

Annual Report 2019

Mida Leasing Public Company Limited

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Financial Summary

(Unit: Million THB)

Summary	2017	2018	2019
Assets			
Total assets	3,599.45	3,730.29	3,694.92
Hire-purchase receivables - Net	2,816.13	2,938.31	2,726.14
Liabilities and shareholders' equity			
Total liabilities	1,849.56	1,937.26	1,798.92
Total shareholders' equity	1,749.89	1,793.03	1,896.00
Performance			
Total revenue	588.93	601.79	582.41
Hire-purchase Income	443.15	473.07	450.14
Total expenses	445.98	477.94	454.82
Net profit	112.52	96.39	98.91
Profitability ratio			
Interest income** (%)	15.88%	15.78%	15.22%
Interest expense (%)	5.01%	5.13%	5.37%
Interest spread (%)	10.87%	10.65%	9.85%
Net profit (%)	19.11%	16.02%	16.98%
Earning per share (THB/share)	0.11	0.09	0.09
Return on Equity (%)	6.61%	5.44%	5.36%
Efficiency ratio			
Return on asset (%)	3.17%	2.63%	2.66%
Asset turnover	0.17	0.16	0.16
Financial policy ratio			
Debt to equity ratio (times)	1.06	1.08	0.95
Loan to borrowing ratio	2.24	2.34	2.29
Dividend payment ratio (Baht)	0.45	-	0.33
Doubtful account to total loan ratio (%)	2.69%	3.22%	3.07%

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

Hire - purchase receivables.

Message from President

From the overall economic situation in 2019, which had external factors that repeat the overall economy of Thailand, from the world trade war between the United States of America and China and also the problem of government restrictions and issues in managing the continuity of the economics that are risks as existing and recognized.

According to the situations, the company has been endeavored to overcome the various negative factors with expectation of a new government and improving situation respectively, but the situation was in fact on the opposite state where the annual government statement of expenditure lapsed over the years and affected to economics of the last quarter in 2019, GDP fell to 1.6% with the overall GDP growth at 2.4%. Besides, the sales volume of domestic vehicle market reduced from 1,039,158 units in 2018 to 1,007,552 units in 2019 by 3.0%, but the overall of the company performance was net profit Baht 98.91 million compared with the year 2018 at Baht 96.39 million representing what the business operator has been trying to do. In 2020, a recovered situation was expecting to follow until the end of January when the unexpected circumstance took place. A new viral strain has occurred - Covid-19 occurs and immensely affects the global economy and continuing spreading over the world with no concluded ending yet.

On behalf of the executive, we will endeavor to be able to strive for the economic growth in the year 2020 for the company to have a better performance and return the benefit to the 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 2019, the company's hire-purchase lending portfolio comprises of personal cars and pick-up trucks in the proportion of 10.75% and 89.25%, 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 2017 – 2019

Revenue	2017		2018		2019	
	Million THB	%	Million THB	%	Million THB	%
New Contracted Hire-purchase Portfolio	2,178.66		2,135.98		1,708.08	
Hire –Purchase Receivables	1,448.53		1,441.59		1,148.10	
1. Revenue from Hire-purchase						
Personal vehicles	27.31	4.64	41.33	6.87	41.80	7.18
Pickup trucks	415.84	70.61	431.74	71.74	408.34	70.11
Total Revenue from Hire-purchase	443.15	75.25	473.07	78.61	450.14	77.29
2. Interest income and other Revenue						
- Interest income	42.80	7.27	38.98	6.48	44.91	7.71
- Car transfer registration	13.90	2.36	13.81	2.29	11.82	2.03
- Commission from auto insurance	22.00	3.73	17.75	2.95	12.14	2.08
- Penalty & Late Payment Fees	15.79	2.68	19.80	3.29	19.21	3.30
- Bad debt recovery	6.59	1.12	7.02	1.17	8.52	1.46
- Operation fee income	14.86	2.52	8.49	1.41	9.76	1.68
- Debt collection income	5.98	1.02	7.05	1.17	6.35	1.09
- Seized car transferred income	2.52	0.43	2.11	0.35	2.34	0.40
- Gain on sale of investment in securities	0.08	0.01	0.00	0.00	0.26	0.05
- Others	21.26	3.61	13.71	2.28	19.96	2.91
Total interest income and other revenue	145.78	24.75	128.72	21.39	132.27	22.71
Total revenue	588.93	100.00	601.79	100.00	582.41	100.00

Revenue classification of the Company by vehicle type

Revenue from Hire – purchase	2017		2018		2019	
	Million THB	%	Million THB	%	Million THB	%
- New car	5.16	1.16	5.55	1.17	4.71	1.05
- Second hand car	437.99	98.84	467.52	98.83	445.43	98.95
Total revenue from Hire – purchase	443.15	100.00	473.07	100.00	450.14	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 2017 until present.

4. Market Situation & Competition

In 2019, total sales of new vehicle in Thailand decreased by 3.8%, with sales volume at 1,007,552 units. However, it is still the 4th times in the history of the Thai vehicle market that has sold 1 million cars. Although the vehicle market will not expand significantly since last September.

Vehicle sales data (separated by type): FY2019

Vehicle type	Sales 2018 (no. of cars)	Sales 2019 (no. of cars)	Comparing to 2018 (+/-)	Estimated annual sales 2020 (cars)
Personal cars	397,542	398,386	0.2	358,500
Commercial cars	641,616	609,166	-5.1	581,500
Pick-up truck 1 ton (Include personalized pick-up)	511,676	492,129	-3.8	-
Pick-up truck 1 ton (Exclude personalized pick-up)	447,069	431,677	-3.4	-
Total sales quantity	1,039,158	1,007,552	-3.0	940,000

For the trend of the new vehicle market in 2020, it is predicted that it would be another challenge for another year for the Thai vehicle market as it still faces many negative factors from consumer confidence in the uncertain global economy and strict credit control. Therefore, it is predicted that totaling of the domestic vehicle market in this year at 940,000 vehicles, a decrease by 7%, compared with previous year.

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 FY2019 the Company had revenue of Baht 582.41 million, decreased from FY2018 at Baht 601.79 million, by 3.22%. The decreased revenue resulted from the decreasing of lending portfolio of 2019 resulting in hire purchase income decreased.

Items	2017		2018		2019	
	Million THB	%	Million THB	%	Million THB	%
Hire-Purchase Receivables	1,448.53	15.25	1,441.59	(0.48)	1,148.10	(20.36)
Hire-Purchase Interest Income	443.15	7.17	473.07	6.75	450.14	(4.85)

The Company had decreased the size of its lending portfolio by 20.36% in FY2019 which effected to portfolio and hire-purchase interest income decreased. Interest revenue decreased from Baht 473.07 million in FY2018 to Baht 450.14 million in FY2019, by 4.85%. Moreover, interest revenue generated in FY2019 came from leasing facilities provided since 2015 – 2018 and some from facilities extended in 2019.

For interest income and other revenue, including commissions earned from insurance policies, penalty fees, revenue from facilities extended for Floor Plan, and other. In 2019, total revenue amounted to Baht 132.27 million, increased from Baht 128.72 million in 2018 by 2.76% as a result of the increased revenue from facilities extended for Floor Plan.

Expenses

In FY2019, the Company had operating expenses in Baht 454.82 million, increased from Baht 477.94 million in FY2018. The Company's expenses consist of 3 parts, including of selling and administrative expenses, bad debts, doubtful accounts and also finance cost. The details of the expenses are outlined below:

- Selling and administrative expenses for FY2019 in the amount of Baht 312.34 million, increased from FY2018 which was Baht 312.08 million.
- Bad debt and doubtful accounts for FY2019 in the amount of Baht 49.17 million, decreased from FY2018 which was Baht 76.57 million due to better debt collection management.
- Financial cost for FY2019 in the amount of Baht 93.30 million, increased from Baht 89.29 million as a result of interest rate risig from FY2018.

Net profit

The Company had net profit after income tax of Baht 98.91 million for FY2019, increased from Baht 96.39 million in FY2018, by 2.61 % due to decreased selling expenses.

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**

FY2019 and 2018, total assets of the company amounted to Baht 3,694.93 million, decreased by Baht 35.36 million from 2018 which was Baht 3,730.29 million resulting from new hire-purchase portfolio declined. Total hire-purchase portfolio was Baht 1,708.08 million, decreased from FY2018 which was Baht 2,135.98, by 7.1%.

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 FY2018 to FY2019, the Company had provisioned 3.22%, and 3.07%, 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 FY2019, the Company had total liabilities of Baht 1,798.92 million, decreased from Baht 1,937.26 million in FY2018, or a 7.14%. The decreasing of liabilities in FY2019 as a result the company had short term loan of Baht 79.34 million mainly due to the decreasing of S/T loan Baht 79.34 million and trade & other account payable Baht 27.15 million.

Shareholders' equity

In FY2019, the Company had a Shareholders' Equity of Baht 1,896.00 million, increased from Baht 1,793.02 million in FY2018, by 5.74% resulted from the the Company's operating profit.

Liquidity and investment structure

In FY2019 and 2018, the Company had a Debt-to-Equity ratio of 0.95 and 1.08, respectively.

Structure and source of fund in FY2018 and 2019

	2018		2019	
	Million THB	%	Million THB	%
Shareholders' equity	1,793.03	51.19	1,896.00	52.88
Short - term loan	39.60	1.13	39.88	1.11
Long - term loan				
- Current portion	12.11	0.35	12.81	0.36
- Long-term loan	30.79	0.88	18.00	0.50
Debentures	1,627.21	46.45	1,618.54	45.15
Total loan	1,709.71	48.81	1,689.23	47.12
Total	3,502.74	100.00	3,585.23	100.00

As at 31 December 2019, the Company had installment receivables in the amount of Baht 3,576.23 million which divided into portion as follows:

(Unit : Million THB)

Current Portion of Hire purchase receivables (due within one year) 1,459.66

Long-term Portion of Hire purchase receivables (due over one year) 2,116.57

The current portion of the long-term outstanding loans as at ended of year 2019 was Baht 1,689.23 million while interest receivables for year 2020 is equivalent to Baht 12.81million and debentures Baht 924.81 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 and Future Project

In 2020, due to various factors such as the outbreak of COVID-19, delays in the annual government's budget disbursement and drought crisis. Although, it affects the used vehicle market and hire purchase credit, including the quality of customers who use the service. The company believes that the demand for used vehicle in the automobile market continues to exist. In addition, the selling price of used vehicle is stable. The company mainly focuses on the hire purchase of pickup trucks which have high market liquidity such as TOYOTA, ISUZU, NISSAN and MITSUBISHI, because of the lower risk of working with partner, which has been a long-time partner over than 2,000 outlets. For financial management in 2019, the Company will focus on providing direct marketing services for both existing customers and collaborating with a partner that has been appointed as a MIDA AGENT in the area of the Company. The Company has set a goal of the direct loan service provider (DIRECT MARKETING), so that an increase of 50% of car hire-purchase loan. The financial products for customer 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 existing and new customers who want to use the money to expand their business or use for working capital and the employee or customer recommendations or direct customers, as well as a loan agent (MIDA AGENT) is expected to start service in the 2nd quarter.

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 2019, the proportion of hire-purchased service revenues from second cars and from new cars was 98.95%: 1.05% 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 of the seized cars

When a client defaults payment or payments not taken unpaid accumulated since 3 consecutive periods. The company will terminate the contract and seize the car back. The car taken will be sold by auction method. If the proceeds from the sale of car seized not enough to pay debt, the Company also claims the absence from the absence and guarantor. However, the risk from loss of the sale of the seized cars or secondhand cars, this generally occurs less than in the case of new cars due to the decline in car prices according to the useful life of each year will be high in the first year or in the case of new cars and a slower rate in the period of the car has a longer useful life.

Risk from marketing and competition

The sales volume of new vehicle in 2019, totaling around 1,007,552 units reduced 3.3% from 2018 which is divided into 398,386 passenger cars (-0.3%) and 609,166 commercial cars (-5.1%) and a decline in almost all type: passenger cars, pick-up trucks, buses and trucks. In 2020, the major car manufacturers and distributors estimated the sales volume not over than 940,000 units, as a result of negative factors such as COVID-19, the delay of the annual government's budget disbursement and drought crisis etc.

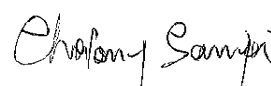
As for the used car market, despite affected by various events, but it will not shrink as in the new cars market. In 2020, the Company will focus on expanding the customer base through loan service by DIRECT MARKETING because it is the customer group that the company can select the customer's quality and can reduce the risk. In addition, the Company has partnered with a regional partner which was appointed to be the representative of a credit service agent (MIDA AGENT) to advise customers who want to finance their business or use for working capital. To meet the needs of customers and current economic conditions therefore, the Company developed service channels through WEBSITE and SOCIAL MEDIA in order to provide more convenience to 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 2019, 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 2019, 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



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To the Shareholders of Mida Leasing Public Company Limited

Opinion

I have audited the consolidated and separate financial statements of Mida Leasing Public Company Limited and subsidiary ("the Group"), which comprise the consolidated and separate statement of financial position as at 31 December 2019, the consolidated and 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 consolidated 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 and separate financial position of Mida Leasing Public Company Limited and subsidiary as at 31 December 2019, and its consolidated and separate financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the 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 of hire-purchases receivable</p> <p>As at 31 December 2019, the Group has hire-purchases receivables in consolidated and separate financial statements of Baht 2,843.28 million and allowances for doubtful accounts in consolidated and separate financial statements of Baht 117.14 million.</p> <p>The estimation of allowance for doubtful accounts of hire-purchase 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 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, focused on the audit for adequacy of the allowance for doubtful accounts.</p> <p>The Company disclosed allowances for doubtful accounts for of hire-purchase 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"> - Inquiry the responsible management to obtain 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 for hire-purchase receivable. - Tested, on a sampling basis, the operating effectiveness of designed internal control. - Assessed the adequacy of allowance for doubtful accounts and appropriateness of significant input data, performing analysis of the management's assumptions used in calculation. - Considered the consistency for application of assumptions, and tested the completeness and correctness of the data used in the calculation of allowance for doubtful accounts, tested on a sampling basis the ageing of outstanding balance, and test calculation of allowance for doubtful debts

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Others

The consolidated and the separate financial statements of Mida Leasing Public Company Limited and its subsidiary for the year ended 31 December 2018, presented as comparative information, were audited by another auditor, from the same office as mine, who expressed an unmodified opinion thereon under her audit report dated 28 February 2019.

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.

Namir



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.

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**Grant Thornton**

- 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.

**Mr. Narin Churamongkol**

Certified Public Accountant

Registration No. 8593

Grant Thornton Limited

Bangkok

28 February 2020

MIDA LEASING PUBLIC COMPANY LIMITED AND SUBSIDIARY
STATEMENT OF FINANCIAL POSITION

(Unit : Baht)

		Consolidated F/S		Separate F/S	
	Notes	31 December 2019	31 December 2018	31 December 2019	31 December 2018
ASSETS					
CURRENT ASSETS					
Cash and cash equivalents	5	43,179,226	35,731,038	43,142,487	35,724,133
Investments in trading security		-	55,682	-	55,682
Current portion of hire-purchases receivable	6	1,022,109,642	1,064,795,835	1,022,109,642	1,064,795,835
Other receivables - general customers - net	7	64,330,023	46,387,257	64,330,023	46,387,257
- related companies	8	-	-	815,441	634,137
Short-term loan to related company					
and interest receivable	8	215,862,500	-	339,350,001	178,817,145
Current portion of loans to other parties	9	207,361,174	208,678,412	207,361,174	208,678,412
Inventories		2,555,607	5,073,832	2,555,607	5,073,832
Assets foreclosed - net	10	42,121,027	29,635,257	42,121,027	29,635,257
Other current assets		48,503	183,146	47,031	181,775
Total current assets		1,597,567,702	1,390,540,459	1,721,832,433	1,569,983,465
NON-CURRENT ASSETS					
Restricted deposit with bank	11	112,874	111,877	112,874	111,877
Investments in accounts receivable - net	12	117,990,596	185,752,681	3,194,800	5,752,681
Hire-purchases receivable - net	6	1,704,025,592	1,873,518,542	1,704,025,592	1,873,518,542
Loans to other parties - net	9	31,144,920	25,774,770	31,144,920	25,774,770
Property, building and equipment - net	13	101,374,283	104,491,597	101,374,283	104,491,597
Investment properties	14	36,168,462	45,228,462	36,168,462	45,228,462
Assets with restriction on sale	15	49,575,000	49,575,000	49,575,000	49,575,000
Investment in subsidiary company	16	-	-	24,999,970	24,999,970
Deferred tax asset	17	56,381,180	54,636,473	56,381,180	54,636,473
Other non-current assets		586,300	662,600	586,300	662,600
Total non-current assets		2,097,359,207	2,339,752,002	2,007,563,381	2,184,751,972
TOTAL ASSETS		3,694,926,909	3,730,292,461	3,729,395,814	3,754,735,437

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

(Unit : Baht)

		Consolidated F/S		Separate F/S	
	Notes	31 December 2019	31 December 2018	31 December 2019	31 December 2018
LIABILITIES AND SHAREHOLDERS' EQUITY					
CURRENT LIABILITIES					
Bank overdrafts and short-term loans					
from financial institutions	18	39,878,379	39,596,824	39,878,379	39,596,824
Trade accounts payable and other payables	19	76,516,760	103,667,350	76,416,442	103,607,005
Other payable - related companies	8	39,897	95,356	39,897	95,356
Short-term loan from parent company					
and interest payable	8	-	79,342,979	-	79,342,979
Current portion of					
- Long-term loans	20	12,809,003	12,112,568	12,809,003	12,112,568
- Debentures	21	924,812,248	1,468,354,385	924,812,248	1,468,354,385
- Employee benefits obligation	22	134,163	10,229,548	134,163	10,229,548
Income tax payable		16,188,744	16,328,956	16,188,744	16,328,956
Other current liabilities		660,235	1,465,523	660,235	1,465,523
Total current liabilities		1,071,039,429	1,731,193,489	1,070,939,111	1,731,133,144
NON-CURRENT LIABILITIES					
Long-term loans - net	20	18,004,337	30,791,216	18,004,337	30,791,216
Debentures - net	21	693,726,869	158,852,441	693,726,869	158,852,441
Employee benefits obligation - net	22	16,153,363	16,420,318	16,153,363	16,420,318
Total non-current liabilities		727,884,569	206,063,975	727,884,569	206,063,975
TOTAL LIABILITIES		1,798,923,998	1,937,257,464	1,798,823,680	1,937,197,119

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

(Unit : Baht)

Notes	Consolidated F/S		Separate F/S	
	31 December 2019	31 December 2018	31 December 2019	31 December 2018
LIABILITIES AND SHAREHOLDERS' EQUITY (Continued)				
SHAREHOLDERS' EQUITY				
Share capital : ordinary share, Baht 0.50 par value				
Registered 1,597,193,482 shares				
(2018 : 1,597,193,482 shares)				
23	798,596,741	798,596,741	798,596,741	798,596,741
Issued and fully paid-up				
1,064,797,263 shares (2018 : 1,064,796,636 shares)				
	532,398,632	532,398,318	532,398,632	532,398,318
Premium on share capital	165,221,730	165,220,048	165,221,730	165,220,048
24				
Retained earnings				
Appropriated for statutory reserve				
25	65,300,000	59,800,000	65,300,000	59,800,000
Unappropriated				
	1,133,082,549	1,035,616,631	1,167,651,772	1,060,119,952
TOTAL SHAREHOLDERS' EQUITY	1,896,002,911	1,793,034,997	1,930,572,134	1,817,538,318
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	3,694,926,909	3,730,292,461	3,729,395,814	3,754,735,437

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

		(Unit : Baht)			
		Consolidated F/S		Separate F/S	
	Notes	2019	2018	2019	2018
REVENUES					
Income from hire-purchase business		450,140,781	473,067,368	450,140,781	473,067,368
Interest income	8	44,920,636	38,996,541	52,585,934	47,764,571
Other income	28	87,351,269	89,726,967	87,531,269	89,906,967
Total revenues		582,412,686	601,790,876	590,257,984	610,738,906
EXPENSES					
Selling expenses	29	43,825,188	68,982,456	43,825,188	68,982,456
Administrative expenses	8,29	268,524,188	243,100,209	266,303,584	242,868,732
Bad debts and allowance for doubtful accounts	29	49,168,139	76,570,541	49,168,139	76,570,541
Finance cost	8	93,304,262	89,290,526	93,304,262	89,290,526
Total expenses		454,821,777	477,943,732	452,601,173	477,712,255
Profit before income tax		127,590,909	123,847,144	137,656,811	133,026,651
Income tax	17	(28,680,760)	(27,459,072)	(28,680,760)	(27,459,072)
Profit for the year		98,910,149	96,388,072	108,976,051	105,567,579
Other comprehensive income for the year					
Item not to be reclassified subsequently to profit or loss					
Actuarial gain - net of tax		4,055,769	-	4,055,769	-
Total comprehensive income for the year		102,965,918	96,388,072	113,031,820	105,567,579
ATTRIBUTION OF PROFIT FOR THE YEAR					
The Company's shareholders		98,910,149	96,388,072	108,976,051	105,567,579
Non-Controlling interests in subsidiary		-	-	-	-
		98,910,149	96,388,072	108,976,051	105,567,579
ATTRIBUTION OF COMPREHENSIVE INCOME FOR THE YEAR					
The Company's shareholders		102,965,918	96,388,072	113,031,820	105,567,579
Non-Controlling interests in subsidiary		-	-	-	-
		102,965,918	96,388,072	113,031,820	105,567,579
Basic earnings per share					
Profit (Baht per share)		0.09	0.09	0.10	0.10
Weighted average number of ordinary shares (Unit : share)		1,064,797,002	1,064,796,636	1,064,797,002	1,064,796,636

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

(Unit : Baht)								
		Issued and fully paid - up	Premium on	Retained earnings		Total equity of the Company's	Non-controlling	Total shareholders'
	Notes	share capital	share capital	Statutory reserve	Unappropriated	shareholders	interests' equity	equity
<u>Consolidated F/S</u>								
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		-	-	6,500,000	(59,739,382)	(53,239,382)	-	(53,239,382)
Profit for the year		-	-	-	96,388,072	96,388,072	-	96,388,072
Total 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
Balance as at 1 January 2019		532,398,318	165,220,048	59,800,000	1,035,616,631	1,793,034,997	-	1,793,034,997
Warrants converted to ordinary shares	23	314	1,682	-	-	1,996	-	1,996
Appropriated for statutory reserve		-	-	5,500,000	(5,500,000)	-	-	-
Transactions with shareholders		314	1,682	5,500,000	(5,500,000)	1,996	-	1,996
Profit for the year		-	-	-	98,910,149	98,910,149	-	98,910,149
Other comprehensive income for the year		-	-	-	4,055,769	4,055,769	-	4,055,769
Total comprehensive income for the year		-	-	-	102,965,918	102,965,918	-	102,965,918
Balance as at 31 December 2019		532,398,632	165,221,730	65,300,000	1,133,082,549	1,896,002,911	-	1,896,002,911

MIDA LEASING PUBLIC COMPANY LIMITED AND SUBSIDIARY
STATEMENT 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 Statutory reserve	Unappropriated Total
<u>Separate F/S</u>					
Balance as at 1 January 2018		532,398,318	165,220,048	53,300,000	1,014,291,755
Appropriated for statutory reserve	25	-	-	6,500,000	(6,500,000)
Cash dividend payment	26	-	-	-	(53,239,382)
Transactions with shareholders		-	-	6,500,000	(59,739,382)
Profit for the year		-	-	-	105,567,579
Total comprehensive income for the year		-	-	-	105,567,579
Balance as at 31 December 2018		532,398,318	165,220,048	59,800,000	1,060,119,952
Balance as at 1 January 2019		532,398,318	165,220,048	59,800,000	1,060,119,952
Warrants converted to ordinary shares	23	314	1,882	-	-
Appropriated for statutory reserve		-	-	5,500,000	(5,500,000)
Transactions with shareholders		314	1,882	5,500,000	(5,500,000)
Profit for the year		-	-	-	108,976,051
Other comprehensive income for the year		-	-	-	4,055,769
Total comprehensive income for the year		-	-	-	113,031,820
Balance as at 31 December 2019		532,398,632	165,221,730	65,300,000	1,167,651,772

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

(Unit : Baht)

	Consolidated F/S		Separate F/S	
	2019	2018	2019	2018
Cash flows from operating activities				
Profit before income tax	127,590,909	123,847,144	137,656,811	133,026,651
Adjustments to reconcile profit before income tax to net cash provided from (used in) operating activities				
Depreciation	4,629,319	4,983,457	4,629,319	4,983,457
Gain on sales of investments in trading securities	(180,091)	-	(180,091)	-
Gain on change in value of investment in trading securities	-	(686)	-	(686)
Bad debts and allowance for doubtful accounts	49,168,139	76,570,541	49,168,139	76,570,541
Loss from disposal of fixed assets	136,900	54,133	136,900	54,133
Loss from disposal of assets foreclosed	9,158,161	7,286,240	9,158,161	7,286,240
Allowance for impairment of assets foreclosed	78,762,575	49,281,535	78,762,575	49,281,535
Gain on sale of investment in property	(5,940,000)	-	(5,940,000)	-
Provision for employee benefits obligation expense	5,175,455	1,738,411	5,175,455	1,738,411
Interest income	(44,920,636)	(38,996,541)	(52,585,934)	(47,764,571)
Finance cost	93,304,262	89,290,526	93,304,262	89,290,526
Cash provided from operating activities before changes in operating assets and liabilities	316,884,993	314,054,760	319,285,597	314,466,237
Decrease (increase) in operating assets				
Hire-purchases receivable	(80,873,659)	(380,137,326)	(80,873,659)	(380,137,326)
Other receivables	(3,407,163)	(4,768,512)	(3,588,468)	(4,949,539)
Investment in accounts receivable	73,697,966	4,038,645	8,493,762	4,038,645
Inventories	2,518,225	(3,367,664)	2,518,225	(3,367,664)
Assets foreclosed	141,848,619	125,862,418	141,848,619	125,862,418
Other current assets	134,643	166,300	134,744	167,701
Other non-current assets	76,300	9,500	76,300	9,500
Increase (decrease) in operating liabilities				
Trade and other accounts payable	(28,739,557)	(11,423,986)	(28,779,530)	(11,394,016)
Other payable - related companies	(55,459)	(43,253)	(55,459)	(43,253)
Other current liabilities	(805,288)	1,094,100	(805,288)	1,094,100
Employee benefits paid	(10,000,740)	(1,980,430)	(10,000,740)	(1,980,430)
Cash provided from operations	411,278,880	43,504,552	348,254,103	43,766,373
Cash paid for interest	(102,193,325)	(84,558,673)	(102,193,325)	(84,558,673)
Income tax paid	(31,579,622)	(36,934,310)	(31,579,622)	(36,934,310)
Net cash provided from (used in) operating activities	277,505,933	(77,988,431)	214,481,156	(77,726,610)

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

	Consolidated F/S		Separate F/S	
	2019	2018	2019	2018
Cash flows from investing activities				
Interest received	27,410,544	32,724,398	53,765,487	32,724,303
Purchases of investment in trading securities	(700,000,000)	-	(700,000,000)	-
Proceeds from sales of investments in trading securities	700,235,773	-	700,235,773	-
Increase in restricted deposits with bank	(997)	(988)	(997)	(988)
Payment for loans to related companies	(253,000,000)	-	(253,750,000)	(220,000)
Proceeds from loans to related companies	38,000,000	25,500,000	75,390,000	25,500,000
Proceeds from sale of investment property	15,000,000	-	15,000,000	-
Payment for loans to other parties	(247,978,305)	(204,267,344)	(247,978,305)	(204,267,344)
Proceeds from loans to other parties	241,731,038	176,103,566	241,731,038	176,103,566
Purchases of assets	(1,901,681)	(488,385)	(1,901,681)	(488,385)
Proceeds from disposal of assets	252,776	-	252,776	-
Net cash provided (used in) from investing activities	(180,250,852)	29,571,247	(117,255,909)	29,351,152
Cash flows from financing activities				
Increase in bank overdrafts and short-term loans from financial institutions	281,555	35,663,694	281,555	35,663,694
Proceeds from loans from parent company	-	130,000,000	-	130,000,000
Repayment for loans from parent company	(78,000,000)	(52,000,000)	(78,000,000)	(52,000,000)
Proceeds from issuance of debentures	1,470,000,000	200,000,000	1,470,000,000	200,000,000
Repayment for debentures	(1,470,000,000)	(240,000,000)	(1,470,000,000)	(240,000,000)
Proceeds from long-term loans	-	30,000,000	-	30,000,000
Repayment for long-term loans	(12,090,444)	(9,183,855)	(12,090,444)	(9,183,855)
Proceeds from warrants converted to ordinary shares	1,996	-	1,996	-
Cash dividend payment	-	(53,239,382)	-	(53,239,382)
Net cash provided from (used in) financing activities	(89,806,893)	41,240,457	(89,806,893)	41,240,457
Net increase (decrease) in cash and cash equivalents	7,448,188	(7,176,727)	7,418,354	(7,135,001)
Cash and cash equivalents at beginning of year	35,731,038	42,907,765	35,724,133	42,859,134
Cash and cash equivalents at end of year	43,179,226	35,731,038	43,142,487	35,724,133
Supplemental cash flows information:				
Non-cash transactions				
Transfer foreclosed assets from hire-purchases receivables to assets foreclosed	242,255,126	188,659,924	242,255,126	188,659,924

MIDA LEASING PUBLIC COMPANY LIMITED AND SUBSIDIARY
NOTES TO FINANCIAL STATEMENTS
31 DECEMBER 2019 AND 2018

1. GENERAL INFORMATION

Mida Leasing Public Company Limited (“the Company”) was incorporated in Thailand and has its registered office at 48/2-5, Soi Chaengwattana 14, Chaengwattana Road, Thungsonghong, Lak si, Bangkok, Thailand. As of 31 December 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, (at 46.98% shareholding).

The Group has its own operations in Thailand and is principally engaged in providing financial services for used cars hire-purchasing, other financial services 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 financial reporting standards, interpretations and guidance

During the year, The Federation of Accounting Professions has revised and issued Thai Financial Reporting Standards (TFRS), interpretations and guidance as follow:

2.2.1 Amendments and interpretations to the Standards that are effective from 1 January 2019

Thai Financial Reporting Standard No.15 “Revenue from Contract with Customers” (TFRS 15)

Thai Financial Reporting Standard No.15 (TFRS 15) presents new requirements for the recognition of revenue, replacing Thai Accounting Standard No. 18 “Revenue” (“TAS 18”), Thai Accounting Standard No. 11 “Construction Contracts” (“TAS 11”), and several revenue-related Interpretations.

The Group has initial applied TFRS 15 Revenue from Contract with Customers and disclosed the detail of related accounting policies in note 3.

The Group has assessed the impact of initial adoption of TFRS by using the cumulative effect method, taking into account the effect of initially applying this standard only to contracts that were not completed before 1 January 2019. The impact on retained earnings as at 1 January 2019 was not material. The Group therefore, does not adjust the retained earnings as at 1 January 2019.

2.2.2 Amendments and interpretations to the Standards that are effective from 1 January 2020

Thai Financial Reporting Standard No.16 “Leases” (TFRS 16)

TFRS 16, that describes the new principles for the recognition of leases, replacing Thai Accounting Standard No. 17 “Leases”, and several leases-related Interpretations. The new standard defines the requirements for leases will be recorded in the statement of financial position in the form of right-of-use asset and a lease liability except short-term leases agreement which period less than 12 months or low value of asset and provides additional guidance in many areas which are limited in detail under existing Thai Financial Reporting Standards.

Under the Thai Financial Reporting Standard No. 16 “Leases”, no significant changes to the accounting for lessors.

The Group will adopt this new standard when they become effective, and the Group’s management assesses that it will impact to the financial statements in the period of initial application. Therefore, the Group must recognize the right-of-use assets and lease liabilities for the assets currently treated as operating leases including that the Group must record the depreciation from the right-of-use assets and interest expense of lease liabilities instead of expenses from lease agreements.

The Group's management is in the process to assess the final impact and adjusting approaches for the initial application for this TFRS.

Thai Financial Reporting Standards related to Financial instruments

Thai Financial Reporting Standard No. 9 "Financial instruments" and group of Thai Financial Reporting standards related to financial instruments, present new requirements on the classification and measurement of financial assets and financial liabilities, impairment methodology and hedge accounting, replacing the accounting standards, guidance and interpretations relevant to financial instruments which are currently effective.

The Group's management has assessed the impact on the financial statements when adoption these new standards which are as follows:

1. Classification

Financial assets

The Group shall renew classification of financial assets as measured at amortized cost, fair value through profit or loss (FVTPL) and fair value through other comprehensive income (FVOCI) on the basis of the Group's business model for managing the financial assets and the contractual cash flow characteristics of the financial asset. The standard eliminates the existing classification of trading securities, available-for-sale securities, held-to-maturity debt securities, and general investment as specified by TAS 105.

Financial Liabilities

The Group shall renew classification of all financial liabilities as measured at amortized cost. Except derivatives and financial liabilities, that designated as at fair value method, shall classify as financial liabilities as measured at fair value through profit or loss.

2. Measurement at amortized cost

The Group shall measure financial assets and financial liabilities at amortize cost method. The interest revenues and interest expenses shall be calculated by using the effective interest method, replacing the currently method using the rate specified in the contract.

3. Impairment of financial assets and contract assets

The Group shall assess impairment of financial assets and contract assets by considering the lifetime expected credit losses on the financial instruments which no longer necessary for an indicator or credit event to have occurred and requires considerable judgement about how changes in economic factors affect expected credit losses, which will be determined on a probability-weighted basis. However, the new impairment model will apply only to financial assets measured at amortized cost and fair value through other comprehensive income (FVOCI).

The Group's management is in the process to assess the final impact and adjusting approaches for the initial application for this TFRS.

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 2019 and 2018 and total revenue for the years ended 31 December 2019 and 2018 as included in the consolidated of financial statement are as follow:

	Percentage of subsidiaries' total assets to consolidated total assets		Percentage of subsidiaries' total revenues to consolidated total revenues For the years ended 31 December	
	2019	2018	2019	2018
<u>Subsidiary Company</u>				
Mida Asset Management Company Limited	3.11	4.82	-	-

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 recognizes 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 highly liquid cash in banks (which do not have restriction of usage) that are readily convertible to cash on maturity date with insignificant risk of change in value.

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

Investment in trading security

Investment 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 recognized 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 35% 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, building 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, building 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, building and equipment are significant with different useful lives, they are accounted for as separate items (major components) of property, building and equipment.

Gains or losses on disposal of an item of property, building and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, building 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, building 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, building 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 of building and equipment.

Depreciation is charged as expenses to profit and loss on a straight-line basis over the estimated useful life of each component of assets. 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 profit or loss 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 reporting date, 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.

Investment in subsidiary company

Investment 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, are recognized 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 asset. 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-employment 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.

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 has 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 accounts 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 investments in accounts receivable

The Group estimates 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 Group assesses the periods of collection of investments in accounts receivable for 4 - 5 years.

4.1.3 Property, building 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 treats 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 judgement.

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 Group makes an estimate of the asset recoverable amount for comparison with the recorded value. The determination of recoverable amount requires management judgement.

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

	Consolidated F/S		Separate F/S	
	2019	2018	2019	2018
Cash on hand	1,027	1,027	1,027	1,027
Cash in transit	23,340	23,800	23,340	23,800
Savings Accounts	13,495	7,223	13,458	7,216
Current Accounts	5,317	3,681	5,317	3,681
Total	43,179	35,731	43,142	35,724

As at 31 December 2019, savings accounts with banks bear interest at the rates 0.10% - 0.38% per annum. (31 December 2018: 0.10% - 0.40% per annum).

6. HIRE-PURCHASES RECEIVABLE - NET

	Consolidated and separate F/S							
	Current portion		Long-term portion due		Long-term portion		Total	
	due within		over one year but not		due after five years			
	2019	2018	2019	2018	2019	2018	2019	2018
Hire-purchases receivable	1,459,663	1,540,356	2,115,969	2,350,587	597	1,686	3,576,229	3,892,629
<u>Less</u> Unearned hire-purchases interest income	(370,232)	(402,639)	(362,698)	(417,747)	(24)	(64)	(732,954)	(820,450)
Balance	1,089,431	1,137,717	1,753,271	1,932,840	573	1,622	2,843,275	3,072,179
<u>Less</u> Allowance for doubtful accounts	(67,321)	(72,921)	(49,802)	(60,920)	(16)	(24)	(117,139)	(133,865)
Net	1,022,110	1,064,796	1,703,469	1,871,920	557	1,598	2,726,136	2,938,314

As at 31 December 2019 and 2018, 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	
	2019	2018	2019	2018	2019	2018	2019	2018
Hire - purchases receivable								
Not yet due	1,662,755	1,808,276	1	1	16,671	18,142	1,646,084	1,790,134
Past due								
1 - 3 periods	1,003,723	1,065,010	2	2	20,074	21,300	983,649	1,043,710
4 periods	70,853	76,667	20	20	14,171	15,333	56,682	61,334
5 - 6 periods	44,268	43,954	25	25	11,067	10,988	33,201	32,966
7 - 9 periods	26,077	40,682	75	75	19,557	30,512	6,520	10,170
Over 9 periods	35,599	37,590	100	100	35,599	37,590	-	-
Total	2,843,275	3,072,179			117,139	133,865	2,726,136	2,938,314

On 30 April 2004, the Thailand Federation of Accounting Profession (TFAC) 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 2019 by Baht 59.66 million (31 December 2018 : Baht 65.03 million) and reduced the amount of revenue recognized for the year ended 31 December 2019 by Baht 11.46 million (31 December 2018 : Baht 11.46 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 2019, allowance for doubtful accounts has been set aside at an average rate of 6.91% 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 (2016 - 2018).

As at 31 December 2019, balance of hire-purchases receivable which have been overdue for more than 3 consecutive periods but the Company still recognizes revenue amounted to Baht 70.85 million (31 December 2018 : Baht 76.67 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.

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 2019	133,865
Additional allowance during in the year	47,266
Reversal of allowance or bad debts written off during in the year	(63,992)
Balance as at 31 December 2019	117,139

7. OTHER RECEIVABLE-GENERAL CUSTOMERS - NET

	(Unit : Thousand Baht) Consolidated and separate F/S	
	2019	2018
Penalty fees receivable	50,404	47,045
Interest receivable from loan to other parties	32,204	15,557
Advanced insurance premium for customers	1,689	1,617
Other	1,957	1,980
Total	86,254	66,199
<u>Less</u> Allowance for doubtful accounts	(21,924)	(19,812)
Net	64,330	46,387

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 5.75% per annum
Other income	Contract price
Other expenses	At agreed price
Finance cost	Interest rates of 5.75% per annum

The significant transactions with related parties for the years ended 31 December 2019 and 2018 are as follows:

	(Unit : Million Baht)			
	Consolidated F/S		Separate F/S	
	2019	2018	2019	2018
Transactions with parent company				
Interest income	2.31	0.06	2.31	0.06
Other expenses	1.35	1.20	1.35	1.20
Finance cost	1.18	3.02	1.18	3.02
Transactions with subsidiary company				
Interest income	-	-	7.68	8.77
Other income	-	-	0.18	0.18
Transactions with related parties				
Other expenses	0.05	0.08	0.05	0.08
Key management personnel compensation				
Short-term benefits	15.61	18.51	15.61	18.51
Post-employment benefits	0.39	0.52	0.39	0.52
Total	16.00	19.03	16.00	19.03

The balances with related companies as at 31 December 2019 and 2018 are as follows:

	Consolidated F/S		(Unit : Thousand Baht)	
	2019	2018	2019	2018
<u>Other receivables-related companies</u>				
Subsidiary company	-	-	815	634
<u>Short-term loan to related companies and interest receivable</u>				
Parent company	215,862	-	215,862	-
Subsidiary company	-	-	123,488	178,817
Net	215,862	-	339,350	178,817
<u>Other payable-related companies</u>				
Parent company	40	93	40	93
Related companies	-	2	-	2
Total	40	95	40	95
<u>Short-term loan from parent company and interest payable</u>				
Parent company	-	79,343	-	79,343
<u>Key management personnel compensation</u>				
Provision for post-employment benefits	4,435	7,378	4,435	7,378
Accrued bonus	563	3,447	563	3,447
Total	4,998	10,825	4,998	10,825

Movements in the short-term loans to related companies and short-term loans from parent company for the year ended 31 December 2019 are as follows:

(Unit : Thousand Baht)

	Consolidated F/S			
	1 January			31 December
	2019	Increase	Decrease	2019
<u>Short-term loan to parent company</u>				
Parent company				
Short-term loan	-	253,000	(38,000)	215,000
Interest receivable	-	2,312	(1,450)	862
Total	-	255,312	(39,450)	215,862
<u>Short-term loan from parent company</u>				
Parent company				
Short-term loan	78,000	-	(78,000)	-
Interest payable	1,343	1,176	(2,519)	-
Total	79,343	1,176	(80,519)	-

(Unit : Thousand Baht)

	Separate F/S			
	1 January			31 December
	2019	Increase	Decrease	2019
<u>Short-term to related companies</u>				
Parent company				
Short-term loan	-	253,000	(38,000)	215,000
Interest receivable	-	2,312	(1,450)	862
Subsidiary company				
Short-term loan	155,390	750	(37,390)	118,750
Interest receivable	23,427	7,676	(26,365)	4,738
Total	178,817	263,738	(103,205)	339,350
<u>Short-term loan from parent company</u>				
Parent company				
Short-term loan	78,000	-	(78,000)	-
Interest payable	1,343	1,176	(2,519)	-
Total	79,343	1,176	(80,519)	-

9. LOANS TO OTHER PARTIES - NET

	(Unit : Thousand Baht)	
	Consolidated and separate F/S	
	2019	2018
Loans to other parties	243,289	237,042
<u>Less</u> Allowance for doubtful accounts	(4,783)	(2,589)
Balance	238,506	234,453
<u>Less</u> Current portion due within one year	(207,361)	(208,678)
Net	31,145	25,775

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

	(Unit : Thousand Baht)			
	Consolidated and separate F/S			
	1 January 2019	Increase	Decrease	31 December 2019
Loans to	237,042	247,978	(241,731)	243,289

During year 2018, 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 2019 and 2018, are as follows:

(Unit : Million Baht)			
Principal amount			Collateral
Consolidated and Separate F/S			
2019	2018		
1)	137.83	141.50	The pledges of car registration books, share certificates of a local company, and land title deeds
2)	32.84	33.11	Personal guarantee
3)	2.59	2.59	Secured by transferring right of rental area of 3 - floor building
4)	21.94	19.84	Factoring credit guarantee
5)	40.87	35.00	Postdate cheque
6)	7.22	5.00	Joint guarantee

10. ASSETS FORECLOSED - NET

(Unit : Thousand Baht)

	Consolidated and separate F/S	
	2019	2018
Vehicles	64,802	42,336
<u>Less</u> Allowance for impairment of vehicles	(22,681)	(12,701)
Net	42,121	29,635

The movements in assets foreclosed for the year ended 31 December 2019 are as follows:

(Unit : Thousand Baht)

	Consolidated and separate F/S		
	1 January 2019	Increase	Decrease
Vehicles	42,336	242,049	(219,583)
Allowance for devaluation of vehicles	(12,701)	(84,717)	74,737
Net	29,635	157,332	(144,846)

11. RESTRICTED DEPOSITS WITH BANK

As at 31 December 2019, the Company's 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 2018 : Baht 0.11 million).

12. INVESTMENT IN ACCOUNTS RECEIVABLE - NET

(Unit : Thousand Baht)

	Consolidated F/S			
	2019		2018	
	No. of contracts	Amount	No. of contracts	Amount
Accounts receivable - Hire-purchases	367	5,106	389	13,600
Accounts receivable - Collateral	1	114,796	1	180,000
Total	368	119,902	390	193,600
<u>Less</u> Allowance for impairment of investment in receivable		(1,911)		(7,847)
Net		117,991		185,753

(Unit : Thousand Baht)

Separate F/S

	2019		2018	
	No. of Contracts	Amount	No. of contracts	Amount
Accounts receivable – Hire-purchases	367	5,106	389	13,600
<u>Less</u> Allowance for impairment of investment in receivable		(1,911)		(7,847)
Net		3,195		5,753

The subsidiary company has received rights in accounts receivable total amount of Baht 180 million, which have 3 plots of land as collateral. During the 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. During the year ended 31 December 2019, the subsidiary company has collected payment partially from the accounts receivable amount of Baht 65.20 million and file a suit case with the Civil Court for enforcement of mortgage the said land amount of Baht 120 million, with interest rate of 19% per annum for 5 years period, or calculated as interest expense of Baht 114 million, total claim amount of Baht 234 million. Currently, the case is in consideration of the Civil Court. 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 2019	193,600	13,600
<u>Less</u> Portion decreased from cash collection during the year	(73,698)	(8,494)
Balance as at 31 December 2019	119,902	5,106
<u>Less</u> Allowance for impairment of investment in receivable	(1,911)	(1,911)
Net	117,991	3,195

The Company expects to collect cash from debtors from the investments of Baht 2.10 million within one year.

13. PROPERTY, BUILDING 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 2018	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
Acquisitions	-	162	781	959	1,902
Disposals/write-off	-	(282)	(363)	(898)	(1,543)
As at 31 December 2019	76,336	26,422	19,111	24,286	146,155
<u>Accumulated depreciation</u>					
As at 1 January 2018	-	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
Depreciation charge for the year	-	1,160	1,091	2,378	4,629
Accumulated depreciation for disposal/write-off	-	(270)	(344)	(539)	(1,153)
As at 31 December 2019	-	17,687	17,063	10,031	44,781
<u>Net Book Value</u>					
As at 31 December 2018	76,336	9,745	2,377	16,033	104,491
As at 31 December 2019	76,336	8,735	2,048	14,255	101,374
Depreciation for the year 2018					
- Administrative expense					4,984
Depreciation for the year 2019					
- Administrative expense					4,629

As at 31 December 2019, 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 25.21 million (31 December 2018 : Baht 24.30 million).

The Company has mortgaged land with structures thereon with a total net book value as at 31 December 2019 of Baht 46.03 million as collaterals for credit facilities granted by domestic financial institutions as described in Notes 18 and 20 (31 December 2018 : Baht 46.13 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.

	(Unit : Thousand Baht)
	Consolidated and separate F/S
Cost as at 1 January 2019	45,228
Disposal during the year	(9,060)
Cost as at 31 December 2019	36,168

As at 31 December 2019 and 2018, fair value of the investment properties are Baht 61.52 million and Baht 81.52 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 2019 and 2018, 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. INVESTMENT IN SUBSIDIARY COMPANY

	(Unit : Thousand Baht)					
	Separate F/S					
	Paid up share capital		Shareholding Percentage (%)		Cost	
	2019	2018	2019	2018	2019	2018
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		
	2019	2018
Deferred tax asset	56,726	54,881
Deferred tax liability	(345)	(245)
Deferred tax asset - net	56,381	54,636

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

(Unit : Thousand Baht)				
Consolidated and separate F/S				
Recognized in				
	1 January 2019	Profit or loss	Other comprehensive income	31 December 2019
Deferred tax asset				
From allowance for doubtful hire - purchases receivable	40,234	2,772	-	43,006
From allowance for doubtful other receivables	3,963	422	-	,4385
From allowance for doubtful loans to other parties	517	439	-	956
From allowance for doubtful investment in accounts receivable	1,570	(1,188)	-	382
From allowance for devalued assets foreclosed	2,540	1,996	-	4,536
From allowance for employee benefits obligation	6,074	(1,600)	(1,013)	3,461
From allowance for decline value of investment in trading security	(17)	17	-	-
Total	54,881	2,858	(1,013)	,56726
Deferred tax liability				
Difference of depreciation between accounting and tax bases	(245)	(100)	-	(345)

(Unit : Thousand Baht)

	Consolidated and separate F/S			
	Recognized in			31 December 2018
	1 January 2018	Profit or loss	Other comprehensive income	
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)

Income tax expenses for the years ended 31 December 2019 and 2018 are as follows:

(Unit : Thousand Baht)

	Consolidated and separate F/S	
	2019	2018
Current tax expense		
Current year	31,439	36,028
Deferred tax expense		
Movements in temporary differences	(2,758)	(8,569)
Total income tax expense	28,681	27,459

Income tax recognised in other comprehensive income

(Unit : Thousand Baht)

	Consolidated and separate F/S					
	2019			2018		
	Before tax	Tax Expense	Net of tax	Before tax	Tax expense	Net of Tax
Actuarial gain	5,069	(1,013)	4,056	-	-	-
Total	5,069	(1,013)	4,056	-	-	-

Reconciliation of effective tax rate

	(Unit : Thousand Baht)			
	Consolidated F/S		Separate F/S	
	2019	2018	2019	2018
Income before income tax	127,591	123,847	137,657	133,027
Tax rate (percentage)	20	20	20	20
Income tax using corporation tax rate	25,518	24,769	27,531	26,605
Income tax of items allowed as expenses under Revenue Code	(206)	(609)	(206)	(609)
Income tax of expenses not deductible for tax purposes	611	230	611	230
The adjustment of deferred tax assets recognized in previous year	745	1,233	745	1,233
Deferred tax assets not recognised	2,013	1,836	-	-
Income tax expense	28,681	27,459	28,681	27,459
Effective tax rate (percentage)	20.84	20.63	20.84	20.63

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

	(Unit : Thousand Baht)			
	Consolidated F/S		Separate F/S	
	2019	2018	2019	2018
Tax losses not exceeding 5 years	34,375	24,309	-	-

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

	(Unit : Thousand Baht)	
	Consolidated and separate F/S	
	2019	2018
Bank overdrafts	19,878	19,597
Promissory note	20,000	20,000
Total	39,878	39,597

As at 31 December 2019 and 2018, the Company has credit facilities and the related interest rate as follows:

	2019	2018
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	20
Interest rate for promissory note	MLR - 1.25	MLR - 1.25

As at 31 December 2019 the Company has unutilized credit facilities of Baht 0.12 million (31 December 2018 : Baht 0.40 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

	Consolidated F/S		Separate F/S	
	2019	2018	2019	2018
Trade accounts payable	28,779	39,862	28,779	39,862
Accrued bonuses	6,107	21,193	6,107	21,193
Accrued insurance premium	8,357	8,597	8,357	8,597
Accrued interest	11,266	10,695	11,266	10,695
Accrued expenses	9,365	8,641	9,265	8,581
Other payables	12,643	14,679	12,643	14,679
Total	76,517	103,667	76,417	103,607

20. LONG-TERM LOANS

	Consolidated and separate F/S	
	2019	2018
Long-term loans	30,813	42,904
<u>Less</u> Current portion due within one year	(12,809)	(12,113)
Net	18,004	30,791

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

	(Unit : Thousand Baht)
	Consolidated and separate F/S
Balance as at 1 January 2019	42,904
<u>Less</u> Repayment	(12,091)
Balance as at 31 December 2019	30,813

As at 31 December 2019, the Company has credit facility with a financial institution for purchasing of land total Baht 40 million, 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, bears 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 Note 13 and 14.

21. DEBENTURES
31 December 2019

					(Unit : Thousand Baht)
Debenture	Duration	Date of issue	Maturity date	Interest rate (% p.a.)	Consolidated and separate F/S
1	2 years	27 September 2018	27 September 2020	5.25	159,459
2	1 years 6 month	15 May 2019	15 November 2020	6.00	765,353
3	2 years	13 November 2019	13 November 2021	5.75	693,727
Total					1,618,539
<u>Less</u> Current portion					(924,812)
Debentures - net					693,727

31 December 2018

					(Unit : Thousand Baht)
Debenture	Duration	Date of issue	Maturity date	Interest rate (% p.a.)	Consolidated and separate F/S
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

Movements in debentures during the years ended 31 December 2019 and 2018 are as follows:

	(Unit : Thousand Baht)	
	Consolidated and separate F/S	
	2019	2018
Balance as at 1 January	1,627,207	1,664,703
Newly issued debentures	1,470,000	200,000
Redemption during the year	(1,470,000)	(240,000)
Underwriting costs	(14,880)	(1,402)
Amortization of debenture issuance expenses	6,212	3,906
Balance as at 31 December	1,618,539	1,627,207

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 2019 and 2018 are as follows:

	(Unit : Thousand Baht)			
	Consolidated F/S		Separate F/S	
	2019	2018	2019	2018
Balance as at 1 January				
Portion due within one year	10,230	9,558	10,230	9,558
Employee benefits obligation - net	16,420	16,741	16,420	16,741
Past service cost	2,590	-	2,590	-
Current service costs	2,585	1,738	2,585	1,738
Interest on obligation	551	593	551	593
Actuarial gain recognized under				
Shareholders' equity	(5,069)	-	(5,069)	-
Benefit paid	(10,001)	(1,980)	(10,001)	(1,980)
Reclassify accrued employee benefit	(1,019)	-	(1,019)	-
Total	16,287	26,650	16,287	26,650
<u>Less</u> Portion due within one year	(134)	(10,230)	(134)	(10,230)
Balance as at 31 December	16,153	16,420	16,153	16,420
Total unfund	16,287	26,650	16,287	26,650

Principal actuarial assumptions are as follows:

Discount rate	2.66 % p.a.
Salary increase rate	6.05 % 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	(605)	641
Future salary growth		
Increase (decrease) in the employee benefits obligation	697	(663)
Employee turnover		
Increase (decrease) in the employee benefits obligation	(748)	793

As at 31 December 2019, expected maturity of employee benefits obligation before discount are as follows:

	(Unit : Thousand Baht)
	Consolidated and separate F/S
Within one year	134
Between 2 - 5 years	8,416
Between 6 - 10 years	15,292
Between 11 - 15 years	5,193
Total	29,035

On 5 April 2019, the National Legislative Assembly published Labor Protection Act No.7 B.E. 2019 in the Government Gazette which entitles employees who have worked for a consecutive period of 20 years or more to receive 400 days based on their salary as at the date of retirement. The revised legislation will be effective from 5 May 2019, and resulted in an increase in the employment benefit obligation of Baht 2.59 million in the consolidated financial statement and separate financial statement, with a corresponding amount included in the profit and loss accounting in respect of the past service costs for the year ended 31 December 2019.

23. SHARE CAPITAL

	Consolidated and separate F/S		
	Number of common shares (Share)	Issued and fully paid-up (Thousand Baht)	Premium on share capital (Thousand Baht)
Balance as at 1 January 2019	1,064,796,636	532,398	165,220
Warrants converted to ordinary shares	627	-	2
Balance as at 31 December 2019	1,064,797,263	532,398	165,222

On 31 May 2019, the warrant holders exercised 570 units to buy 627 ordinary shares. The Company has already received additional paid-up share capital totaling Baht 1,995 and recorded share capital at par value of Baht 313.50 and share premium of Baht 1,681.50. The final exercise date for the conversion was on 31 May 2019. Total of 483,978,710 units of warrants were not exercised and had expired.

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.

As at 31 December 2019 and 2018, 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.

In 2019, the Company recorded share premium of Baht 1,681.50 described in the Note 23.

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, totally Baht 53.24 million. The dividend be paid on 15 May 2018.

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 year 2019 amounted to Baht 1.35 million (2018: Baht 1.32 million).

28. OTHER INCOME

	(Unit : Thousand Baht)			
	Consolidated F/S		Separate F/S	
	2019	2018	2019	2018
Penalty income	19,209	19,796	19,209	19,796
Income from transferring of car registers	11,823	13,808	11,823	13,808
Insurance brokerage income	12,136	17,755	12,136	17,755
Operation fee income	9,759	8,495	9,759	8,495
Seized car transferred income	2,338	2,113	2,338	2,113
Gain on sale of investments in securities	180	-	180	-
Bad debt recovery	8,521	7,024	8,521	7,024
Debt collection income	6,346	7,048	6,346	7,048
Others	17,039	13,688	17,219	13,868
Total	87,351	89,727	87,531	89,907

29. EXPENSES BY NATURE

	(Unit : Thousand Baht)			
	Consolidated F/S		Separate F/S	
	2019	2018	2019	2018
Salaries, wages and other employee benefit	112,648	119,454	112,648	119,454
Management benefit expense	15,614	18,515	15,614	18,515
Commission expense	37,474	48,547	37,474	48,547
Bad debt and doubtful accounts	49,168	76,571	49,168	76,571
Sale promotion expense	2,945	4,712	2,945	4,712
Loss from disposal of assets foreclosed	9,158	7,286	9,158	7,286
Allowance for impairment of assets foreclosed	78,763	49,281	78,763	49,281
Amortization of debenture issuance expenses	6,212	3,906	6,212	3,906
Professional fee	2,881	2,678	2,651	2,478
Seized car repairing expense	2,818	2,997	2,818	2,997
Insurance premium	-	12,931	-	12,931
Depreciation	4,629	4,984	4,629	4,984
Utility expense	7,377	7,548	7,377	7,548
Office rental expense	2,935	3,073	2,935	3,073
Others	28,896	26,170	26,905	26,139
Total	361,518	388,653	359,297	388,422

30. SEGMENTAL FINANCIAL INFORMATION

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

(Unit : Million Baht)

Consolidated F/S										
For the years ended 31 December										
	Hire-purchase business		Other financial services		Other revenues		Elimination of inter-segment revenues		Total	
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
Revenues from external customers										
- North	124.39	128.05	0.07	0.08	0.32	0.53	-	-	124.78	128.66
- Middle	40.20	48.39	42.19	38.71	18.35	12.51	(7.85)	(8.95)	92.89	90.66
- North east	193.94	203.10	0.12	0.02	0.46	0.71	-	-	194.52	203.83
- East	31.98	32.71	0.03	-	0.08	0.07	-	-	32.09	32.78
- Western	35.37	40.67	0.02	0.03	0.09	0.10	-	-	35.48	40.80
- South	102.42	103.51	0.02	0.01	0.21	1.54	-	-	102.65	105.06
Total	528.30	556.43	42.45	38.85	19.51	15.46	(7.85)	(8.95)	582.41	601.79
Revenue classified by revenue recognition										
At point in time	78.16	83.36	-	-	8.91	5.52	-	-	87.07	88.88
Overtime	450.14	473.07	42.45	38.85	10.60	9.94	(7.85)	(8.95)	495.34	512.91
Total	528.30	556.43	42.45	38.85	19.51	15.46	(7.85)	(8.95)	582.41	601.79
Finance costs									93.30	89.29
Depreciation and amortization									4.63	4.98
Profit before income tax									115.67	123.84
Total assets									3,694.93	3,730.29
Major Customer										

The Company does not have major customer under its operations and does not have risk of loss of major customer.

31. FINANCIAL INSTRUMENTS

Financial risk management

The Group'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 Group has risks associated with these financial instruments. They are managed as described below.

Credit risk

The Group has exposure to credit risk primarily with respect to hire-purchases receivable and loans. The Group 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 Group'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 2019 and 2018 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					
	2019					
	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	-	-	13.50	29.68	43.18	0.10 - 0.38
Hire-purchases receivable - net	1,022.11	1,704.03	-	-	2,726.14	17.43
Loans to other parties - net	207.36	31.15	-	-	238.51	12.00 - 24.00
Short-term loan to related company	21500	-	-	-	21500	5.75
Restricted deposit with bank	-	0.11	-	-	0.11	0.90
	1,444.47	,1735.64	13.50	29.68	3,222.94	

(Unit : Million Baht)

Consolidated F/S						
2019						
Fixed interest rates		Floating	Non-			Effective interest rate (% p.a.)
Within	Over 1	interest	interest			
1 year	to 5 years	rate	bearing	Total		
Financial Liabilities						
Bank overdrafts and short-term loan from financial institutions	-	-	39.88	-	39.88	MLR - 0.50, MLR - 1.25
Long - term loans	-	-	30.81	-	30.81	MLR - 0.50, MLR - 1.50
Debentures	924.81	693.73	-	-	1,618.54	5.25 - 6.00
	924.81	693.73	70.69	-	1,689.23	

(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)

	Separate F/S					
	2019					
	Fixed interest rates		Floating	Non-		Effective
	Within	Over1	interest rate	interest		interest rate
	1 year	to 5 years	interest rate	bearing	Total	(%p.a.)
Financial Assets						
Cash and cash equivalents	-	-	13.46	29.68	43.14	0.10 - 0.38
Hire - purchases receivable - net	1,022.11	1,704.03	-	-	2,726.14	17.43
Short - term loan to related company	333.75	-	-	-	333.75	5.75
Loans to other parties - net	207.36	31.15	-	-	238.51	12.00 - 24.00
Restricted deposit with bank	-	0.11	-	-	0.11	0.90
	1,563.22	1,735.29	13.46	29.68	3,341.65	
Financial Liabilities						
Bank overdrafts and short - term form financial institutions	-	-	39.88	-	39.88	MLR - 1.25
Long - term loans	-	-	30.81	-	30.81	MLR - 0.50, MLR - 1.50
Debentures	924.81	693.73	-	-	1,618.54	5.25 - 6.00
	924.81	693.73	70.69	-	1,689.23	

(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	155.39	-	-	-	155.39	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
	1,428.86	1,899.40	7.21	28.51	3,363.98	
Financial Liabilities						
Bank overdrafts and short - term form	-	-	39.60	-	39.60	MLR - 0.50,
financial institutions						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	

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. COMMITMENTS

As at 31 December 2019, 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	2.04
2 - 5 years	2.14
Total	4.18

33. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES

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

	(Unit : Thousand Baht)				
	Consolidated and separate F/S				
	Bank overdrafts and Short-term loans from financial institutions	Short-term loans from related company	Debentures	Long-term loans	Total
1 January 2019	39,597	78,000	1,627,207	42,904	1,787,708
Cash-flows:					
Repayment	(132,609)	(78,000)	(1,470,000)	(12,091)	(1,692,700)
Proceeds	132,890	-	1,470,000	-	1,602,890
Underwriting costs	-	-	(14,880)	-	(14,880)
Amortization of debenture issuance expenses	-	-	6,212	-	6,212
31 December 2019	39,878	-	1,618,539	30,813	1,689,230

(Unit : Thousand Baht)

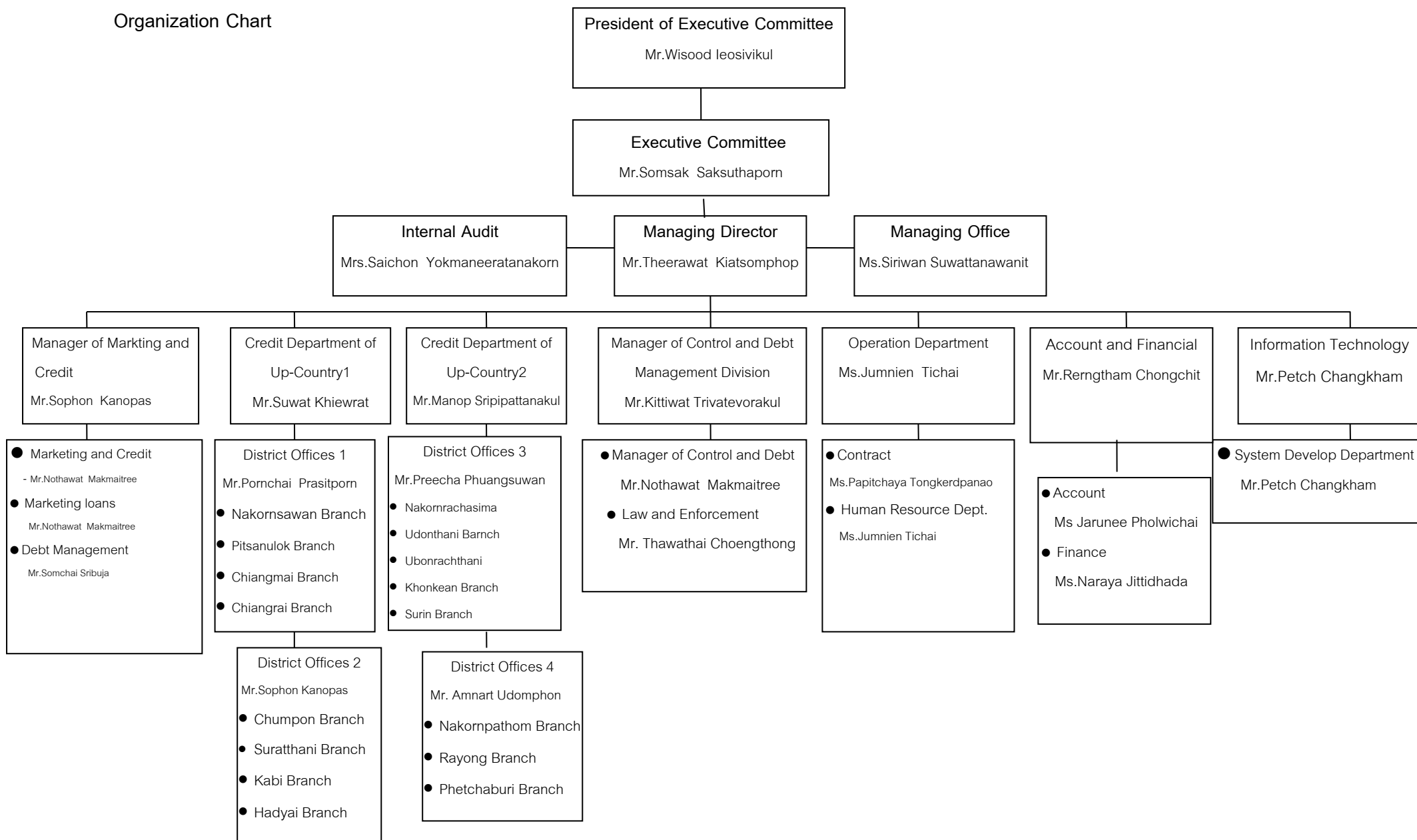
Consolidated and separate F/S

	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

34. APPROVAL OF FINANCIAL STATEMENTS

These financial statements have been approved by the Company's Board of Directors on 28 February 2020.

Organization Chart



Capital and Management Structure

List of major shareholders of the Company as of March 22, 2019

<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	53,955,570	5.07
3	Ms. Chitwadee leosivikul	43,198,364	4.06
4	Ms.Tippawan Panyajirawut	29,110,627	2.73
5	Thai NVDR Co.,LTD	20,104,450	1.89
6	Mr.Virun Jaiyindee	17,365,655	1.63
7	Ms. Chawanluck leosivikul	15,825,555	1.49
8	Mr. Thaned Dirosakayavitoon	14,044,681	1.32
9	Mr. Nipon Nattawut	12,691,296	1.19
10	Mr. Sompong Mahithithanthorn	11,249,800	1.06
Total		717,759,998	67.42

Remark : 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, 2019 consists of 9 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 and Mr. .Akachai leosivikul Director. Audit Committee members are Pol. Lt. Gen Chalong Sonjai, Mr. Kiattiporn Sirichaisakul and 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, 2019 consists of 3 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, 2019 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 of 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, 2019 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 2 Dept. Manager
3.	Mr.Suwat Khiewrat	Operation Division 1 Dept. 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 2019

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)	2017	2018	2019
No. of Management	7	9	9
- Salary	12,303,949	13,787,662	13,771,174
- Bonus	4,593,831	5,747,594	4,386,446
- Other such as Board allowance and Transportation and telephone expenses	505,858	752,165	119,066
Provident Fund	229,785	274,551	250,847
Total	17,633,423	20,561,72	18,527,533

b. Other remuneration**Directors**

- 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	61	<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	2018 - Present	Director	Ingnatee Co.,Ltd.
						Jan'18- Present	Director	Mida Hospitality Group 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 Resort 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	66	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 Iampongpaiboon	- Director - The secretary for the Board of Director	52	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.
						Nov'15 –Present	Director	Bangkok Charan Asset Management Co.,Ltd.
						Sep'15 – Present	Director	MD Resort 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	Mida Agency&Development Co.,Ltd.
						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	55	<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.
						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	58	Certificate - Diploma in Business and Marketing Rajabhat Institute Nakornpatom	Brother Mr. Wisood leosivikul Mrs.Tipapawan Panyajirawut Old Brother 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 Resort 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	62	<u>Certificate</u> - Diploma Accounting in Rajabhat Institute Nakornpatom	<u>Old Sister</u> Mr. Wisood leosivikul Mr. Sorasak leosivikul Mr.Eakachai leosivikul	2.73	Jan'18 – Present	Director	Mida Hospitality Group Co.,Ltd.
						2018 - Present	Director	Ingnatee Co.,Ltd.
						Apr' 17- Present	Director	Mida Security Guard Co.,Ltd.
						2016– Present	Director	Mida Leasing Pcl
						2015– Present	Director	MD Resort Co.,Ltd.
						2015– Present	Director	Phuket Beer (Thailand) Co.,Ltd.
						2015 - Present	Director	The Retreat Hun Hin 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
						2005– Present	Audit Manager	Mida Assets Pcl.
7. Mr. Theerawat Kiatsomphob	- Managing Director	62	<u>Master Degree</u> - EX-MBA University of the Thai Chamber of Commerce - Bachelor Degree in Liberal Arts (Political Science) Ramkhamhaeng University -Training DAP 16/2004		-	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	71	<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	52	<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	52	<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	55	<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	68	<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	57	<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	37	<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	53	<u>Bachelor Degree</u> Computer Science Ramkhamhaeng University		-	2010– Present	Senior managers Department	Mida Leasing Pcl.

*** Share holding as of December 31, 2019 ***

Internal Control

The Board of Directors meeting of Mida Leasing Public Company Limited no. 4/2019, held on 14 November 2019, attended by three audit committee members. The Board of Directors assessed the internal control of the Company by means of conducting inquiries with the management and concluded from the assessment of the internal control system in five areas, namely, control environment, risk assessment, control activities, information and communication, and monitoring to protect directors, managements, major shareholders or related parties as mentioned above that it is sufficient.

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

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

Governance of the usage of inside information

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

Report on the Good Corporate Governance

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

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

1. Policy on Corporate Governance

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

2. Rights of Shareholders and Shareholders' Meeting

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

3. Rights of Stakeholders

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

4. Leadership and Vision

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

5. Conflicts of Interests

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

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

6. Business Ethics

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

7. Balance of Power from the Non-Management Directors

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

<i>Name</i>	<i>Management</i>	<i>Non-Management</i>	<i>Independent Directors</i>	<i>Audit committee</i>
1. Mr. Wisood leosivikul	✓	-	-	-
2. Mr. Somsak Saksuthaporn	✓	-	-	-
3. Ms. Roongrawee Iampongpaiboon	-	✓	-	-
4. Mr. Sorasak leosivikul	-	✓	-	-
5. Mr. Akachai leosivikul	-	✓	-	-
6. 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: 1/2019, 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 Pcl. 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 Nongpaklong 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 2017, 2018, and 2019.

Related person who may have conflicts of interest	Relationship	Description	Pricing policy	Value of Transaction (THB)			
				2017	2018	2019	Outstanding creditor/debtor 2019
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	1,122,114	1,197,580	1,349,508	39,897
		2. Short term loan.	Interest rate of 5.75% p.a.	-	78,000,000	-	-
		3. Interest	Actual interest rate as market price	-	3,019,866	1,175,678	-
		4. Short term loan.	Interest rate of 5.75% p.a.	25,500,000	-	215,000,00	215,000,000
		5. Interest receivable	Actual interest rate as market price	342,318	-	2,312,146	862,500
2. Max Hotel Co. Ltd.	- Common Directors and Management, Mr. Wisood leosivikul	Accommodation fee and food & beverage	Market price	52,523	80,953	47,252	-
3.Mida Add Co.Ltd.	- Common Directors and Management, Mr. Wisood leosivikul	Advertising expense	Market price	160,000	-	-	-
4.The Retreat huahin Co.,Ltd.	Common Directors and Management, Mr. Wisood leosivikul	Accommodation fee	Market price	202,206	-	-	-

Related person who may have conflicts of interest	Relationship	Description	Pricing policy	Value of Transaction (THB)			
				2017	2018	2019	Outstanding creditor/debtor 2019
5. Mida Asset Management Co., Ltd.	A Subsidiary Mida Leasing Held 99.99%	1. Short term loan.	Rate of 5.50- 5.75 % per annum	155,170,000	155,390,000	118,750,000	118,750,000
		2. Interest	Rate of 5.50 – 5.75 % per annum	8,023,828	8,768,125	7,675,341	4,737,501
		3. fees	Market price	3,110	-	-	-
		4.Consultant Fee	Contract price	120,000	120,000	120,000	540,000
		5. building lease fees	Contract price	60,000	60,000	60,000	270,000
6. MD Adrenaline (Thailand) Co.,Ltd.	Common Directors and Management, Mr. Wisood leosivikul	Service revenue	Contract price	200,000	-	-	-
7. Mida Developmenty Co.,Ltd.	Common Directors and Management, Mr. Wisood leosivikul	Accommodation fee	Market price	-	6,729	3,327	-

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 lampongpaithoon ,(4) Mr.Sorasak leosivikul

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

**Update December 31, 2019

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.	: 0107547000532
Telephone	: 0-2574-6901
Fax	: 0-2574-6902
Registered Capital	: 1,597,193,482 ordinary shares as of 31 December 2019 Issued 1,064,797,263 shares and paid-up share capital 532,398,631.50 baht per value is Baht 0.50
Registrar	: Thailand Securities Depository Co., Ltd. 93, 14th Floor, Ratchadaphisek Road, Dindaeng, Dindaeng, Bangkok 10400
Auditor	: Mr. Narin Churamongkol Certified Public Accountant Registration No. 8593 Grant Thornton CO.,LTD. 18th Floor Capital Tower, All Season Place, 87/1 Wireless Road, Lumpini, Bangkok 10330.

Address and Contact Information of Head Office and Branch offices

HQ/ Branch Office	Address & Contact Information
Head Office	Add: 48/2-5 Soi Changwattana 14 Changwattana Rd. Thungsonghong Laksi Bangkok 10210 Tel: 0-2574-6901 Fax: 0-2574-6902
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) 658-757,658-741 Fax: (077) 658-758
Udonthani Branch	Add: 419/15-16 Moo 7 Robmaung Rd. Markkang Maung Udonthani 41000 Tel: (042) 230-112-4 Fax: (042) 230-115
Pitsanulok Branch	Add: 59/10 Moo 7 Pitsanulok – Lom Sakt Rd. samorkae Maung Pitsanulok 65000 Tel: (055) 320-045 Fax: (055) 320-046
Chiangmai Branch	Add: 236/91 Moo1 Mahidol Rd. Nonghoi Maung Chiangmai 50000 Tel: (053) 140-211-3 Fax: (053) 140-214
Ubonrachathani Branch	Add: 1-3 Soi Chayangkool 36 Chayangkoo Maung Ubonrachathani 34000 Tel: (045) 317-555-7 Fax: (045) 317-558
Khonkean Branch	Add: 588/13-14 Moo.5. Klang Muang Road Maungkao Maung Khonkean 40000 Tel: (043) 340-336-7 Fax: (043) 340-338
Surat Thani Branch	Add: 16/27 Moo.3 Liangmuang Rd. Bangkung Maung Suratthani 84000 Tel: (077) 310-188 Fax: (077) 310-189
Krabi Branch	Add: 88/5 Moo 2 Phetkasemt Rd. Saithai 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