12	39.60	1.13
Long-term loan				
- Current portion	6.13	0.18	12.11	0.35
- Long-term loan	15.95	0.46	30.79	0.88
Debentures	1,664.70	48.38	1,627.21	46.45
Total loan	1,690.71	49.14	1,709.71	48.81
Total	3,440.60	100.00	3,502.74	100.00

As at 31 December 2018, the Company had installment receivables in the amount of Baht 3,892.63 million which divided into portion as follows:

(In Million Thai Baht)

Current Portion of Hire purchase receivables (due within one year)	1,540.36
Long-term Portion of Hire purchase receivables (due over one year)	2,352.27

The current portion of the long-term outstanding loans as at ended of year 2018 was Baht 1,709.71 million while interest receivables for year 2019 is equivalent to Baht 12.11 million and debentures Baht 1,468.35 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

In 2018, the company continues to focus on pick-up hire purchasing loan, in which mainly are TOYOTA, ISUZU, NISSAN, MITSUBISHI, MAZDA, and FORD. Mainly due to there are low risk by also co-working with second hand car tents, constant partners with its long-standing and close more than 2,000 cases. And it will consider opening branches in appropriate provinces, to enhance the services provided to customers to cover more areas. The financial services offered to customers directly (Direct Marketing & Type of Purpose Credit) continues to focus on targeted growth rate of 50% of total lending through leasing overall project "Mida Easy Loans" products in the project as follows.

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 not need to do any transfer of the registration document.
2. "MIDA AUTO FOR CASH" or "MAFC" a car hires 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 be private owner.

Besides of the above financial products the company services credit to customers in term of "LOAN" which credit services is operated under Bank of Thailand composed of

1. **Nano Finance under Supervision** (NANO FINANCE) the company obtained licenses since 2015 Now the company give credit for good history customer. For this year the company emphasized to give a credit to the old customers and new customers who could not reach funding.
2. **Personal loan restriction** (PERSONAL LOAN) the company have obtained licenses " Personal loan Restriction" since October 9,2017 this financial services is for the old customers and new customers who need funding.
3. **Credit with vehicle registration as collateral** This credit is continue from personal loan restriction the company emphasize on highly turnover car in the market both personal cars and pick-up truck. Target customers including the old and new customers from the employee or customers recommendations or direct customers.

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 2018, the proportion of hire-purchased service revenues from second cars and from new cars was 98.83%: 1.17% respectively.

Risk from Non-performing loans (NPL)

The credits do not pose a risk are coupled assembling business. That the lessee is unable to repay under the legal conditions which might be caused by its internal factors such as the customer's use of the money to health care, maintenance vehicles on the installment, etc., as well as the problems from external factors such as the economic problem of oil price rise. The problem of being unemployed or quit, natural disasters, etc. These issues the company aims to focus on credit quality, effective control of debt collection, and a good internal control system. And includes strict lending policies, to limit credit risk in which affect to the company's overall operation. The company has a process to manage the credit risk as follows.

1 . Quality control of lending By check payment behavior of customers, from the National Credit Bureau Limited (NCB) and the introduction of the credit system SCORING used to evaluate the quality of customers applying for car leasing.

2. Effective control of debt collection. Using the information to control the number of outstanding contracts coupled with strict policy to follow debt. The overdue return to the normal status as much and as quick as possible. The measures are as follows: In case of default 1st installment will send official warning letter no. 1 along with the authorities to track down and call customers. In case of default the 2nd and 3rd installment authorities to send warning letters to accelerate the introduction and monitoring customer demand and the guarantor if the customer does not contact or payment. The company will have staff on the ground to meet the customer immediately. In case of default more than 3 installments, the Company will issue to terminate the lease agreement, by the time the 30-day maturity period. If customers do not contact, the company will continue to press and seize the car back. If the company cannot keep track of confiscated cars have been restored or if the auction sale of confiscated vehicles but have insufficient funds to pay outstanding debts. The company will take legal action against the customer and the guarantor. It is a lawsuit in order to get the most debt.

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. The seized vehicle

auction company found a net loss decreased steadily. This is the result of second-hand cars with the rebound from the lowest point since mid-2015, and by the year 2016 will find that used car sales are increasing continuously. The used car tents from a car auction to keep rising in stock, which comes from several factors, including.

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

Domestic sales of the year 2018 are totaling at 1,039,158 cars or 19.34% increase from the previous year 2017. This is the result of the automotive market has recovered continuously since the middle of last year. which is a consequence of the economic direction recovery. Along with the first car project gradually matured since 2016, consumers decide to change the new car increasingly.

The second-hand car market in 2018, with sales of 1,470,000 units, or 5% increase from 2017 for the second-hand car market in 2019 is expected to have grown up from the price of new cars has risen. The first car is at maturity simultaneously, becoming into the market car continuously.

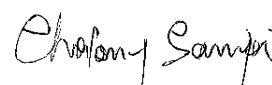
Used car leasing business is likely to grow in line with the recovery of the domestic auto market is expected to benefit from the economic recovery. Provider and dealers from financial institutions enter competition in the price increase. In which we will not enter into the competition in price to compete with financial institutions. But will focus on the loans through the tent than existing partners with 2,000 cases. In additions, we will focus on expanding its customer base through more loans DIRECT MARKETING, because the company can screen for quality, to reduce the risk to a certain extent. Besides, the Company develops product to meet the needs of all groups of customers, along with the development of service channel through the WEBSITE company and SOCIAL MEDIA in order to facilitate 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 2018, 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 2018, 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



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 subsidiary (the "Group"), which comprise the consolidated statement of financial position as at 31 December 2018, the consolidated statements of profit or 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 2018, the separate statements of profit or 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 accompanying consolidated and separate financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 31 December 2018, and its consolidated financial performance and cash flows for the year then ended and the separate financial position as at 31 December 2018, and its 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 Consolidated and Separate 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.





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.

Key audit matter	How the matter was addressed in the audit
<p>Allowance for doubtful accounts receivable - hire purchases</p> <p>As at 31 December 2018, the Company had balance of receivables - hire purchases of Baht 3,072 million (representing 82 percent of total assets) as at 31 December 2018 with allowance for doubtful accounts of Baht 133 million. The estimation of allowance for doubtful accounts of these receivables was based on the estimated possible losses from non-collection, 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 Company 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. I therefore put emphasis on the audit for adequacy of the allowance for doubtful accounts.</p> <p>The Company disclosed allowances for doubtful accounts for receivables in Note 6 to financial statements and significant accounting policies.</p>	<p>My audit procedures are summarized below:</p> <ul style="list-style-type: none"> - 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. - Understanding of the control and selecting representative samples to test the operation of the designed control. - Assessed the method applied by the Company 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. - 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.



Key audit matter	How the matter was addressed in the audit
<p>Revenue recognition - Financial service income on hire - purchase</p> <p>In 2018, the Company has financial service income on hire-purchase contracts in financial statements of Baht 473 million which represents a major core business of the Company. 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 have to emphasize that the financial service income on hire-purchase business was made with fair amounts in the proper period.</p> <p>The Company disclosed the recognition of interest income on hire-purchases in significant accounting policies.</p>	<p>My audit procedures are summarized below:</p> <ul style="list-style-type: none"> - Assessed and tested the Company's computer - based controls and its internal controls relating to the loan granting, loan instalment collection and financial service income on hire-purchase recognition processes by making enquiry of responsible executives. - Understanding of the controls and selecting representative samples to test the operations of the designed controls. - Applied a sampling method to select hire - purchase agreements to assess whether the recording of hire purchase receivable and the revenue recognition are consistent with the conditions of the relevant agreements and are in compliance with the Company's policy. - Performed analytical procedures on the recognition of financial service income on hire-purchases throughout the year. - Applied a sampling method for accounting entries related to financial service income on hire - purchase recognition that are made through journal vouchers. <p><i>Jmm.</i></p>



Key audit matter	How the matter was addressed in the audit
<p>Revenues recognition on investments in accounts receivable</p> <p>As at 31 December 2018, the Group has Investments in accounts receivable of Baht 185.75 million, of which Baht 5.75 million is not covered with collaterals. The management is required to exercise considerable judgment in the determination of discounted cash flows from the collection of debts in the future for revenue recognition. I therefore have to put emphasis on the examination of income recognition on the collection of uncollateralized receivables that 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>The Group disclosed revenue recognition from investments in accounts receivable in Note 12 to financial statements and significant accounting policies.</p>	<p>My audit procedures are summarized below:</p> <ul style="list-style-type: none"> - Testing the budgeted discounted cash flows from collections of purchased receivables and the determination of the effective interest rates for income recognition for determining whether the applied basis conforms to the Group's income recognition policy. - 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. - 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.

Others

The consolidated financial position of Mida Leasing Public Company Limited and subsidiary and the separate financial position of Mida Leasing Public Company Limited for the year ended 31 December 2017, presented as comparative information, were audited by other auditor in the same office as mine, who expressed an unmodified opinion thereon under his report dated 28 February 2018.

Other Information

Management is responsible for the other information. 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 to me 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 communicate the matter to those charged with governance and revised a material misstatement.

Responsibilities of Management and Those Charged with Governance for the Consolidated and Separate 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 are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated and Separate 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 scepticism 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 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 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.



Miss Kanyanat Sriratchatchaval

Certified Public Accountant

Registration No. 6549

Grant Thornton Limited

Bangkok

28 February 2019

MIDA LEASING PUBLIC COMPANY LIMITED AND SUBSIDIARY
STATEMENTS OF FINANCIAL POSITION

		Consolidated F/S		Separate F/S	
	Notes	31 December 2018	31 December 2017	31 December 2018	31 December 2017
ASSETS					
CURRENT ASSETS					
Cash and cash equivalents	5	35,731,038	42,907,765	35,724,133	42,859,134
Investments in trading security	32	55,682	54,996	55,682	54,996
Current portion of hire - purchases receivable	6	1,064,795,835	969,312,356	1,064,795,835	969,312,356
Other receivables - general customers - net	7	46,387,257	40,295,611	46,387,257	40,295,611
- related companies	8	-	214,000	634,137	667,110
Short - term loan to related company and interest receivable	8	-	25,556,055	178,817,145	195,385,075
Current portion of loans to other parties	9	208,678,412	146,555,100	208,678,412	146,555,100
Inventories		5,073,832	1,706,168	5,073,832	1,706,168
Assets foreclosed - net	10	29,635,257	23,406,526	29,635,257	23,406,526
Other current assets		183,146	349,446	181,775	349,476
Total current assets		1,390,540,459	1,250,358,023	1,569,983,465	1,420,591,552
NON - CURRENT ASSETS					
Restricted deposit with bank	11	111,877	110,889	111,877	110,889
Investments in accounts receivable	12	185,752,681	189,255,959	5,752,681	9,255,959
Hire - purchases receivable - net	6	1,873,518,542	1,846,821,683	1,873,518,542	1,846,821,683
Loans to other parties - net	9	25,774,770	62,323,085	25,774,770	62,323,085
Property, plant and equipment - net	13	104,491,597	109,040,802	104,491,597	109,040,802
Investment properties	14	45,228,462	45,228,462	45,228,462	45,228,462
Assets with restriction on sale	15	49,575,000	49,575,000	49,575,000	49,575,000
Investments in subsidiary company	16	-	-	24,999,970	24,999,970
Deferred tax asset	17	54,636,473	46,067,353	54,636,473	46,067,353
Other non - current assets		662,600	672,100	662,600	672,100
Total non - current assets		2,339,752,002	2,349,095,333	2,184,751,972	2,194,095,303
TOTAL ASSETS		3,730,292,461	3,599,453,356	3,754,735,437	3,614,686,855

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

(Unit : Baht)

		Consolidated F/S		Separate F/S	
	Notes	31 December 2018	31 December 2017	31 December 2018	31 December 2017
LIABILITIES AND SHAREHOLDERS' EQUITY					
CURRENT LIABILITIES					
Bank overdrafts and short - term loans					
from financial institutions	18	39,596,824	3,933,130	39,596,824	3,933,130
Trade accounts payable and other payables	19	103,667,350	114,799,447	103,607,005	114,709,132
Other payable - related companies	8	95,356	138,609	95,356	138,609
Short - term loan from parent company					
and interest payable	8	79,342,979	-	79,342,979	-
Current portion of					
- Long - term loans	20	12,112,568	6,134,660	12,112,568	6,134,660
- Debentures	21	1,468,354,385	199,910,164	1,468,354,385	199,910,164
- Employee benefits obligation	22	10,229,548	9,557,966	10,229,548	9,557,966
Income tax payable		16,328,956	17,235,075	16,328,956	17,235,075
Other current liabilities		1,465,523	371,423	1,465,523	371,423
Total current liabilities		1,731,193,489	352,080,474	1,731,133,144	351,990,159
NON - CURRENT LIABILITIES					
Long - term loans - net	20	30,791,216	15,952,979	30,791,216	15,952,979
Debentures - net	21	158,852,441	1,464,792,906	158,852,441	1,464,792,906
Employee benefits obligation - net	22	16,420,318	16,740,690	16,420,318	16,740,690
Total non - current liabilities		206,063,975	1,497,486,575	206,063,975	1,497,486,575
TOTAL LIABILITIES		1,937,257,464	1,849,567,049	1,937,197,119	1,849,476,734

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

(Unit : Baht)

Notes	Consolidated F/S		Separate F/S	
	31 December 2018	31 December 2017	31 December 2018	31 December 2017
LIABILITIES AND SHAREHOLDERS' EQUITY (Continued)				
SHAREHOLDERS' EQUITY				
Share capital : ordinary share, Baht 0.50 par value				
Registered 1,597,193,482 shares				
(2017 : 1,597,194,466 shares)	23	798,596,741	798,597,233	798,596,741
Issued and fully paid-up 1,064,796,636 shares		532,398,318	532,398,318	532,398,318
Premium on share capital	24	165,220,048	165,220,048	165,220,048
Retained earnings				
Appropriated for statutory reserve	25	59,800,000	53,300,000	59,800,000
Unappropriated		1,035,616,631	998,967,941	1,060,119,952
TOTAL SHAREHOLDERS' EQUITY		1,793,034,997	1,749,886,307	1,817,538,318
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		3,730,292,461	3,599,453,356	3,754,735,437

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	2018	2017	2018	2017
REVENUES					
Income from hire - purchase business		473,067,368	443,154,257	473,067,368	443,154,257
Interest income	8	38,996,541	42,802,388	47,764,571	50,826,157
Other income	8, 28	89,726,967	102,975,402	89,906,967	103,425,402
Total revenues		601,790,876	588,932,047	610,738,906	597,405,816
EXPENSES					
Selling expenses	29	68,982,456	78,730,432	68,982,456	78,730,432
Administrative expenses	8, 29	243,100,209	220,046,395	242,868,732	219,842,588
Bad debts and allowance for doubtful accounts	29	76,570,541	62,430,417	76,570,541	62,430,417
Finance cost	8	89,290,526	84,771,699	89,290,526	84,771,699
Total expenses		477,943,732	445,978,943	477,712,255	445,775,136
Profit before income tax		123,847,144	142,953,104	133,026,651	151,630,680
Income tax	17	(27,459,072)	(30,433,905)	(27,459,072)	(30,433,905)
Profit for the year		96,388,072	112,519,199	105,567,579	121,196,775
Other comprehensive income for the year					
Item not to be reclassified subsequently to profit or loss					
Actuarial loss - net of tax		-	(6,173,055)	-	(6,173,055)
Total comprehensive income for the year		96,388,072	106,346,144	105,567,579	115,023,720
ATTRIBUTION OF NET PROFIT FOR THE YEAR :					
The Company's shareholders		96,388,072	112,519,199	105,567,579	121,196,775
Non-Controlling interests in subsidiary		-	-	-	-
		96,388,072	112,519,199	105,567,579	121,196,775
ATTRIBUTION OF COMPREHENSIVE PROFIT FOR THE YEAR :					
The Company's shareholders		96,388,072	106,346,144	105,567,579	115,023,720
Non-Controlling interests in subsidiary		-	-	-	-
		96,388,072	106,346,144	105,567,579	115,023,720
Basic earnings per share					
Profit (Baht per share)		0.09	0.11	0.10	0.11
Weighted average number of ordinary shares (Unit : share)	23	1,064,796,636	1,064,796,636	1,064,796,636	1,064,796,636

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

(Unit : Baht)

	Notes	Equity attributable to shareholders of the Company				Total equity of the Company's shareholders	Non-controlling interests' equity	Total shareholders' equity
		Issued and fully paid - up share capital	Premium on share capital	Retained earnings				
				Statutory reserve	Unappropriated			
<u>Consolidated F/S</u>								
Balance as at 1 January 2017		483,998,919	165,220,048	48,400,000	955,601,127	1,653,220,094	-	1,653,220,094
Capital increase from stock dividend	23	48,399,399	-	-	(48,399,399)	-	-	-
Appropriated for statutory reserve	25	-	-	4,900,000	(4,900,000)	-	-	-
Cash dividend payment	26	-	-	-	(9,679,931)	(9,679,931)	-	(9,679,931)
Transactions with shareholders		48,399,399	-	4,900,000	(52,979,330)	(9,679,931)	-	(9,679,931)
Profit for the year		-	-	-	112,519,199	112,519,199	-	112,519,199
Other comprehensive loss for the year		-	-	-	(6,173,055)	(6,173,055)	-	(6,173,055)
Comprehensive income for the year		-	-	-	106,346,144	106,346,144	-	106,346,144
Balance as at 31 December 2017		532,398,318	165,220,048	53,300,000	998,967,941	1,749,886,307	-	1,749,886,307
Balance as at 1 January 2018		532,398,318	165,220,048	53,300,000	998,967,941	1,749,886,307	-	1,749,886,307
Appropriated for statutory reserve	25	-	-	6,500,000	(6,500,000)	-	-	-
Cash dividend payment	26	-	-	-	(53,239,382)	(53,239,382)	-	(53,239,382)
Transactions with shareholders		532,398,318	165,220,048	59,800,000	939,228,559	1,696,646,925	-	1,696,646,925
Profit for the year		-	-	-	96,388,072	96,388,072	-	96,388,072
Comprehensive income for the year		-	-	-	96,388,072	96,388,072	-	96,388,072
Balance as at 31 December 2018		532,398,318	165,220,048	59,800,000	1,035,616,631	1,793,034,997	-	1,793,034,997

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 paid - up share capital	Premium on share capital	Retained earnings		Total
				Statutory reserve	Unappropriated	
Separate F/S						
Balance as at 1 January 2017		483,998,919	165,220,048	48,400,000	962,247,365	1,659,866,332
Capital increase from stock dividend	23	48,399,399	-	-	(48,399,399)	-
Appropriated for statutory reserve	25	-	-	4,900,000	(4,900,000)	-
Cash dividend payment	26	-	-	-	(9,679,931)	(9,679,931)
Transactions with shareholders		48,399,399	-	4,900,000	(62,979,330)	(9,679,931)
Profit for the year		-	-	-	121,196,775	121,196,775
Other comprehensive loss for the year		-	-	-	208,678,412	(6,173,055)
Comprehensive income for the year		-	-	-	115,023,720	115,023,720
Balance as at 31 December 2017		532,398,318	165,220,048	53,300,000	1,014,291,755	1,765,210,121
Balance as at 1 January 2018		532,398,318	165,220,048	53,300,000	1,014,291,755	1,765,210,121
Appropriated for statutory reserve	25	-	-	6,500,000	(6,500,000)	-
Cash dividend payment	26	-	-	-	(53,239,382)	(53,239,382)
Transactions with shareholders		532,398,318	165,220,048	59,800,000	954,552,373	1,711,970,739
Profit for the year		-	-	-	105,567,579	105,567,579
Comprehensive income for the year		-	-	-	105,567,579	105,567,579
Balance as at 31 December 2018		532,398,318	165,220,048	59,800,000	1,060,119,952	1,817,538,318

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	
	2018	2017	2018	2017
Cash flows from operating activities				
Profit before income tax	123,847,144	142,953,104	133,026,651	151,630,680
Adjustments to reconcile profit before income tax to net cash provided from (used in) operating activities				
Depreciation	4,983,457	4,998,080	4,983,457	4,998,080
Loss on sales of investments in trading securities	-	1,448,116	-	1,448,116
Gain on change in value of investment in trading security	(686)	(5,247,524)	(686)	(5,247,524)
Bad debts and allowance for doubtful accounts	76,570,541	62,430,417	76,570,541	62,430,417
Loss (gain) on disposal of fixed assets	54,133	(28,216)	54,133	(28,216)
Loss (gain) on disposal of assets foreclosed	7,286,240	(4,830,958)	7,286,240	(4,830,958)
Allowance for impairment of assets foreclosed	49,281,535	39,467,157	49,281,535	39,467,157
Provision for employee benefits obligation expense	1,738,411	2,588,890	1,738,411	2,588,890
Dividend income	-	(2,304,000)	-	(2,304,000)
Interest income	(38,996,541)	(42,802,388)	(47,764,571)	(50,826,157)
Interest expense	89,290,526	84,771,699	89,290,526	84,771,699
Cash provided from operating activities before changes in operating assets and liabilities	314,054,760	283,444,377	314,466,237	284,098,184
Decrease (increase) in operating assets				
Hire - purchases receivable	(380,137,326)	(452,301,371)	(380,137,326)	(452,301,371)
Other receivables	(4,768,512)	62,604,056	(4,949,539)	62,152,671
Investment in accounts receivable	4,038,645	2,217,701	4,038,645	2,217,701
Inventories	(3,367,664)	619,586	(3,367,664)	619,586
Assets foreclosed	125,862,418	121,516,602	125,862,418	121,516,602
Other current assets	166,300	(109,933)	167,701	(115,415)
Other non - current assets	9,500	84,900	9,500	84,900
Increase (decrease) in operating liabilities				
Trade and other accounts payable	(11,423,986)	9,095,440	(11,394,016)	9,030,275
Other payable - related companies	(43,253)	(71,594)	(43,253)	(71,594)
Other current liabilities	1,094,100	(578,260)	1,094,100	(578,260)
Employee benefits paid	(1,980,430)	(171,410)	(1,980,430)	(171,410)
Cash provided from operating activities	43,504,552	26,350,094	43,766,373	26,481,869
Cash paid for interest	(84,558,673)	(88,044,440)	(84,558,673)	(88,044,440)
Income tax paid	(36,934,310)	(40,538,367)	(36,934,310)	(40,538,367)
Net cash used in operating activities	(77,988,431)	(102,232,713)	(77,726,610)	(102,100,938)

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	
	2018	2017	2018	2017
Cash flows from investing activities				
Interest received	32,724,388	29,237,193	32,724,303	29,237,134
Dividend received	-	2,304,000	-	2,304,000
Purchases of investment in trading securities	-	(248,675,000)	-	(248,675,000)
Proceeds from sales of investments in trading securities	-	367,340,436	-	367,340,436
Increase in restricted deposits with bank	(988)	(979)	(988)	(979)
Payment for loans to related companies	-	(106,500,000)	(220,000)	(106,670,000)
Proceeds from loans to related companies	25,500,000	81,000,000	25,500,000	81,000,000
Payment for assets with restriction on sales	-	(2,490,389)	-	(2,490,389)
Payment for loans to other parties	(204,267,344)	(244,774,000)	(204,267,344)	(244,774,000)
Proceeds from loans to other parties	176,103,566	193,563,844	176,103,566	193,563,844
Purchases of assets	(488,385)	(11,098,889)	(488,385)	(11,098,889)
Proceeds from disposal of assets	-	583,269	-	583,269
Net cash provided from investing activities	29,571,247	60,489,485	29,351,152	60,319,426
Cash flows from financing activities				
Increase in bank overdrafts and short - term loans from financial institutions	35,663,694	3,933,130	35,663,694	3,933,130
Proceeds from loans from parent company	130,000,000	19,500,000	130,000,000	19,500,000
Repayment for loans from parent company	(52,000,000)	(19,500,000)	(52,000,000)	(19,500,000)
Proceeds from issuance of debentures	200,000,000	600,000,000	200,000,000	600,000,000
Repayment for debentures	(240,000,000)	(600,000,000)	(240,000,000)	(600,000,000)
Proceeds from long - term loans	30,000,000	-	30,000,000	-
Repayment for long - term loans	(9,183,855)	(5,771,415)	(9,183,855)	(5,771,415)
Cash dividend payment	(53,239,382)	(9,679,931)	(53,239,382)	(9,679,931)
Net cash provided from (used in) financing activities	41,240,457	(11,518,216)	41,240,457	(11,518,216)
Net decrease in cash and cash equivalents	(7,176,727)	(53,261,444)	(7,135,001)	(53,299,728)
Cash and cash equivalents at beginning of year	42,907,765	96,169,209	42,859,134	96,158,862
Cash and cash equivalents at end of year	35,731,038	42,907,765	35,724,133	42,859,134
Supplemental cash flows information:				
Non-cash transactions				
Transfer foreclosed assets from hire - purchases receivables to assets foreclosed	188,659,924	151,005,322	188,659,924	151,005,322
Capital increase from stock dividend	-	48,399,399	-	48,399,399
Transfer loans to other parties and accrued interest income to assets with restriction on sales	-	47,079,481	-	47,079,481
Transfer loans to other parties to investment property	-	2,420,769	-	2,420,769

MIDA LEASING PUBLIC COMPANY LIMITED AND SUBSIDIARY
NOTES TO FINANCIAL STATEMENTS
31 DECEMBER 2018 AND 2017

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 1, Chaengwattana Road, Thungsonghong, Lak si, Bangkok, Thailand. As of 31 December 2018, 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

2.1 Statement of compliance

The accompanying financial statements have been prepared in accordance with the Accounting Act B.E. 2543, 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 other languages must be in compliance with the official report in Thai.

2.2 New and Revised Standards and Interpretations

2.2.1 Amendments and interpretations to existing Standards that are effective from 1 January 2018

The Federation of Accounting Professions has revised TFRS, interpretations and guidance, which are effective for the fiscal accounting periods beginning on or after 1 January 2018. The changes are to align with the corresponding International Financial Reporting Standards where most of the changes are relating to the wording and terminology, the interpretations and accounting guidance.

The adoption of these revised TFRS does not have a material impact on the financial statement except the additional disclosures required under TAS 7 (see Note 34).

2.2.2 New Standards that are effective from 1 January 2019

During the year, the Federation of Accounting Professions issued Thai Financial Reporting Standard No. 15 “Revenue from Contracts with Customers” (TFRS 15). TFRS 15 is effective for the fiscal accounting periods beginning on or after 1 January 2019 and presents new principles for the recognition of revenue, replacing Thai Accounting Standard No. 18 “Revenue”, Thai Accounting Standard No.11 “Construction Contracts”, and several revenue-related Interpretations. The new standard establishes a control-based revenue recognition model and provides additional guidance in many areas which are limited in detail under existing Thai Financial Reporting Standards. Management has assessed that the impact on the financial statements when the new standard is initially applied is immaterial.

2.2.3 New Standards that are effective from 1 January 2020

During the year, the Federation of Accounting Professions issued TFRSs for financial instruments, which consists of TFRS 9 “Financial instruments”, TFRS 7 “Financial instruments: Disclosure”, TAS 32 “Financial instruments: Presentation”, TFRIC 16 “Hedges of a Net Investment in a Foreign Operation” and TFRIC 19 “Extinguishing Financial Liabilities with Equity Instruments”, are effective for annual accounting periods beginning on or after 1 January 2020 and has new requirements relating to the definition, recognition, classification, measurement and impairment of financial assets, as well as providing guidance on hedge accounting.

The Company will adopt these new standards when they become effective, and management is in the process to assess the impact on the financial statements in the period of initial application.

2.3 Basis of measurement

The financial statements have been prepared on the historical cost basis except for the following items, which are measured on an alternative basis at each reporting date.

Items	Measurement bases
Defined benefit obligation	Present value of the defined benefit obligation as explained in Note 22

2.4 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).

2.5 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.

The percentage of subsidiary's total asset as at 31 December 2018 and 2017 and total revenue for the years ended 31 December 2018 and 2017 as included in the consolidated 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	
	2018	2017	2018	2017
<u>Subsidiary Company</u>				
Mida Asset Management Company Limited	4.82	5.00	-	-

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 profit and loss 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 30% 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, 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 or 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 as expenses to profit and loss on a straight - line basis over the estimated useful live 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.

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 rate. 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 tax

Deferred 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 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.

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 Impairment of assets

The Group considers 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.

4.1.6 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.

4.1.7 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	
	2018	2017	2018	2017
Cash on hand	1,027	1,023	1,027	1,023
Cash in transit	23,800	19,460	23,800	19,460
Savings Accounts	7,223	18,143	7,216	18,094
Current Accounts	3,681	4,282	3,681	4,282
Total	35,731	42,908	35,724	42,859

As at 31 December 2018, savings accounts with banks bear interest at the rates 0.10 - 0.40% per annum. (31 December 2017: 0.10% - 0.40% per annum).

6. HIRE - PURCHASES RECEIVABLE - NET

(Unit : Thousand Baht)

	Consolidated and separate F/S							
	Current portion due		Long - term portion due		Long - term portion		Total	
	within one year		over one year but not over five years		due after five years			
	2018	2017	2018	2017	2018	2017	2018	2017
Hire - purchases receivable	1,540,356	1,382,053	2,350,587	2,345,915	1,686	3,334	3,892,629	3,731,302
<u>Less</u> Unearned hire - purchases interest income	(402,639)	(354,284)	(417,747)	(453,320)	(64)	(168)	(820,450)	(807,772)
Balance	1,137,717	1,027,769	1,932,840	1,892,595	1,622	3,166	3,072,179	2,923,530
<u>Less</u> Allowance for doubtful accounts	(72,921)	(58,457)	(60,920)	(48,890)	(24)	(49)	(133,865)	(107,396)
Net	1,064,796	969,312	1,871,920	1,843,705	1,598	3,117	2,938,314	2,816,134

As at 31 December 2018 and 2017, 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:

(Unit : Thousand Baht)

	Consolidated and separate F/S							
	Hire - purchases		Percentage of		Allowance for		Hire - purchases	
	receivable		allowance		doubtful accounts		receivables - net	
	2018	2017	2018	2017	2018	2017	2018	2017
Hire - purchases receivable								
Not yet due	1,808,276	1,818,949	1	1	18,142	18,237	1,790,134	1,800,712
Past due								
1 - 3 periods	1,065,010	960,449	2	2	21,300	19,209	1,043,710	941,240
4 periods	76,667	57,247	20	20	15,333	11,449	61,334	45,798
5 - 6 periods	43,954	28,754	25	25	10,988	7,189	32,966	21,565
7 - 9 periods	40,682	27,275	75	75	30,512	20,456	10,170	6,819
Over 9 periods	37,590	30,856	100	100	37,590	30,856	-	-
Total	3,072,179	2,923,530			133,865	107,396	2,938,314	2,816,134

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 2018 of Baht 65.03 million (31 December 2017 : Baht 36.74 million) and reduced the amount of revenue recognized for the year ended 31 December 2018 by Baht 11.46 million (31 December 2017 : Baht 9.08 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 2018, allowance for doubtful accounts has been set aside at an average rate of 6.03% 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 (2015 - 2017).

As at 31 December 2018, balance of hire - purchases receivable which have been overdue for more than 3 consecutive periods but the Company still recognizes revenue amounted to Baht 76.67 million (31 December 2017 : Baht 57.25 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 is insignificant.

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

	(Unit : Thousand Baht)
	Consolidated and Separate F/S
Balance as at 1 January 2018	107,396
Additional allowance during in the year	65,906
Reversal of allowance or bad debts written off during in the year	(39,437)
Balance as at 31 December 2018	133,865

7. OTHER RECEIVABLE - NET

	(Unit : Thousand Baht)	
	Consolidated and Separated F/S	
	2018	2017
Penalty fees receivable	47,045	40,304
Interest receivable from loan to other parties	15,557	9,229
Advanced insurance premium for customers	1,617	4,166
Other	1,980	1,190
Total	66,199	54,889
<u>Less</u> Allowance for doubtful accounts	(19,812)	(14,593)
Net	46,387	40,296

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 follows:

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
Max Hotel Co., Ltd.	Hotel operations	Co directors
Mida Development Co., Ltd.	Real estate development	Co directors

Pricing policies for each transaction are as follows:

Type of transactions	Pricing policy
Interest income	Interest rates of 5.50% - 5.75% per annum
Other income	Contract price
Other expenses	At agreed price
Finance cost	Interest rates of 5.50% - 5.75% per annum

The significant transactions with related parties for the years ended 31 December 2018 and 2017 are as follows:

	(Unit : Million Baht)			
	Consolidated F/S		Separate F/S	
	2018	2017	2018	2017
Transactions with parent company				
Interest income	0.06	0.34	0.06	0.34
Other expenses	1.20	1.12	1.20	1.12
Finance cost	3.02	0.04	3.02	0.04
Transactions with subsidiary company				
Interest income	-	-	8.77	8.02
Transactions with related parties				
Other income	-	0.20	0.18	0.65
Other expenses	0.08	0.41	0.08	0.41
Key management personnel compensation				
Current employment benefits	18.51	16.66	18.51	16.66
Post - employment benefits	0.52	0.66	0.52	0.66
Total	19.03	17.32	19.03	17.32

The balances with related companies as at 31 December 2018 and 2017 are as follows:

	(Unit : Thousand Baht)			
	Consolidated F/S		Separate F/S	
	2018	2017	2018	2017
<u>Other receivables - related companies</u>				
Related companies	-	214	-	214
Subsidiary company	-	-	634	453
Total	-	214	634	667
<u>Short - term loan to related companies and interest receivable</u>				
Parent company	-	25,556	-	25,556
Subsidiary company	-	-	178,817	169,829
Net	-	25,556	178,817	195,385
<u>Other payable - related companies</u>				
Parent company	93	139	93	139
Related companies	2	-	2	-
Total	95	139	95	139
<u>Short - term loan from parent company and interest payable</u>				
Parent company	79,343	-	79,343	-
Total	79,343	-	79,343	-
<u>Key management personnel compensation</u>				
Provision for post - employment benefits	7,378	6,719	7,378	6,719
Accrued bonus	3,447	3,076	3,447	3,076
Total	10,825	9,795	10,825	9,795

Movements in the short - term loans to parent company and short - term loans from parent company for the year ended 31 December 2018 are as follows:

(Unit : Thousand Baht)			
Consolidated F/S			
	1 January 2018	Increase	Decrease 31 December 2018
<u>Short - term loan to parent company</u>			
Parent company			
Short - term loan	25,500	-	(25,500)
Interest receivable	56	62	(118)
Total	25,556	62	(25,618)
<u>Short - term loan from parent company</u>			
Parent company			
Short - term loan	-	130,000	(52,000)
Interest payable	-	3,020	(1,677)
Total	-	133,020	(53,677)
(Unit : Thousand Baht)			
Separate F/S			
	1 January 2018	Increase	Decrease 31 December 2018
<u>Short - term to related companies</u>			
Parent company			
Short - term loan	25,500	-	(25,500)
Interest receivable	56	62	(118)
Subsidiary company			
Short - term loan	155,170	220	-
Interest receivable	14,659	8,768	-
Total	195,385	9,050	(25,618)
<u>Short - term loan from parent company</u>			
Parent company			
Short - term loan	-	130,000	(52,000)
Interest payable	-	3,020	(1,677)
Total	-	133,020	(53,677)

9. LOANS TO OTHER PARTIES - NET

(Unit : Thousand Baht)		
Consolidated and separate F/S		
	2018	2017
Loans to other parties	237,042	208,878
<u>Less</u> Allowance for doubtful accounts	(2,589)	-
Balance	234,453	208,878
Less Current portion due within one year	(208,678)	(146,555)
Net	25,775	62,323

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

(Unit : Thousand Baht)			
Consolidated and separate F/S			
	1 January 2018	Increase	31 December 2018
Loans to	208,878	204,267	(176,103)
			237,042

During year 2017, the Company received a transfer of 2 plots of land to settle of loan receivable of Baht 40.52 million with mutual agreement as described in Note 15.

The above loans bear interest at rates of 12% - 24% per annum. The outstanding balance with collaterals as at 31 December 2018 and 2017, are as follows:

(Unit : Million Baht)			
Principal amount			
Consolidated and Separate F/S			
	2018	2017	Collateral
1)	141.50	149.34	The pledges of car registration books, share certificates of a local company, and land title deeds
2)	38.11	29.90	Personal guarantee
3)	2.59	2.68	Secured by transferring right of rental area of 3 - floor building
4)	19.84	11.96	Factoring credit guarantee
5)	35.00	15.00	Postdate cheque

10. ASSETS FORECLOSED - NET

(Unit : Thousand Baht)		
Consolidated and separate F/S		
	2018	2017
Vehicles	42,336	31,209
<u>Less</u> Allowance for impairment of vehicles	(12,701)	(7,802)
Net	29,635	23,407

11. RESTRICTED DEPOSITS WITH BANK

As at 31 December 2018, 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 2017 : Baht 0.11 million).

12. INVESTMENT IN ACCOUNTS RECEIVABLE

(Unit : Thousand Baht)

	Consolidated F/S			
	2018		2017	
	No. of contracts	Amount	No. of contracts	Amount
Accounts receivable - Hire purchases	389	13,600	412	17,638
Accounts receivable - Collateral	1	180,000	1	180,000
Total	<u>390</u>	<u>193,600</u>	<u>413</u>	<u>197,638</u>
<u>Less</u> Allowance for impairment of investment in receivable		(7,847)		(8,382)
Net		<u>185,753</u>		<u>189,256</u>

(Unit : Thousand Baht)

	Separate F/S			
	2018		2017	
	No. of Contracts	Amount	No. of contracts	Amount
Accounts receivable - Hire purchases	389	13,600	412	17,638
<u>Less</u> Allowance for impairment of investment in receivable		(7,847)		(8,382)
Net		<u>5,753</u>		<u>9,256</u>

The subsidiary company has received rights in accounts receivable total amount Baht 180 million, which have 3 plots of land be collateral. During year 2018, the subsidiary company hired an independent appraiser to appraise the land by using the market approach in amount of Baht 338.60 million. The subsidiary company has waited court order or sue for civil mortgage. However, the subsidiary company believes that the value of the collateral asset is higher than the loan so it does not set allowance for impairment.

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 2018	197,638	17,638
<u>Less</u> Portion decreased from cash collection during the year	(4,038)	(4,038)
Balance as at 31 December 2018	193,600	13,600
<u>Less</u> Allowance for impairment of investment in receivable	(7,847)	(7,847)
Net	185,753	5,753

The Company expects to collect cash from debtors from the investments of Baht 3.61 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	Vehicles	Total
<u>Cost</u>					
As at 1 January 2017	76,336	26,866	17,456	15,425	136,083
Acquisitions	-	131	993	9,975	11,099
Disposals/ write-off	-	(410)	(82)	(1,175)	(1,667)
As at 31 December 2017	76,336	26,587	18,367	24,225	145,515
Acquisitions	-	63	425	-	488
Disposals/ write-off	-	(108)	(99)	-	(207)
As at 31 December 2018	76,336	26,542	18,693	24,225	145,796
<u>Accumulated depreciation</u>					
As at 1 January 2017	-	14,535	13,537	4,516	32,588
Depreciation charge for the year	-	1,359	1,595	2,044	4,998
Accumulated depreciation for disposal/ write-off	-	(345)	(80)	(687)	(1,112)
As at 31 December 2017	-	15,549	15,052	5,873	36,474
Depreciation charge for the year	-	1,308	1,357	2,319	4,984
Accumulated depreciation for disposal/ write-off	-	(60)	(93)	-	(153)
As at 31 December 2018	-	16,797	16,316	8,192	41,305

	Consolidated and separate F/S				
	Land and land improvement	Building and improvement	Furniture, fixtures and equipment	Vehicles	Total
<u>Net Book Value</u>					
As at 31 December 2017	76,336	11,038	3,315	18,352	109,041
As at 31 December 2018	76,336	9,745	2,377	16,033	104,491
Depreciation for the year 2017					
- Administrative expense					4,998
Depreciation for the year 2018					
- Administrative expense					4,984

As at 31 December 2018, 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 27.70 million (31 December 2017 : Baht 17.63 million).

The Company has mortgaged land with structures thereon with a total net book value as at 31 December 2018 of Baht 46.13 million as collaterals for credit facilities granted by domestic financial institutions as described in Notes 18 and 20 (31 December 2017 : Baht 46.22 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.

As at 31 December 2018 and 2017, fair value of the investment properties are Baht 81.52 million and Baht 52.33 million, respectively, appraised by independent professional 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 18 and 20.

15. ASSETS WITH RESTRICTION ON SALE

As at 31 December 2018 and 2017, the Company has land which was received from the transfer from a debtor for the settlement of loan receivable of Baht 40.52 million. Under the loan settlement agreement, the Company gave an option for the debtor to buy back such piece of land for Baht 49.58 million within 3 years as described in Note 9.

16. INVESTMENTS IN SUBSIDIARY COMPANY

(Unit : Thousand Baht)

	Separate F/S					
	Paid up share capital (Baht)		Shareholding Percentage (%)		Cost	
	2018	2017	2018	2017	2018	2017
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

17. INCOME TAX

Deferred tax asset and liability are as follows:

(Unit : Thousand Baht)

	Consolidated and separate F/S	
	2018	2017
Deferred tax asset	54,881	46,218
Deferred tax liability	(245)	(151)
Deferred tax asset - net	54,636	46,067

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

(Unit : Thousand Baht)

	Consolidated and separate F/S			
	Recognized in			31 December 2018
	1 January 2018	Statement of income	Share holders' equity	
Deferred tax asset				
From allowance for doubtful hire - purchases receivable	30,789	9,445	-	40,234
From allowance for doubtful other receivables	2,919	1,044	-	3,963
From allowance for doubtful loans to other parties	3,532	(3,015)	-	517
From allowance for doubtful investment in accounts receivable	1,826	(256)	-	1,570
From allowance for devalued assets foreclosed	1,561	979	-	2,540
From allowance for employee benefits obligation	5,607	467	-	6,074
From allowance for decline value of investment in trading security	(16)	(1)	-	(17)
Total	46,218	8,663	-	54,881
Deferred tax liability				
Difference of depreciation between accounting and tax bases	(151)	(94)	-	(245)

(Unit : Thousand Baht)

	Consolidated and separate F/S			
	Recognized in			31 December 2017
	1 January 2017	Statement of income	Share holders' equity	
Deferred tax asset				
From allowance for doubtful hire - purchases receivable	25,359	5,430	-	30,789
From allowance for doubtful other receivables	2,958	(39)	-	2,919
From allowance for doubtful loans to other parties	3,532	-	-	3,532
From allowance for doubtful investment in accounts receivable	-	1,826	-	1,826
From allowance for devalued assets foreclosed	1,904	(343)	-	1,561
From allowance for employee benefits obligation	3,402	662	1,543	5,607
From allowance for decline value of investment in trading security	1,050	(1,066)	-	(16)
Total	38,205	6,470	1,543	46,218
Deferred tax liability				
Difference of depreciation between accounting and tax bases	(141)	(10)	-	(151)

Income tax expenses for the years ended 31 December 2018 and 2017 are as follows :

		(Unit : Thousand Baht)	
		Consolidated and separate F/S	
		2018	2017
Current tax expense			
Current year		36,028	36,894
Deferred tax expense			
Movements in temporary differences		(8,569)	(6,460)
Total income tax expense		27,459	30,434

Income tax recognised in other comprehensive income

		(Unit : Thousand Baht)			
		Consolidated and separate F/S			
		2018		2017	
		Before tax	Tax Expense	Before tax	Tax expense
Actuarial loss		-	-	7,716	(1,543)
Total		-	-	7,716	(1,543)

Reconciliation of effective tax rate

		(Unit : Thousand Baht)			
		Consolidated F/S		Separate F/S	
		2018	2017	2018	2017
Income before income tax		123,847	142,953	133,027	151,631
Tax rate (percentage)		20	20	20	20
Income tax using corporation tax rate		24,769	28,591	26,605	30,326
Income tax of items allowed as expenses under Revenue Code		(609)	(393)	(609)	(393)
Income tax of expenses not deductible for tax purposes		230	501	230	501
The adjustment of deferred tax assets recognized in previous year		1,233	-	1,233	-
Deferred tax assets not recognised		1,836	1,735	-	-
Income tax expense		27,459	30,434	27,459	30,434
Effective tax rate (percentage)		20.63	20.07	20.63	20.07

Deferred tax assets have not been recognised in respect of the following items:

	(Unit: Thousand Baht)			
	Consolidated F/S		Separate F/S	
	2018	2017	2018	2017
Tax losses carried forward not exceeding				
5 years	1,836	1,735	-	-
Total	1,836	1,735	-	-

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

	(Unit : Thousand Baht)	
	Consolidated and separate F/S	
	2018	2017
Bank overdrafts	19,597	3,933
Promissory note	20,000	-
Total	39,597	3,933

As at 31 December 2018 and 2017, the Company has credit facilities and the related interest rate as follows:

	2018	2017
Overdraft credit facility (Unit : Million Baht)	20	20
Interest rate for normal limits (Percent per annum)	MOR - 0.5	MOR - 0.5
Interest rate for the excess limits (Percent per annum)	18	18
Promissory note credit facility (Unit : Million Baht)	20	-
Interest rate for promissory note	MLR - 1.25	-

As at 31 December 2018 the Company has unutilized credit facilities of Baht 0.40 million (31 December 2017 : Baht 16.07 million)

The above credit facilities are collateralized by the mortgage of land of the Company as disclosed in Notes 13 and 14 to the financial statements.

19. TRADE ACCOUNTS PAYABLE AND OTHER PAYABLES

			(Unit : Thousand Baht)	
	Consolidated F/S		Separate F/S	
	2018	2017	2018	2017
Trade accounts payable	39,862	45,918	39,862	45,918
Accrued bonuses	21,193	20,193	21,193	20,193
Accrued insurance premium	8,597	16,829	8,597	16,829
Accrued interest	10,695	10,403	10,695	10,403
Accrued expenses	8,641	7,875	8,581	7,785
Other payables	14,679	13,581	14,679	13,581
Total	103,667	114,799	103,607	114,709

20. LONG - TERM LOANS

			(Unit : Thousand Baht)	
	Consolidated and separate F/S			
	2018	2017		
Long - term loans	42,904	22,088		
<u>Less</u> Current portion due within one year	(12,113)	(6,135)		
Net	30,791	15,953		

Movements in long - term loan during the year are as follows:

			(Unit : Thousand Baht)	
	Consolidated and separate F/S			
Balance as at 1 January 2018			22,088	
<u>Add</u> Additional			30,000	
<u>Less</u> Repayment			(9,184)	
Balance as at 31 December 2018			42,904	

As at 31 December 2018, the Company has credit facility with a financial institution for purchasing of land total Baht 40 million. This loan bears interest at the rate of MLR - 0.5 per annum and repayable by monthly installments of Baht 0.61 million. And there is credit facility for using as working capital total Baht 30 million. These loans bear interest at the rate of MLR - 1.5 per annum and repayable by monthly installments of Baht 0.57 million. These loans are collateralized by the Company's land and construction thereon as disclosed in Notes 13 and 14.

As at 31 December 2017, the Company has credit facility with financial institution for purchasing of land total Baht 40 million. These loan bear interest rate of MLR - 0.5 per annum. These loans are repayable by monthly installments of Baht 0.61 million. These loans are collateralized by the Company's land and construction thereon as disclosed in Notes 13 and 14.

21. DEBENTURES

31 December 2018

(Unit : Thousand Baht)					
Debenture	Duration	Date of issue	Maturity date	Interest rate	Consolidated and separate F/S
				(% p.a.)	
1	3 years and 1 day	19 May 2016	20 May 2019	4.30	169,974
2	3 years	24 November 2016	24 November 2019	5.00	699,526
3	2 years 1 month 16 days	5 April 2017	21 May 2019	5.10	199,620
4	2 years 1 month	21 April 2017	21 May 2019	5.10	399,234
5	2 years	27 September 2018	27 September 2020	5.25	158,853
Total					1,627,207
<u>Less</u> Current portion					(1,468,354)
Debentures - net					158,853

31 December 2017

(Unit : Thousand Baht)					
Debenture	Duration	Date of issue	Maturity date	Interest rate	Consolidated and separate F/S
				(% p.a.)	
1	3 years and 1 day	19 May 2016	20 May 2019	4.30	169,906
2	2 years 1 day	29 September 2016	1 October 2018	4.50	199,910
3	3 years	24 November 2016	24 November 2019	5.00	699,000
4	2 years 1 month 16 days	5 April 2017	21 May 2019	5.10	198,637
5	2 years 1 month	21 April 2017	21 May 2019	5.10	397,250
Total					1,664,703
<u>Less</u> Current portion					(199,910)
Debentures - net					1,464,793

Movements in debentures during the years ended 31 December 2018 and 2017 are as follows:

	(Unit : Thousand Baht)	
	Consolidated and separate F/S	
	2018	2017
Balance as at 1 January	1,664,703	1,667,768
Newly issued debentures	200,000	600,000
Redemption during the year	(240,000)	(600,000)
Underwriting costs	(1,402)	(6,220)
Amortization of debenture issuance expenses	3,906	3,155
Balance as at 31 December	1,627,207	1,664,703

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.

22. EMPLOYEE BENEFITS OBLIGATION

Movements in employee benefit obligations for the years ended 31 December 2018 and 2017 are as follows:

	(Unit : Thousand Baht)			
	Consolidated F/S		Separate F/S	
	2018	2017	2018	2017
Balance as at 1 January				
Portion due within one year	9,558	4,730	9,558	4,730
Employee benefits obligation - net	16,741	10,714	16,741	10,714
Current service costs	1,738	2,589	1,738	2,589
Interest on obligation	593	721	593	721
Actuarial gain recognized under shareholders' equity	-	7,716	-	7,716
Benefit paid	(1,980)	(171)	(1,980)	(171)
Total	26,650	26,299	26,650	26,299
<u>Less</u> Portion due within one year	(10,230)	(9,558)	(10,230)	(9,558)
Balance as at 31 December	16,420	16,741	16,420	16,741
Total unfund	26,650	26,299	26,650	26,299

Principal actuarial assumptions are as follows:

Discount rate	3.11 % p.a.
Salary increase rate	6.82 % p.a.
Mortality rate	Thai Mortality Table 2017
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 and separate F/S		
	Increase 0.5 %	Decrease 0.5 %
Discount rate		
Increase (decrease) in the employee benefits obligation	(574)	607
Future salary growth		
Increase (decrease) in the employee benefits obligation	714	(678)
Employee turnover		
Increase (decrease) in the employee benefits obligation	(798)	847

As at 31 December 2018, expected maturity of employee benefits obligation before discount are as follows:

(Unit : Thousand Baht)	
Consolidated and separate F/S	
Within one year	10,230
Between 2 - 5 years	8,278
Between 6 - 10 years	16,057
Between 11 - 15 years	4,504
Total	39,069

On 13 December 2018, the National Legislative Assembly approved the Labor Protection Act, that will become effective 30 days after its publication in the Government Gazette, determined employer to pay compensation, if an employee work consecutively period of 20 years or more, employees has right to receives severance payment of 400 days of wages at the most recent rate. When the labor law come into force, the Group will recognize the increase in provision for employee benefits including past services cost of Baht 2.36 million in the consolidated FS and separate financial statement. The Group selected to recognise such effect in year 2019.

23. SHARE CAPITAL

At the 2018 Annual General Meeting of Shareholders meeting held on 27 April 2018, the shareholders passed a resolution to approve the decrease of registered share capital by decreasing the share capital of Baht 492 from previously registered of Baht 798,597,233 to Baht 798,596,741 by writing down 984 ordinary shares at the par value of Baht 0.50.

At the 2017 Annual General Meeting of Shareholders meeting held on 27 April 2017, the shareholders passed a resolution approving as follows:

- 23.1 To approve for right adjustment of warrant no.1 (ML-W2) exercise due to dividend payment by the exercise price from Baht 3.50 per share to Baht 3.182 per share with adjustment for the exercise ratio of 1 unit of warrant for 1 ordinary share, to 1 unit of warrant to 1.10 ordinary share. This caused the increase of the registered ordinary share to support the right adjustment of ML-W2 of 48,397,928 shares. Therefore, the total amount for right of warrant will be increased from 483,979,280 shares to 532,377,208 shares.
- 23.2 To approve the increase of registered capital share to support the stock dividend and right adjustment of exercising warrant no. 1 for warrant to purchase new share capital of the Company no. 2 (ML-W2) for the increased share capital of Baht 72,598,856, from previously registered of Baht 725,998,378 to Baht 798,597,233, by issuing new 145,197,711 ordinary shares at the par value of Baht 0.50 for stock dividend payment and right adjustment of exercising warrant no.2 (ML-W2)

As at 31 December 2018 and 2017, 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.

24. 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.

25. 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.

26. DIVIDEND PAYMENT

At the 2018 Annual General Meeting of Shareholders meeting held on 27 April 2018, the shareholders passed a resolution to approve the dividend payment for operations of the year 2017 for ordinary shares in total of 1,064,796,636 shares at Baht 0.05 per share, totaling Baht 53.24 million. The dividend was paid on 15 May 2018.

At the 2017 Annual General Meeting of Shareholders meeting held on 27 April 2017, the shareholders passed certain resolutions to approved the dividend payment for operations of the year 2016 for ordinary shares into 2 categories as follows :

- 1) Paid dividend in from of 96,799,783 ordinary shares of the Company at par value of Baht 0.50 to the current shareholders at the ratio of ten (10) shares per one (1) share dividend, totally not exceeding Baht 48,399,892 or shall be converted to dividend payment of Baht 0.05 per share. In case that any indivisible share remaining after such allocation, the dividend shall be paid by cash at Baht 0.05 per share.
- 2) Paid cash dividend at the rate of Baht 0.01 per share, amounted to Baht 9,679,978.

27. PROVIDENT FUND

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 2018 amounted to Baht 1.32 million (2017 : Baht 1.27 million).

28. OTHER INCOME

	(Unit : Thousand Baht)			
	Consolidated F/S		Separate F/S	
	2018	2017	2018	2017
Penalty income	19,796	15,789	19,796	15,789
Income from transferring of car registers	13,808	13,899	13,808	13,899
Insurance brokerage income	17,755	22,004	17,755	22,004
Operation fee income	8,495	14,863	8,495	14,863
Seized car transferred income	2,113	2,523	2,113	2,523
Gain on sale of investments in securities	-	77	-	77
Bad debt recovery	7,024	6,595	7,024	6,595
Debt collection income	7,048	5,981	7,048	5,981
Others	13,688	21,244	13,868	21,694
Total	<u>89,727</u>	<u>102,975</u>	<u>89,907</u>	<u>103,425</u>

29. EXPENSES BY NATURE

	(Unit : Thousand Baht)			
	Consolidated F/S		Separate F/S	
	2018	2017	2018	2017
Salaries, wages and other employee benefit	119,454	116,591	119,454	116,591
Management benefit expense	18,515	16,660	18,515	16,660
Commission expense	48,547	47,571	48,547	47,571
Bad debt and doubtful accounts	76,571	62,430	76,571	62,430
Sale promotion expense	4,712	5,441	4,712	5,441
Loss (gain) from disposal of assets foreclosed	7,286	(4,830)	7,286	(4,830)
Allowance for impairment of assets foreclosed	49,281	39,467	49,281	39,467
Amortization of debenture issuance expenses	3,906	3,155	3,906	3,155
Professional fee	2,678	2,308	2,478	2,118
Seized car repairing expense	2,997	3,305	2,997	3,305
Insurance premium	12,931	23,275	12,931	23,275
Depreciation	4,983	4,998	4,983	4,998
Utility expense	7,548	7,358	7,548	7,358
Office rental expense	3,073	3,131	3,073	3,131
Others	26,171	30,347	26,139	30,333
Total	<u>388,653</u>	<u>361,207</u>	<u>388,421</u>	<u>361,003</u>

30. 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.

31. 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, it does not have high concentration of the credit risk since it has 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 2018 and 2017 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					
	2018					
	Fixed interest rates		Floating	Non-		Effective
	Within	Over 1	interest	interest		interest rate
	1 year	to 5 years	rate	bearing	Total	(% p.a.)
Financial Assets						
Cash and cash equivalents	-	-	7.22	28.51	35.73	0.10 - 0.38
Hire - purchases receivable - net	1,064.79	1,873.52	-	-	2,938.31	17.70
Loans to other parties - net	208.68	25.77	-	-	234.45	12.00 - 24.00
Restricted deposit with bank	-	0.11	-	-	0.11	0.90
	<u>1,273.47</u>	<u>1,899.40</u>	<u>7.22</u>	<u>28.51</u>	<u>3,208.60</u>	
Financial Liabilities						
Bank overdrafts and short - term loan from financial institutions	-	-	39.60	-	39.60	MLR - 0.50, MLR - 1.25
Short - term loan from parent company	78.00	-	-	-	78.00	5.50 - 5.75
Long - term loans	-	-	42.90	-	42.90	MLR - 0.50, MLR - 1.50
Debentures	1,468.36	158.85	-	-	1,627.21	4.30 - 5.25
	<u>1,546.36</u>	<u>158.85</u>	<u>82.50</u>	<u>-</u>	<u>1,787.71</u>	

(Unit : Million Baht)

	Consolidated F/S					
	2017					
	Fixed interest rates		Floating	Non-		Effective
	Within	Over 1		interest		interest rate
	1 year	to 5 years	interest rate	bearing	Total	(% p.a.)
Financial Assets						
Cash and cash equivalents	-	-	18.14	24.77	42.91	0.10 - 0.40
Hire - purchases receivable - net	969.31	1,846.82	-	-	2,816.13	18.00
Short - term loan to parent company	25.50	-	-	-	25.50	5.50
Loans to other parties - net	146.56	62.32	-	-	208.88	12.00 - 24.00
Restricted deposit with bank	-	0.11	-	-	0.11	0.90
	1,141.37	1,909.25	18.14	24.77	3,093.53	
Financial Liabilities						
Bank overdrafts	-	-	3.93	-	3.93	MLR - 0.50
Long - term loans	-	-	22.09	-	22.09	MLR - 0.50
Debentures	199.91	1,464.79	-	-	1,664.70	4.30 - 5.10
	199.91	1,464.79	26.02	-	1,690.72	

(Unit : Million Baht)

	Separate F/S					
	2018					
	Fixed interest rates		Floating	Non-		Effective
	Within	Over1		interest		interest rate
	1 year	to 5 years	interest rate	bearing	Total	(% p.a.)
Financial Assets						
Cash and cash equivalents	-	-	7.21	28.51	35.72	0.10 - 0.38
Hire - purchases receivable - net	1,064.79	1,873.52	-	-	2,938.31	17.70
Short - term loan to related company	155.17	-	-	-	155.17	5.50 - 5.75
Loans to other parties - net	208.68	25.77	-	-	234.45	12.00 - 24.00
Restricted deposit with bank	-	0.11	-	-	0.11	0.90
	1,428.64	1,899.40	7.21	28.51	3,363.76	
Financial Liabilities						
Bank overdrafts and short - term form						MLR - 0.50,
financial institutions	-	-	39.60	-	39.60	MLR - 1.25
Short - term loan from parent company	78.00	-	-	-	78.00	5.50 - 5.75
Long - term loans	-	-	42.90	-	42.90	MLR - 0.50,
						MLR - 1.50
Debentures	1,468.36	158.85	-	-	1,627.21	4.30 - 5.25
	1,546.36	158.85	82.50	-	1,787.71	

(Unit : Million Baht)

	Separate F/S					
	2017					
	Fixed interest rates		Floating	Non-		Effective
	Within	Over1		interest		interest rate
	1 year	to 5 years	interest rate	bearing	Total	(% p.a.)
Financial Assets						
Cash and cash equivalents	-	-	18.09	24.77	42.86	0.10 - 0.40
Hire - purchases receivable - net	969.31	1,846.82	-	-	2,816.13	18.00
Short - term loan to related company	180.67	-	-	-	180.67	5.10 - 5.50
Loans to other parties - net	146.56	62.32	-	-	208.88	12.00 - 24.00
Restricted deposit with bank	-	0.11	-	-	0.11	0.90
	1,296.54	1,909.25	18.09	24.77	3,248.65	
Financial Liabilities						
Bank overdrafts	-	-	3.93	-	3.93	MLR - 0.50
Long - term loans	-	-	22.09	-	22.09	MLR - 0.50
Debentures	199.91	1,464.79	-	-	1,664.70	4.30 - 5.10
	199.91	1,464.79	26.02	-	1,690.72	

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.

32. FAIR VALUE MEASUREMENT

As at 31 December 2018, 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			
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Investment in trading security	-	56	-	56

33. COMMITMENTS

As at 31 December 2018, the Company has commitment for building rental and services agreement obligation under lease agreements as follows:

	(Unit : Million Baht)
	Consolidated and separate F/S
Payment:	
Within 1 year	1.86
2 - 5 years	1.06
Total	2.92

34. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

The amendment to TAS 7, effective 1 January 2018, require the company to provide disclosures about the changes in liabilities from financing activities. The company categories those changes into changes arising from cash flows and non-cash changes with further sub-categories as required by TAS 7.

The changes in the group company's liabilities arising from financing activities can be classified as follows:

	(Unit : Thousand Baht)				
	Consolidated and separate financial statement				
	Bank overdrafts and Short-term loans from financial institutions	Short-term loans from related company	Debentures	Long-term loans	Total
1 January 2018	3,933	-	1,664,703	22,088	1,690,724
Cash-flows:					
Repayment	(141,521)	(52,000)	(240,000)	(9,184)	(442,705)
Proceeds	177,185	130,000	200,000	30,000	537,185
Underwriting costs	-	-	(1,402)	-	(1,402)
Amortization of debenture issuance expenses	-	-	3,906	-	3,906
31 December 2018	39,597	78,000	1,627,207	42,904	1,787,708

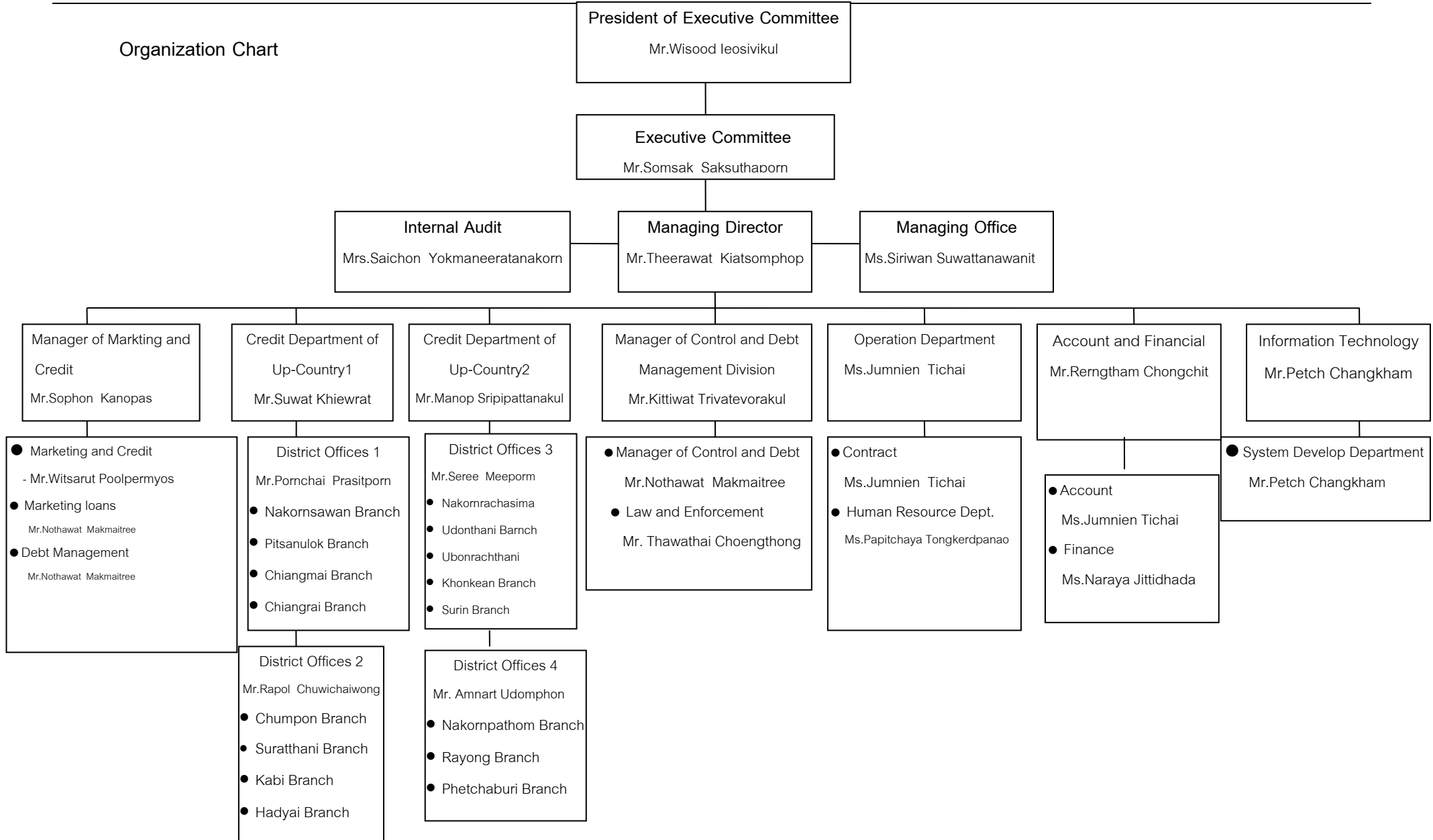
	Consolidated and separate financial statement				
	Bank overdrafts and Short-term loans from financial institutions	Short-term loans from related company	Debentures	Long-term loans	Total
1 January 2017	-	-	1,667,768	27,859	1,695,627
Cash-flows:					
Repayment	(77,687)	(19,500)	(600,000)	(5,771)	(702,958)
Proceeds	81,620	19,500	600,000	-	701,120
Underwriting costs	-	-	(6,220)	-	(6,220)
Amortization of debenture issuance expenses	-	-	3,155	-	3,155
31 December 2017	3,933	-	1,664,703	22,088	1,690,724

35. APPROVAL OF FINANCIAL STATEMENTS

These financial statements have been approved by the Company's Board of Directors on 28 February 2019.



Organization Chart



Capital and Management Structure

List of major shareholders of the Company as of March 23, 2018

<u>No.</u>	<u>Name</u>	<u>No. of Share</u>	<u>% of paid-up capital</u>
1	Mida Assets Public Company Limited	500,214,000	46.98
2	Mr.Suwatchai Payajirawut	52,483,870	4.93
3	Ms. Chitwadee leosivikul	43,198,364	4.03
4	Ms.Tippawan Panyajirawut	29,220,627	2.74
5	Thai NVDR Co.,LTD	18,122,550	1.70
6	Mr.Virun Jaiyindee	15,825,555	1.49
7	Ms. Chawanluck leosivikul	14,044,681	1.32
8	Mr. Thaned Dirosakayavitoon	12,691,293	1.19
9	Mr. Nipon Nattawut	12,582,455	1.18
10	Mr. Sompong Mahithithanthorn	11,000,000	1.03
Total		709,383,398	66.62

*** 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, 2018 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 leosivikul	Director
7.	Pol.Lt.Gen Chalong Sonjai	Independent Director and Chairman of Audit committee
8.	Mr. Kiattiporn Sirichaisakul	Independent Director and Audit committee member
9.	Ms.Pinnapa Ngansujarit	Independent Director and Audit committee member

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 Chalong 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, 2018 consists of three directors as follows:

<u>No.</u>	<u>Name</u>	<u>Position</u>
1.	Pol. Lt. Gen Chalong 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 31,2018 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 lampongpaithoon 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, 2018 the Company has 6 managements as follows:

<u>No.</u>	<u>Name</u>	<u>Position</u>
1.	Mr. Theerawat Kiatsomphob	Managing Director
2.	Mr.Manop Sripipattanakul	Operation Division 2Dept. Manager
3.	Mr.Suwat Khiewrat	Operation Division 1Dept. Manager
4.	Mr.Kittiwat Trivatevorakul	Manager Control and debt Management Division
5.	Mr.Rerngtham Chongchit	Finance & Accounting Director
6.	Mr.Petch Changkham	Information Technology Manage
7.	Mr.Sophon Kanopas	Manager of Markting and Credit

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 baht 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 2018

No.	Name	Position	Directors' fees	Representation fees
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 leosivikul	Director	100,000.00	20,000.00
7.	Pol.Lt.Gen Chalong Sonjai	Independent Director and Chairman of Audit committee	200,000.00	20,000.00
8.	Mr. Kiattiporn Sirichaisakul	Independent Director and Audit committee member	100,000.00	20,000.00
9.	Ms. Pinnapa Ngansujarit	Independent Director and Audit committee member	100,000.00	20,000.00

Management

Remuneration (THB)	2016	2017	2018
No. of Management	6	7	9
- Salary	9,324,939	12,303,949	13,787,662
- Bonus	4,274,892	4,593,831	5,747,594
- Other such as Board allowance and Transportation and telephone expenses	587,507	505,858	752,165
Provident Fund	175,522	229,785	274,551
Total	14,362,860	17,633,423	20,561,72

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	60	<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	Jan'18- Present	Director	Mida Hospitality Group Co.,Ltd. (Formerly known as MW Wellness Management Co.,Ltd.)
						Apr'17 – Present	Director	Mida Security Guard Co.,Ltd.
						Jul'15 – Present	Director	Mida Asset Management Co.,Ltd
						Nov'15 – Present	Director	Bangkok Charan Asset Management Co.,Ltd.
						Sep'15 – Present	Director	MD Media Global Co.,Ltd.
						2015 – Present	Director	Phuket Beer (Thailand) Co.,Ltd.
						2014 - Present	Director	MD Adrenarine (Thailand) Co.,Ltd.
						Nov'13 – Present	Director	Tropical Beverage Corporation Co.,Ltd.
						2013 – Present	President and Managing	Mida Leasing Pcl.
						2013 – 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.
						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	65	High School - Sitabudt Bumrung School - Training DAP 50/2006		-	Nov'15 –Present	Director	Bangkok Charan Asset Management Co.,Ltd.
						Oct'15 -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	51	Master Degree in Accounting - Thammasart University Diploma in Auditing Thammasart University Bachelor Degree in Accounting(Honorable) - Thammasart University - Training DAP 16/2004,143/2017		-	Dec'18 -Present	Director	Mida Hospitality Group Co.,Ltd. (Formerly known as MW Wellness Management Co.,Ltd.)
						Nov'15 –Present	Director	Bangkok Charan Asset Management Co.,Ltd.
						Sep'15 – 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.
						Nov'13 –Present	Director	Tropical Beverage Corporation Co.,Ltd.
						2012 - Present	Director	Eastern Power Group Pcl.
						2012 - Present	Director	JKR Energy Co.,Ltd
						2012 - 2017	Director	Ecpo Green Power Plus Co.,Ltd.
						2012 - 2017	Director	Aquatist Energy Co.,Ltd.
						2012 - 2017	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	54	<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	-	Jan'18 – Present	Director	Mida Hospitality Group Co.,Ltd. (Formerly known as MW Wellness Management Co.,Ltd.)
						Nov'15- Present	Director	Bangkok Charan Asset Management Co.,Ltd
						May'15– Present	Director	Mida Leasing Pcl
						2014 - Present	Director	MD Adrenarine (Thailand) Co.,Ltd.
						2012– Present	Director	Mida Agency And Development Co.Ltd.
						2009– Present	Director	Max Hotel 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	57	Certificate - Diploma in Business and Marketing Rajabhat Institute Nakornpatom	<u>Brother</u> Mr. Wisood leosivikul Mrs.Tipapawan Panyajirawut <u>Old Brother</u> Mr. Sorasak leosivikul	-	Apr'17 - Present	Director	Mida Security Guard Co.,Ltd.
						Nov'15 - Present	Director	Bangkok Charan Asset Management Co.,Ltd
						2016– Present	Director	Mida Leasing Pcl
						2015– Present	Director	Phuket Beer (Thailand) Co.,Ltd.
						2015– Present	Director	MD Media Global Co.,Ltd.
						2013– Present	Director	Top Elements Co.,Ltd.
						2013– Present	Director	Mida Hotel and Resort 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
						2013 - Present	Director	Tropical Beverage Corporation Co.,Ltd.
						2012 - Present	Director	Mida Ad 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. Ms.Tipapawan leosivikul	- Director	61	<u>Certificate</u> - Diploma Accounting in Rajabhat Institute Nakornpatom	<u>Old Sister</u> Mr. Wisood leosivikul Mr. Sorasak leosivikul Mr.Eakachai leosivikul	2.74	Jan'18 – Present	Director	Mida Hospitality Group Co.,Ltd. (Formerly known as MW Wellness Management Co.,Ltd.)
						Apr' 17- Present	Director	Mida Security Guard Co.,Ltd.
						2016– Present	Director	Mida Leasing Pcl
						2015– Present	Director	MD Media Global Co.,Ltd.
						2015– Present	Director	Phuket Beer (Thailand) Co.,Ltd.
						2014– Present	Director	Tropical Beverage Corporation Co.,Ltd.
						2013– Present	Director	MD Adrenarine (Thailand) Co.,Ltd.
						2013– Present	Director	Mida Development Co.,Ltd.
						2013– Present	Director	Max Hotel Co.,Ltd
						2013– Present	Director	Mida Ad Co.,Ltd
						2013– Present	Director	Mida Property Co.,Ltd
						2015– Present	Director	The Retreat Hun Hin Co.,Ltd
						2005– Present	Audit Manager	Mida Assets Pcl.
7. Mr. Theerawat Kiatsomphob	- Managing Director	61	<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	- Independent Director - President of Auditing Committee	70	<u>Master Degree</u> Graduate School of Administration National Institute of Develop Administration		-	Dec'15 –Present 2011 -2014	Director and President of Auditing Committee Vice Minister for Interior	Mida-leasing Pcl.
9. Ms. Pinnapa Ngansujarit	- Independent Director - Audit Committee	49	<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	Independent Director and Audit Committee Director and Audit Committee	Mida Leasing Pcl. Green Resources Pcl. (Form Mida Medalist Entertainment Pcl.)
10. Mr.Kiattiporn Sirichaisakul	- Independent Director - Audit Committee	51	<u>Bachelor Degree</u> - Accounting Thammasart University		-	2017- Present 2017 - Present 2014 - 2016 2011 – Present 2009 – 2015 2006 - Present 1992- Present	Director and President of Auditing Committee Member of the Nomination and Remuneration Committee , Member of the Enterprise Risk Management Committee Director Director and Audit Committee Director Independent Director and Audit Committee Auditor	Bangkok Health Insurance Pcl. Filtlevision Pcl. 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	Manager Control and debt Management	54	<u>Bachelor Degree</u> - Faculty of Law Sripathum University		-	2017- Present	Manager Control and debt Management	Mida Leasing Pcl.
						2016	Manager of Credit Department 2	Mida Leasing Pcl.
						2015	Manager of Credit Department 1	Mida Leasing Pcl.
						2014	Manager of Credit Department 2	Mida Leasing Pcl.
						2012 – 2013	Manager of Credit Department 1	Mida Leasing Pcl.
12. Mr. Manop Sripipattanakul	Operation Division 2 Dept. Manager	67	<u>Bachelor Degree</u> - Faculty of Political Science Ramkhamhaeng University		-	2017 – Present	Manager of Credit Department 2	Mida Leasing Pcl.
						2016	Manager of Credit Department 1	Mida Leasing Pcl.
						2015	Manager of Credit Department 1	Mida Leasing Pcl.
						2014	Manager of Credit Department 1	Mida Leasing Pcl.
						Dec '08 -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	Manager of Credit Department 1	56	<u>Bachelor Degree</u> - Faculty of Political Science Ramkhamhaeng University		-	2017 – Present 2012– 2016	Manager of Credit Department 1 Manager of Control and Debt	Mida Leasing Pcl. Mida Leasing Pcl.
14. Mr. Rerngtham Chongchit	Finance and Accounting Director	36	<u>Master Degree in Accounting</u> - Thammasart University <u>Bachelor Degree</u> Business Administration Major in Accounting (Honorable) -Prince of Songkla University,Hat Yai			Nov'18 – Present Jan'13 – 2018 Oct'10 – Jan'13 Apr'05 – Sep'10	Finance and Accounting Director Owner Representative and Group Financial Controller Corporate Financial Controller Senior Assistant Auditor 3	Mida Leasing Pcl. Krabi Boat Lagoon Group Krabi Deevana Group Phuket Ernst & Young office limited
15. Mr. Petch Changkham	Information Technology Manager	52	<u>Bachelor Degree</u> Computer Science Ramkhamhaeng University		-	2010– Present	Senior managers Department	Mida Leasing Pcl.

*** Share holding as of December 31, 2018 ***

Internal Control

The Board of Directors meeting of Mida Leasing Public Company Limited no. 4/2018, held on 14 November 2018, 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 Iampongpaithoon	-	✓	-	-
4. Mr. Sorasak leosivikul	-	✓	-	-
5. Mr. Akachai leosivikul	-	✓	-	-
6. Ms. Tipapawan leosivikul	-	✓	-	-
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 2018 there are altogether 8 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: 1/2017, 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 Lam Phaya School, 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 2016, 2017, and 2018.

Related person who may have conflicts of interest	Relationship	Description	Pricing policy	Value of Transaction (THB)			
				2016	2017	2018	Outstanding creditor/debtor 2018
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	1,219,902	1,122,114	1,197,580	93,856
		2. Guarantee fees 1,000 million Baht	Rate of 0.25% per annum	-	-	-	-
		3. Short term loan.	Interest rate of 5.50- 5.75% p.a.	-	-	78,000,000	78,000,000
		4. Interest	Actual interest rate as market price	-	-	3,019,866	3,019,866
		5. Short term loan.	Interest rate of MLR+0.25% p.a.	-	25,500,000	-	-
		6. Interest receivable	Actual interest rate as market price	1,815,013	342,318	-	-
2. Max Hotel Co. Ltd.	Common Directors and Management, Mr. Wisood leosivikul	Accommodation fee and food & beverage	Market price	12,523	52,523	80,953	1,500
3.Mida Add Co.Ltd.	Common Directors and Management, Mr. Wisood leosivikul	Advertising expense	Market price	320,000	160,000	-	-
4.The Retreat huahin Co.,Ltd.	Common Directors and Management, Mr. Wisood leosivikul	Accommodation fee	Market price	36,830	202,206	-	-

Related person who may have conflicts of interest	Relationship	Description	Pricing policy	Value of Transaction (THB)			
				2016	2017	2018	Outstanding creditor/debtor 2018
5. Mida Asset Management Co., Ltd.	A Subsidiary Mida Leasing Held 99%	1. Short term loan.	Rate of 5.50- 5.75 % per annum	155,000,000	155,170,000	155,390,000	155,390,000
		2. Interest	Rate of 5.50 – 5.75 % per annum	6,872,175	8,023,828	8,768,125	23,427,145
		3. Interest receivable	Rate of 5.2% per annum	101,574	-	-	-
		4. fees	Market price	-	3,110	-	-
		5.Consultant Fee	Contract price	120,000	120,000	120,000	420,000
		6. building lease fees	Contract price	60,000	60,000	60,000	210,000
6. MD Adrenaline (Thailand) Co.,Ltd.	Common Directors and Management, Mr. Wisood leosivikul	Service revenue	Contract price	200,000	200,000	-	-
7. Mida Development Co.,Ltd.	Common Directors and Management, Mr. Wisood leosivikul	Accommodation fee	Market price	-	-	6,729	-

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 lampongpaitoon ,(4) Mr.Sorasak leosivikul

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

**Update December 31, 2018

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.

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	: 1,597,193,482 ordinary shares as of 31 December 2018 Issued 1,064,796,636 shares and paid-up share capital 532,398,318 baht per value is Baht 0.50
Registrar	: Thailand Securities Depository Co., Ltd. 93, 14th Floor, Ratchadaphisek Road, Dindaeng, Dindaeng, Bangkok 10400
Auditor	: Miss Kanyanat Sriratchatchaval Certified Public Accountant Registration No. 6549 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. Thungsohong Laksi Bangkok 10210 Tel: 0-2574-6901 Fax: 0-2574-6902
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: 132/2 Moo 10 Phahon Yothin Rd. Nong Krot Maung Nakornsawan 60240 Tel: (056) 200-770 Fax: (056) 200-771
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: 21 Moo.1 Chumpon – Ranong Rd. Wangpai Maungchumpon Chumpon 86000 Tel: (077) 658-757,658-759 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: 503-504 Moo 8 Pitsanulok - Uttaradit 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: 272/24 Moo.12. Mittraphap Road Maungkao Maung Khonkean 40000 Tel: (043) 324-572-4 Fax: (043) 324-575
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 Lopburirames Rd. thachang bangklam Songkla 90110 Tel: (074) 536-581-2 Fax: (074) 536-580
Chiangrai Branch	Add: 8/37 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