



Chayo Group Pcl.

Chayo Group Public Company Limited

ANNUAL REPORT 2020



Vision

Expertise in managing secured and unsecured non-performing loans professionally, for customers, and key stakeholders.

Mission

- Professional management abided by Law and Debt Collection Act.
- Promote and protect positive image of customers and stakeholders.
- Lead by systematic marketing and completed execution
- Managing assets with integrity and providing best solutions to debtors at all time.

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Financial Highlights

Unit : Million Baht

	2018	2019	2020
Total Revenue	255.64	295.02	479.12
Total Cost	91.70	105.02	117.32
Gross Profit	163.94	190.00	361.79
Net Profit	85.43	111.05	154.80
Total Assets	828.82	1,824.82	2,810.85
Total Liabilities	65.56	822.87	1,664.28
Total Shareholder's Equity	763.26	1,001.95	1,146.57

	2018	2019	2020
Gross Profit Margin	64.13%	64.40%	75.51%
Net Profit Margin	32.29%	37.64%	32.31%
Debt to Equity (D/E) (Times)	0.09	0.82	1.45
Return on Assets	17.57%	10.55%	6.95%
Return on Equity	15.80%	12.84%	13.69%
Earning Per Shares (EPS)	0.1530	0.1623	0.2202



***Message from the Chairman
and Chief Executive Officer
Year 2020***



Mr. Wutisak Lapcharoensap
(Chairman of The Board)

Mr. Suksan Yasasin
(Chief Executive Officer)

Message from the Chairman and Chief Executive Officer

Dear Shareholders,

The overview of Chayo Group in 2020 was another satisfactory year of the Company. In the 2020, the Company had aimed the growth goal of gross income not lower than 15%. However, the Company could actualize or the growth of real income approximately 62% as well as net profit from operation which grow around 39%, when comparing to a former year. The net profit margin of the company was about 32.31%, for investment non-performing loans. In 2020, the Company was succeed in purchasing non-performing loans to administrate increasingly 15,500 million Baht, which result in, by the end of 2020 year, the Company owned non-performing assets to administrate approximately 65,397 million Baht. A total investment in non-performing assets as of 31st December, 2020 was 1,572.74 million Baht.

The overall operation in year 2020, the Company had total income of 479.12 million Baht which increasing 62.40%, comparing to the former year which was 295.02 million Baht. The proportion of core business income were interest margin from non-performing assets credit around 87.09%, income from debt tracking service 10.72% income from loan 1.57% also income from selling products through Call Center, and/or TV Shopping, and/or Online Channel approximately 0.62%

Operation Direction of 2021 year, the Company has planned to grow in total income not lower than 25%. The company believes that non-performing loan trend in 2021 would be increasing more than the end of 2020 year, approximately 523,261 million Baht or equal to 3.11% of the whole credit system. The Company expects that NPLs would still increase due to slow economic recovery which cause from Coronavirus Epidemic 2020 (COVID-19)

In 2021, the Company still focuses on main business investment for instance; Non-performing assets management business or buying debt to manage business which the company has aimed to buy additional non-performing loans to manage approximately 10,000 million Baht. The Company has set investment budget around 1,000 - 1,200 million Baht. As for Negotiation, debt collection and debt tracking business, the Company has expected to grow not less than 20% by emphasizing on finding new customers as well as expanding or customers base in case of additional existing customers. In part of lending business, the company has set additional lending budget approximately 150 - 200 million Baht. Finally, selling products through Call Center business, and/or through TV Shopping, and/or Online Channel, the Company has set the goal in providing new products such as dietary supplements and cosmetic products to sell in order to increasing company's income alternatively.

Lastly, on behalf of the Board of Directors, executives as well as employees, deeply grateful to all business partners who trust and support the Company's operation consistently. Please be assured that the Company would determine in operation with full effort. Moreover, the Company will had a good governance in operating business, concerning stakeholders involving responsible for society and environment in order to step into steady growth and sustainable compensation.

Mr. Wutisak Lapcharoensap
(Chairman of The Board)

Mr. Suksan Yasasin
(Chief Executive Officer)

Board of Directors



**Assistant Professor
Wutisak Lapcharoensap (71 Years)**
Chairman of the Board, and Independent Director

Education:

- 1971 Bachelor of Political Science (honors), Chulalongkorn University
- 1979 Master of Arts (Political Science), University of Chicago

Management Experience (2005 onwards):

- 2005 - 2011 Dean of Faculty of Political Science
- 2007 Dean of Faculty of Political Science and Acting Ramkhamhaeng University Rector (16th January - 17th June 2007)
- 2008 - 2009 Dean of Faculty of Political Science and Acting Director of Office of Educational Technology
- 2011 Dean of Faculty of Political Science and Acting Ramkhamhaeng University Rector (10th February - 30th June 2011)
- 2011 - 2 March 2020 Ramkhamhaeng University Rector

Other appointed positions, from 2010 until present:

- 2010 - 2011 Director, Dhanarak Asset Development Co, Ltd., Ministry of Finance
- 2011 - 2014 Member of Office of the Consumer Protection Board Secretariat of the Prime Minister
- 2012 - 2016 Member of Office of Educational Council
- 2012 - 2014
 - Qualified member of Office of Police Commission (OPC)
 - Advisor of sub-committee of the Education and Protection of the Royal Institute
 - Chairman of the Audit and Ethics of the Government Officials Committee (Office of Prime Minister Order No. 161/2555 dated 16th July 2012)
- 2013 Advisor to the Ministry of Social Development and Human Security
- 2014 Constitution Drafting Committee
- 2014 - 2019 Member of the National Legislative Assembly
- 2014 - Present Director, the Post Publishing Public Company Limited
- 2015 - Present Chairman of the Board and Independent Director Chayo Group Public Company Limited
- 9th June 2020 - Present Chairman of University Affairs Committee
- 3rd September 2020 - Present Acting on behalf of the Rector of Ramkhamhaeng University
- 22nd October 2020 - Present Executive Director of the Good Nation Project



Mr. Chanon Chotevijit (61 Years)
Chairman of the Audit Committee, Independent Director, Director, and Nomination and Remuneration Committee

Education:

- 1979 - 1983 Bachelor of Economics Program in International Economics (Second-class honors), Chulalongkorn University
- 1984 - 1986 Master of Economics Program in Financial Economics, National Institute of Development Administration
- 2005 - 2007 Master of Economics Law, Chulalongkorn University
- 2008 - 2009 Diploma, the National Defence College (Class 51)

Experience (2006 onwards):

- 2006 - 2011 Director, Is Property Company Limited
Chairman of Audit Committee, M Link Asia Corporation Public Company Limited
- 2011 - 2012 Chairman of Audit Committee, Independent Director, Executive Director, Government Savings Bank
- 2012 - 2014 Member of a sub-committee of Corporate Governance Committee, Member of Risk Management Committee, Expressway Authority of Thailand
- 2012 - Present Chief Executive Officer, Is Property Company Limited
- 2015 - Present
 - Qualified member of Subcommittee on Investment Financial Institutions Fund, Ministry of Finance
 - Advisor, Thai Valuers Association
 - Chairman of the Audit Committee, Independent Director, Director Nomination and Remuneration Committee, Chayo Group Public Company Limited



Air Chief Marshal Anon Jarayapant (65 Years)

Audit Committee, Independent Director, Director, and Chairman of Nomination and Remuneration Committee

Education:

- 2003 Air War College, Class 38
- 2008 National Defence College, Class 51
- 2011 Advance Certificate Course in Peace Promotion (King Prajadhipok's Institute), Class 2

Experience (2008 onwards):

- 2008 Office of Donmuang RTAF Base Commander, Royal Thai Air Force
- 2011 RTAF Security Forces Commander, Royal Thai Air Force
- 2012 Deputy Chief of the Air Staff, Royal Thai Air Force
- 2013 Chief of Executive Staff Committee to the Commanders, Royal Thai Air Force
- 2014 Deputy Commander-in-Chief, Royal Thai Air Force
- 2014 - 2015 President of Airforce Central FC Football Club
- 2014 - 2018 Member of National Legislative Assembly of Thailand
- 2014 - 2019 Director, Metropolitan Electricity Authority
- 2015 - Present
 - Retired government employee on person, Royal Thai Air Force
 - Audit Committee, Independent Director, Director, and Chairman of Nomination and Remuneration Committee, Chayo Group Public Company Limited



Mr. Teeranut Thangsapornpong (47 Years)

Audit Committee, Independent Director, Director, Nomination and Remuneration Committee, Chairman of Risk Management Committee, and Chairman of the Corporate Governance Committee

Education:

- 1994 Bachelor of Economics, Thammasat University
- 2002 Master of Economics, Thammasat University
- 2004 Bachelor of Accountancy Program, Sukhothai Thammathirat Open University
- 2008 Bachelor of Laws Program, Sukhothai Thammathirat Open University

Experience (1996 onwards):

- 1996 - 1999 Stock Analyst, BFIT Securities Public Company Limited
- 1999 - 2002 Fund manager, BFIT Securities Public Company Limited
- 2002 - 2010 Chief Investment Officer (CIO), Watana Choedchu Company Limited
- 2010 Senior Vice President of Investment Banking Department, KT Zmico Securities
- 2010 - 2011 Senior Vice President of Finance, TSFC Securities Public Company Limited
- 2011 - 2015 Chief Financial Officer, Globlex Securities Company Limited
- 2015 - 2016 Executive Vice President Investment Banking Division, KTB Securities (Thailand) Company Limited
- 2015 - Present Audit Committee, Independent Director, Director, Chairman of Risk Management Committee, Chairman of Corporate Governance Committee and Nomination and Remuneration Committee, Chayo Group Public Company Limited
- 2017 - Present Audit Committee, and Independent Director, FILTER VISION PUBLIC COMPANY LIMITED
- 2018 - Present
 - Director, Simat Technologies Public Company Limited
 - Director, Chairman of Risk Management Committee, Executive Director and Chief Financial Officer, Hinsitsu (Thailand) Co., Ltd.
 - Director, Simat Label Co., Ltd.
- 2019 - Present Director, Hinsitsu (Thailand) Company Limited



Dr. Vitthaya Inala (61 Years)

Director

Education:

- 1981 Bachelor of Education Program in Chemistry, Maharakham University
- 2005 Master of Economics Program, National Institute of Development Administration
- 2010 Diploma of Leadership program, University of California, Berkeley, The United States Of America
- 2011 Top Executive Program, Capital Market Academy
- 2013 Doctor of Philosophy Program in Development and Organizational Change, Cebu Doctors' University, Philippines

Experience (2009 onwards):

- 2011 Chairman of the Commission, Financial Commission Banking and Financial Institutions of the Senate
- 2011 Second Deputy Chairman of the Commission, Senate Foreign Affairs Committee
- 2012 - 2013 First Vice President of the Commission, Committee on Economy, Commerce, Industry, Senate
- 2014 - 2016 Director, Chayo Asset Management Company Limited
- 1992 - Present Chief Executive Officer, Megachem (Thailand) Public Company Limited
- 2015 - Present Director, Chayo Group Public Company Limited
- 2018 - Present
 - Managing Director, Megachem (Myanmar) Limited, Myanmar
 - Chairman of the Executive Board, Megachem Plus Limited
- 2019 - Present Managing Director, PRIME INDEX Co.,Ltd, Myanmar



Mrs. Rosporn Sooksomporn (65 Years)

Director

Education:

- 1976 Bachelor of Commerce, Thammasat University
- 1981 Bachelor of Laws, Thammasat University

Experience (2003 onwards):

- 2003 - 2005 Director, Legal Execution Department
- 2005 - 2008 Law enforcement investigator, Legal Execution Department
- 2008 - 2012 Legal Execution of Bankruptcy Case Specialist, Legal Execution Department
- 2012 - 2013 Director Business Reorganization, Legal Execution Department
- 2013 - 2015 Deputy Director General, Legal Execution Department
- 2015 - Present Director, Chayo Group Public Company Limited


Mr. Seksan Rangsiyeranon (55 Years)

Director, Risk Management Committee,
and Executive Director

Education:

- 1998 Bachelor of Business Administration (Construction Management), Sukhothai Thammathirat Open University
- 2005 Master of Political Science, Ramkhamhaeng University
- 2017 Advanced Certificate Course in Public Economics Management for Executives Class 15, King Prajadhipok's Institute
- 2018 Advanced Security Management Program Class 9: ASMPq, Thailand National Defence College
- 2019 RTAF & CEO Relationship Program Class 14, Royal Thai Air Force
- 2019 The Civil Service Executive Development Program Class 6, The Bureau Of The Budget

Experience (1986 onwards):

- 1986 - 1989 Government officer, Department of Lands, Ministry of the Interior
- 1990 - 2004 General Manager, Organo (Thailand) Company Limited
- 2004 - Present Chief Executive Officer, Pornsiam Consultant and Service Company Limited
- 2005 - Present General Director, Bangkok Water Pollution Service Company Limited
- 2015 - Present Director, Risk Management Committee, and Executive Director, Chayo Group Public Company Limited
- 2020 - Present Executive Director, SUMMER SOLUTION Co., Ltd.


Mr. Suksan Yasasin (59 Years)

Vice Chairman of the Board, Risk Management Committee,
Corporate Governance Committee, Nomination and
Remuneration Committee, Chairman of Executive
Committee, and Chief Executive Officer

Education:

- 2002 Bachelor of Laws, Sripatum University
- 2005 Master of Political Science, Ramkhamhaeng University

Experience (1985 onwards):

- 1985 Intelligence Officer, National Intelligence Agency
- 1988 Middle Officer, Kasikorn Bank
- 1994 General Manager, Boonthavorn Company Limited
- 1997 - Present Vice Chairman of the Board, Risk Management Committee, Corporate Governance Committee, Chairman of Executive Committee, and Chief Executive Officer, Chayo Group Public Company Limited



**Mrs. Pim Pattamasing Na Ayuthaya
(50 Years)**

Director, Risk Management Committee, Corporate Governance Committee, Executive Committee, and Managing Director of Executive Support

Education:

- 1993 Bachelor of Accountancy (Accounting), Dhurakij Pundit University
- 2005 Graduate Diploma in Property Valuation, Thammasat University
- 2006 Master of Real Estate Development, Thammasat University
- 2016 Bachelor of Laws, Phranakorn Rajabhat University

Experience (2003 onwards):

- 2003 Executive Officer, Siam Cement Group
- 2003 - Present Director, Risk Management Committee, Executive Director, Corporate Governance Committee, and Managing Director of Management Support Division, Chayo Group Public Company Limited



Mr. Kittit Tungsiwong (51 Years)

Director, Risk Management Committee, Nomination and Remuneration Committee, Executive Committee, Deputy Chief Executive Officer, Company Secretary, and Acting Managing Director Business Development

Education:

- 1993 Bachelor of Accountancy (Cost Accounting), University of Thai Chamber of Commerce
- 2007 Master of Science in Real Estate Business, Thammasat University

Experience (2003 onwards):

- 1993 - 1994 Accountant, Charoen Pokphand Foods Public Company Limited
- 1994 - 1998 Senior Auditor, PricewaterhouseCoopers ABAS Ltd.
- 1998 - 2002 Senior Financial Advisor, PricewaterhouseCoopers ABAS Ltd.
- 2003 - 2013 Director, Executive Director, Chief Operating Officer and Chief Financial Officer Raimon Land Public Company Limited
- 2013 - 2015 Director, Executive Director, Managing Director (Accounting and Finance), Managing Director (Operations and Business Development), Ferrum Public Company Limited
- 2016 - Present Director, Risk Management Committee, Nomination and Remuneration Committee, Executive Director, Deputy Chief Executive Officer, Company secretary, and Acting Managing Director Business Development, Chayo Group Public Company Limited
- 2020 - Present Independent Director, and Chairman of the Audit Committee, Glory Forever Co., Ltd.

General Information

Company Name	บริษัท ชโย กรุ๊ป จำกัด (มหาชน) และบริษัทย่อย
Company Name (English)	Chayo Group Public Company Limited and Its Subsidiaries
Stock Symbol	CHAYO

**Company
Registered
Number**
.....
0107560000214

Established
.....
1997

**Registered as
Public Limited
Company in**
.....
2017

Nature of business	To service for debts tracking and collections. Also, to invest and manage the asset from the auction/ purchase/ transferred NPL which are and are not guaranteed. By Financial Institution, as well, services in the sale and purchase of the asset, along with customer service center.
Head Office	44/499-504 Phahon Yothin Road, Anusawari, Bang Khen, Bangkok 10220
Telephone	(66) 2004 5555
Fax	(66) 2001 2555
Website	www.chayo555.com
Registered Capital	As of 31 st December 2020, registered capital of 468,298,721.50 Baht, comprising of 936,597,443 ordinary shares
Paid-up Capital	As of 31 st December 2020, paid-up capital of 352,799,064.50 Baht, comprising of 705,598,129 ordinary shares

**Par Value Per
Share**
.....
0.50 Baht

Industry
.....
Financial

Sector
.....
Finance
& Securities



Subsidiaries and Associated Companies Information

Head Office	Company Registered Number	Established	Nature of Business	Registered Capital (Baht)	Par Value Per Share (Baht)	Paid-up capital (Baht)	Shareholding Proportion (%)
Chayo Asset Management Company Limited							
44/499-504 Phahon Yothin Road, Anusawari, Bang Khen, Bangkok 10220	0105552046187	2009	Investment and Non-Performing Loan Management Business	200,000,000	5.00	200,000,000	100.00
Chayo Property and Service Company Limited (Former name “Chayo Call Center Company Limited”)							
44/499-504 Phahon Yothin Road, Anusawari, Bang Khen, Bangkok 10220	0105543062434	2000	Customer Service Center servicing on debt tracking and collection service, investing, and managing non-performing loans auctioned from Financial institutions and other companies including lending business (collateral and non-collateral)	20,000,000	10.00	20,000,000	100.00
Chayo Capital Company Limited							
44/499-504 Phahon Yothin Road, Anusawari, Bang Khen, Bangkok 10220	0105561158987	2019	Lending Business both collateral and non-collateral	50,000,000	10.00	50,000,000	70.00
555 Shopping Company Limited							
44/499-504 Phahon Yothin Road, Anusawari, Bang Khen, Bangkok 10220	0105563079910	2020	Selling goods and/or services through call center and/or related channels	7,000,000	35.00	7,000,000	70.00
Chayo JV Company Limited							
55/94 Kamphaengpet 6 Rd., Ladyao, Jatujak, Bangkok 10900	0105563152391	2020	Invest and/or co-invest in asset management business and/or related business	55,000,000	100.00	27,500,000	100.00

Reference Person's Information**Securities Registrar**

Thailand Securities Depository Company Limited

93 Stock Exchange of Thailand Tower

Ratchadaphisek Road, Din Daeng, Din Daeng, Bangkok 10400

Tel: (66) 2009 9000

Website: www.tsd.co.th

Auditor

Boonlert Kamolchanokkul (Partner)

Certified Public Accountant (Thailand) No. 5339

PricewaterhouseCoopers ABAS Limited

179/74-80 Bangkok City Tower

South Sathorn Road, Sathorn, Bangkok 10120

Tel: (66) 2844 1000

Website: www.pwc.com/th

Internal Auditor

Mr. Wiwat Limnantasin (Partner)

KPS Audit Company Limited

89/184 Soi 12 Rattanathibet Road, Sai Ma, Muang Nonthaburi District,

Nonthaburi, 11000

Tel: (66)8 1912 1133

Investor Relations

Mr. Kitti Tungsriwong

Tel: (66) 2016 4499



Nature of Business

1. Overview of Business

Chayo Group Public Company Limited and its subsidiaries operate the service of tracking and collecting of non-performing loans. Core businesses are categorized into 5 main services comprise of investing and managing non-performing loans, debt tracking and collection services, customer service, money lending business and product distribution through call center and/or TV Shopping and/or online channel also customer information centers business. The company has experience and expertise in debts tracking and collection services for 23 years, prior to entering in investing and managing non-performing loans in 2014. Later, in 2016 the company has expanded to provide the customer service center to better serve the customer. The Extraordinary General Meeting No.2/2015 on 15 September 2015, the company has approved to move the establishment to registered address 44/499-504 Phahonyothin Road, Anusawari, Bang Khen, Bangkok 10220. The Extraordinary General Meeting No.3/2015 on 19 November 2015, the company has changed name from to Chayo Group Company Limited (CHAYO). Later, The company was converted into a public limited company, a juristic person under Civil and Commercial Code B.E. 2535 and changed its name to Chayo Group Public Company Limited on 11st May 2017 according to the 2017 Annual General Meeting on 25 April 2017.

On March 22, 2018, Chayo Group Public Company Limited registered in Market for Alternative Investment (MAI). During the 2018 year, the company has established Chayo Capital Company Limited, another subsidiary company. By holding 70% of stocks (on February 25, 2021, the Board of Directors has approved to buy back 6% of the shares from other shareholders. The Company has completed the repurchase on March 5, 2021, resulting in the Company holding 76% of stocks of Chayo Capital) that to conduct business related by providing secured and unsecured lending), to operate related lending business which provides both secured and unsecured loans. Our lending business operates under The Bank of Thailand (Nano Finance and Personal Loan). Moreover, we have changed one of our subsidiary's names from Chayo Call Center Company Limited to Chayo Property and Service Company Limited. Adding the business objectives to operate assets development also lending business under the Ministry of Finance's control (Fico Finance is in the process of requesting license).

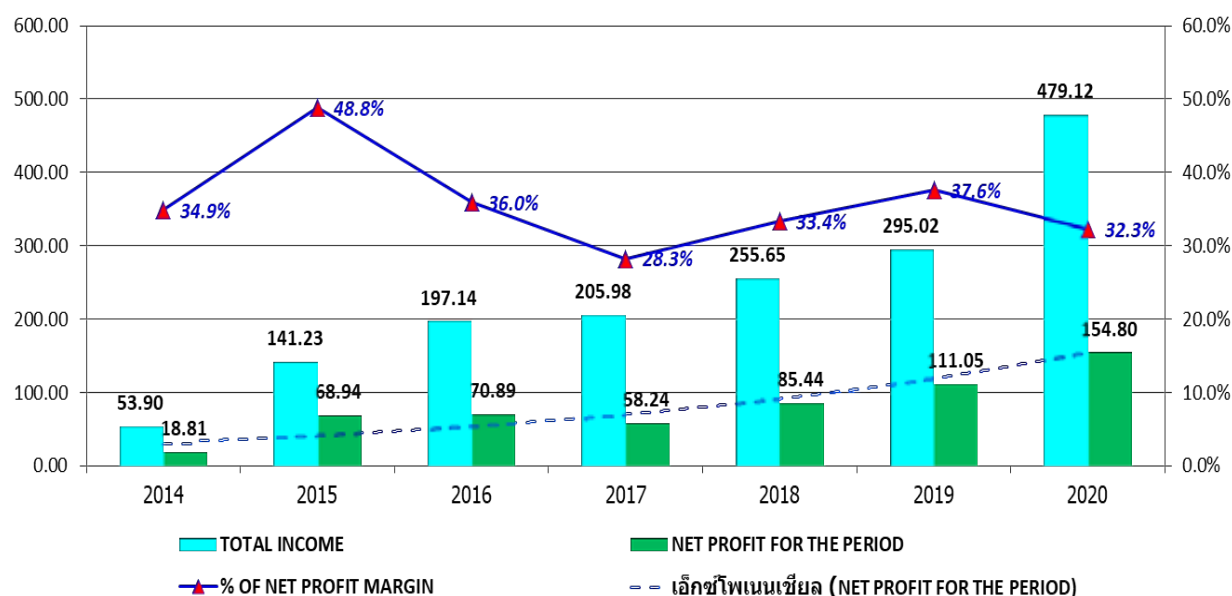
On May 29, 2020, Chayo Group Public Company Limited established another subsidiary company, 555 Shopping Company Limited, to operate the business of selling products through digital channels and Customer Information Center, whereby Chayo Group Public Company Limited holds 55% of the total registered capital of 10 million Baht.

On October 14, 2020, Chayo Group Public Company Limited established the subsidiary, Chayo JV Company Limited, for investment objectives and/or co-invests in property management business and/or related businesses initially that the Company hold 99.99% of stocks of Chayo JV Co., Ltd. At present, the Company is in the process of negotiating with investors, that if the Company can negotiate with investors also the Company's shareholding in Chayo JV Co., Ltd. may change, however, Chayo Group Public Company Limited will not hold less than 51% of stocks. Chayo JV Co., Ltd. has registered capital of 55.00 million Baht and paid up capital of 27.50 million Baht.

Business Overview in 2020, the company had total revenue of 479.12 million Baht (including profit from the sale of Properties foreclosed and other income), increased by 62.40% when compared to the previous year at 295.02 million Baht. The total revenue was consisting of the proportion of income from

the main business which are Interest Income to non-performing asset loans at 87.09%, debt tracking and collection services income at 10.72%, credit lending income at 1.57%, and revenue from sales at 0.62% of net income (from 555 Shopping Company Limited). Net profit by year was at 154.80 million baht, increased by 39.40% when compared to the previous year at 111.05 million baht and the gross profit margin was nearly the same amount to the last year which is about 75.50% of income with net profit margin at 32.31%.

According to the graph below, it can be seen that from 2014 (after the company has operated the business of investing and managing non-performing assets) until 2020, the Company has continuously grown in terms of revenue and net profits.



1.1 Vision and Mission

1.1.1 Vision

“ Expertise in managing secured and unsecured non-performing loans professionally, for customers, and key stakeholders. ”

1.1.2 Mission

- 1) Professional management abided by Law and Debt Collection Act.
- 2) Promote and protect positive image of customers and stakeholders.
- 3) Lead by systematic marketing and completed execution.
- 4) Managing assets with integrity and providing best solutions to debtors at all time.

1.2 Business Goal

1) Service and Investment aspects The Company targets to

- (1) grow in investing and managing non-performing loan services, concentrating in continuous investment in the secured and unsecured debts which are obtained from auction, direct purchase, and non-performing loans (NPA) purchase. Asset investment depends on opportunities also other factors comprise of economic condition, relate rules, sell debts of financial institutions insight information of debt sport, competitors, and price auction and value investment. Our

company mainly uses Reasonable principles as a primary consideration. More investment in non-performing secured loans is expected. (The company has also planned to invest in nonperforming unsecured loans; however, the cost of investment is higher.)

- (2) have sustainable growth in debt tracking and collection services, which is the company's competency for more than 23 years, and also on customer service. The company will expand customer base in order the better serve the customers, under the assumptions to support customers and clients to achieve target goal as per initially agreed i.e. monthly/ quarterly debt collection target, goods sold target, monthly/ quarterly services, and monthly/ quarterly debt collection as per promotion campaign.
- (3) increase more services and sales channels by adapting the implication of modern technology and new innovation in order to promote up-to-date services, supporting the rapid changes of business environment and debtors behavior i.e. Transfer information and services through cell phone, social networking platform. Moreover, company is also focusing on maintaining existing customer base; together with building new ones. By means of continuously services improvement; the company aims to expand the services and participates in the auction with companies and other financial institutions, apart from current in service financial institutions. This will ensure that the company can best serve the customers, which will in turn provide opportunity for the company to expand the customer base.

2) Management Aspects

The company aims to increase the revenue and continuously boost up the profit generation by focusing on the revenue growth generated from the investment and management of secured and unsecured non-performing loans, and also from other current related services. For instance, the company will auction more secured loans for further management, auction credit card group debt which is considered as unsecured loans, and also on personal loan group debt. In addition, the company targets to sell assets obtained from the auction, increase the revenue generated from existing customers by reaching the collection target, expand customer base which is still in the same existing target group, the information communication technology group for customer service center business, or even expand customer base to new target group if there are potential opportunities. To aim for maintaining the service efficiency, constant update customer base, and ongoing upgrade employee's knowledge and competence. We believe that by doing these actions, in turn, we will be able to generate much higher return, comparing to what we used to do in the past. Last but not the least, the company will also improve and reinforce the management of those underlying costs, outbound dialer system will be used for the auto dialer process which is the process whereby the call is automatically triggered to those assigned list. Once the call starts, system will accordingly record the voice messages. Also, lines can be set to hang up once the complete information has been provided. This process will be used for the automatic outbound call to inform the outstanding debts to customer (debt tracking and collection services, and customer service). As well, the company also continuously looks for a way to reduce the auction cost of those secured and unsecured non-performing loans.

Due to the current economic conditions with bad debt at the end of the year 2020 at approximately 3.11% or approximately 523,261 million baht, the company believes that it is an opportunity to continuously expand the business of investing and managing non-performing assets, also the business of debt tracking and collection services. In the year 2020, the company was able to buy additional debt for management in the amount of 15,616 million baht by spending the investment in non-performing loans in the amount of 625.65 million baht and the income from the company's debt tracking and collection services in 2020 grew more than 62.40 percent compared to the year 2019.

For the year 2021, the company has set a goal to buy non-performing loans, both secured and unsecured loans, for an additional management of approximately 10,000 million baht by investing approximately 1,000 million baht and continuing to find customers in the debt tracking and collection service business so that the revenue could grow continuously. As for the lending business, the company has set a goal of lending in 2021 by approximately 100 - 200 million baht with focus on secured loans and the business of selling products, aiming to increase revenue and produce innovative health products. However, as the current economic situation is not quite good, because of the impact of the spread of infectious virus, corona 2019 (COVID-19), the Company will carefully proceed with the lending, which may result in not being able to meet the goal.

1.3 Background and Development

Year	Detail
1997	The Company was established under the name of Khien and Clay Company Limited with 3 million baht capital on 11 st March 1997 to operate services under section 69100 prescribed by the Department of Business Development, Ministry of Commerce with the objectives to service tracking and collections of debts.
2009	<ul style="list-style-type: none"> - Performed asset due diligence for Small and Medium Enterprise Development Bank of Thailand. (SME Bank) - Obtained license number 2967 from Ministry of Finance to operate debt and asset management service. (2 years in a term)
2015	<ul style="list-style-type: none"> - 1st December 2015, changed name to Chayo Group Company Limited (CHAYO) to operate services under section 69100 prescribed by the Department of Business Development, Ministry of Commerce with the objective to service tracking and collections of debts, and lawyer service. - Business restructured by consolidated business which was under supervised through purchased ordinary shares of Chayo AMC also Chayo Call Center on the 23rd December 2015.
2017	<ul style="list-style-type: none"> - The Company was converted into a public limited company, a juristic person under Civil and Commercial Code B.E. 2535 and changed its name to Chayo Group Public Company Limited on 11st May 2017 - Changed the share's par value and undergo a stock split, from 21,000,000 shares with par value of 10.00 baht to 420,000,000 shares with par value of 0.50 baht - Registered for capital increase of 70.00 million baht on 11th May 2017, as a result, Chayo Group Public Company Limited has registered capital of total of 280.00 million baht, comprising of 210.00 million baht of Issued and paid-up capital, and 70.00 million baht of unpaid capital.
2018	<ul style="list-style-type: none"> - 22nd March 2018, the Company registered in Market for Alternative Investment (MAI) also began trading in stock market. - 14th September 2018, Chayo Capital Company Limited (Subsidiary Company) was established. The objective of this subsidiary company was lending business (Nano Finances and Personal Loans) beneath the 70% of holding stocks from Chayo Group Company Limited
2019	3 rd December 2019, the Company registered capital increase with the Department of Business Development, Ministry of Commerce by issuing ordinary shares of 15.00 million baht, registered capital in total of 315.00 million Baht.

Year	Detail
2020	<ul style="list-style-type: none"> - 29th April 2020, the Company approved to increase registered capital by issuing new ordinary shares in the amount of 126 million baht to support the issuance of warrants and the payment of stock dividends. By issuing 252 million newly issued ordinary shares from the original registered capital of 315.00 million baht to 441.00 million baht in registered capital, the company paid a stock dividend of 42 million ordinary shares on the 28th May 2020. - 29th May 2020, the Company established a subsidiary, 555 Shopping Company Limited, holding 70% of the shares, registered capital of 7.00 million baht, conducting business of buying and selling, manufacturing food supplements, beauty cosmetics, food and beverages via digital channels (Online) and customer information centers (Call center). - 25th September 2020, the Company approved to the common stock and cash dividend payment of 44.10 million ordinary shares and the dividend payment on 21st October 2020. - 14th October 2020, the Company established a subsidiary, Chayo JV Asset Management Company Limited, holding 99.99% (as of 31st December, 2020, Chayo JV Asset Management Company Limited has not yet started operating). At present, the Company is in the process of negotiating with investors, that if the Company can negotiate with investors also the Company's shareholding in Chayo JV Co., Ltd. may change, however, Chayo Group Public Company Limited will not hold less than 51% of stocks. Chayo JV Co., Ltd. has paid up capital of 27.50 million Baht. - 21st October 2020, the Company registered capital increase with the Department of Business Development, Ministry of Commerce, and registered capital in total of 468,298,721.50 million Baht (paid capital in total of 352,799,064.50 million Baht). - 25th December 2020, the Company moved from Market for Alternative Investment (mai) to listing in the Stock Exchange of Thailand (SET).

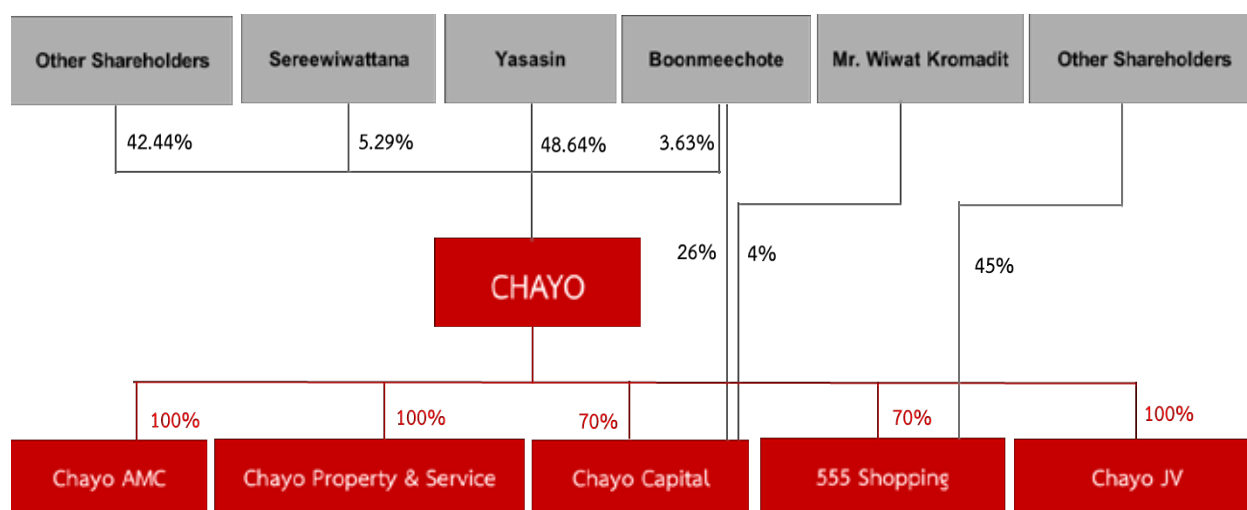
The Company has initially auctioned the non-perform assets to invest and manage from non-financial institutions since 2011. However, in 21st March 2014, a subsidiary, Chayo Asset Management Company Limited was approved by Bank of Thailand, and registered as Asset Management Company (per Ministerial Regulation B.E. 2541, Emergency Decree on Asset Management Company B.E. 2541). As a result, Chayo Asset Management Company Limited (Chayo AMC) is authorized to participate in the auction and debts purchases from financial institutions, whereby Chayo Group Public Company Limited and Chayo Property and Service Company Limited (former name was Chayo Call Center Company Limited) are able to buy debts from non-financial institutions.



2. Nature of the Business of the Company and the Subsidiaries

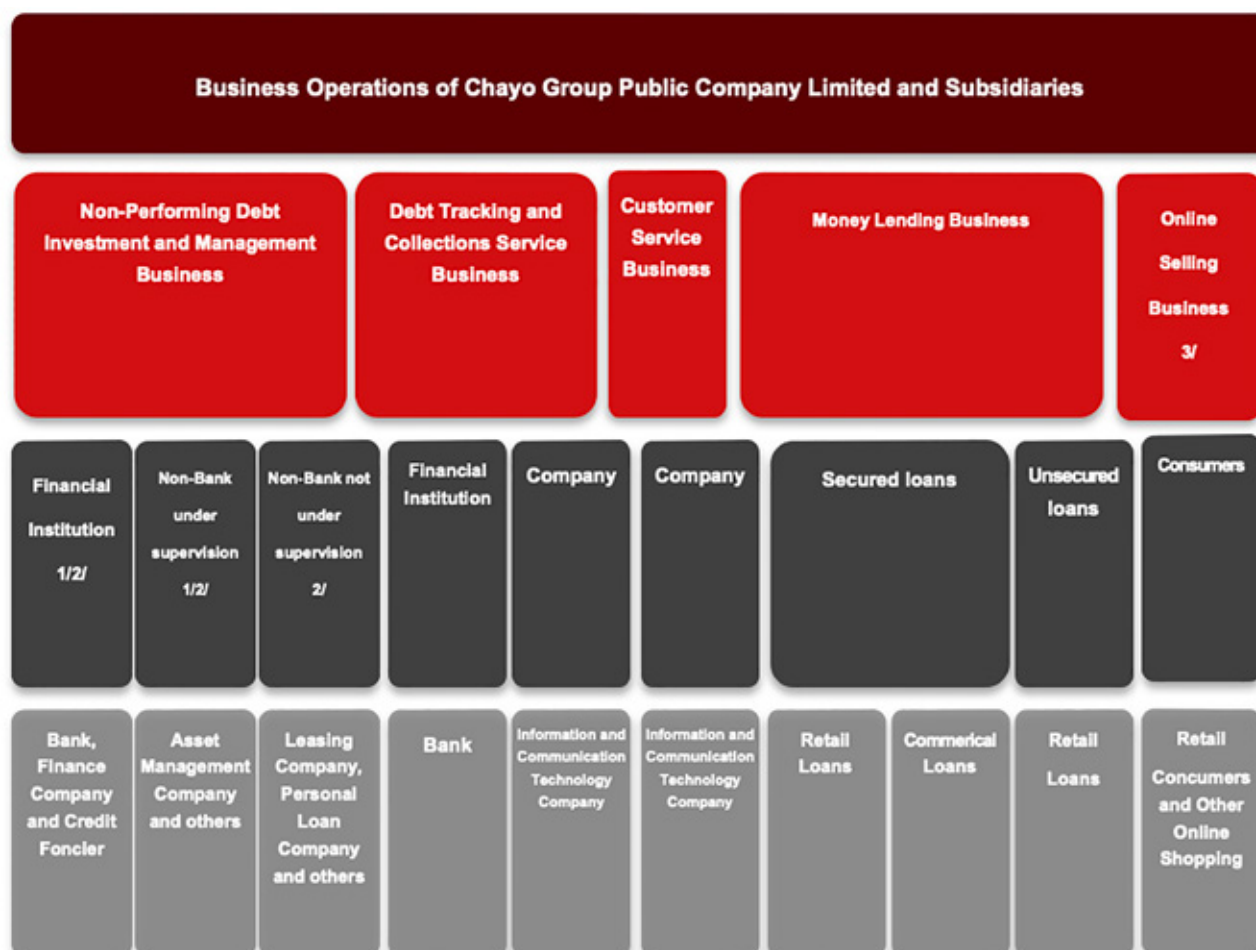
2.1 Holding Company Structure (As at February 1, 2021)

As at February 1, 2021 the company has held 5 subsidiaries stocks; Chayo Asset Management Company Limited, Chayo Property and Service Company Limited (former name was Chayo Call Center Company Limited), Chayo Capital Company Limited, 555 Shopping Company Limited and Chayo JV Company Limited. The Company has registered and paid-up capital in the amount of 352,799,064.50 baht) and its subsidiaries consist of Chayo Asset Management Company Limited, Chayo Property and Service Company Limited, Chayo Capital Company Limited, 555 Shopping Company Limited and Chayo JV Company Limited with registered and paid-up capital of 200 million baht, 20 million baht, 50 million baht, 7 million baht and 27.50 million baht respectively, according to the diagram as follows:



2.2 Business Operations

The diagram below shows the relationship between Business Operations of Chayo Group Company Limited also the subsidiaries and business partners related in investment also services:



Remark: ^{1/} Financial Institutions (Commercial Bank, Finance Company and Credit Fancier Company) also Non-Bank under supervision (Asset Management Company and others comprise of Foreign Financial Institution Representative Offices and Non-Bank) as the diagram above are under the Bank of Thailand's supervision which mean these financial service providers offer deposit-withdraw money service loan service, payment service also other financial transactions as authorized to customers not only ordinary people but also companies or government agencies. To manage the financial business beneath Financial Institutions Business Act, B.E., 2551 and under the bank of Thailand's supervision consists of;

- (1) Financial Institutions categories into 3 types;
 - Commercial Banking Business
 - 1) Thai Commercial Banks
 - 2) Retail Bank
 - 3) Subsidiaries
 - 4) Foreign Bank Branches / Full Branches
 - Finance Companies
 - Credit Fancier Companies
- (2) Foreign Financial Institution Representative Offices
- (3) Asset Management Companies
- (4) Non-Bank

Sources: Financial Consumer Protection Center, Bank of Thailand at <https://www.1213.or.th/>

- ^{2/} Generally, Chayo AMC is able to purchase non-performing assets from Financial Institutions also Non-Bank under supervision. While Chayo and Chayo Call Center are capable of purchase non-performing assets from Financial Institutions also Non-Bank under supervision including also Non-Bank not under supervision. However, in practice, Financial Institutions also Non-Bank under supervision will not trade non-performing assets to any company which is not Asset Management Company
- ^{3/} The business has started operations in May 2020, selling products through the Call Center in order to expand the Call Center business which the company has already operated, by using the existing resources and manpower to sell products. and/or services via Call Center, TV Shopping, Online channels and/or related channels Selling products to general consumers including collaborated with companies which operate in the similar business for sales and production through Call Center, TV Shopping and On-line channels.

2.2.1 Non-performing Debt Investment and Management Business

The Company will acquire the non-performing loans mainly from financial institutions by the auction through Chayo Asset Management Company Limited, who has the license granted from Bank of Thailand under Emergency Decree on Asset Management Company B.E. 2541. The company will manage the secured and unsecured non-performing loans, acquired from banks or financial institutions under the Bank of Thailand's supervision. Asset management activities cover compulsory execution, sales by auction, real estate acquired for investment, renovate and/or recondition for resale, and negotiate for the better term.

2.2.2 Debt Tracking and Collections Service Business

The Company that provides cost checking services and accelerates operations by companies that have been inspected accurately and quickly. In addition, the company will continue to be the service provider. Receiving compensation from the arrest of criminal offenders or requesting assistance in the said proceedings for 23 years, resulting in the company having the ability and expertise in procedures and methods of monitoring the Olin Demanding a thorough understanding of the relevant laws for tracking actual damages (No. 2967) of goods that fully support legal compliance and compensation laws in 2015, and the company has a policy to pay attention and take care Maintain the aristocracy as the operational principle.

2.2.3 Customer Service Business

The Company is a provider of customer relations centers from clients by systematically providing presentation of products and services from clients, together with telemarketing service, to offer the appropriate products and services in these rapid changes of customer's behaviors from negotiation skills in order to present product information and services of the client systematically.

2.2.4 Lending business

The Company provides two types of credit: (1) unsecured personal loans which was directed by the Bank of Thailand, operates business under a supervised personal loan license and retail credit for occupation under the supervision of and (2) secured credit conducts business under other applicable laws.

2.2.5 Product selling business through call center and/or TV Shopping and/or online channel

The Company is a sale product through call center and/or TV Shopping and/or online channels and/or other relevant channels that extending from the Call Center business which the company operates in selling products and/or services that meet the needs of consumers by selling through the Call Center 24 hours such as health and beauty products food supplements, cosmetics and innovative products, etc.

2.3 Revenue Structure

For the 2020 year, the total income of the Company and its subsidiaries consist of the revenue from investment business and asset management effectively with the percent of 87.34, revenue from debt tracking and collections service business with the percent of 9.86, revenue from money lending business with the percent of 1.45 also revenue from product selling business via call center with the percent of 0.58. In order to, that the revenue from investment business and asset management effectively is the greatest proportion of total revenue. The revenue structure of the company in the year 2018 to 2020 is as follows;

Revenue	2018		2019		2020	
	Million Baht	%	Million Baht	%	Million Baht	%
Revenue from non-performing loans investment and management business	212.87	80.45	231.87	72.94	417.25	80.18
Revenue from debt tracking and collections service business	41.44	15.66	61.37	19.30	51.32	9.86
Money Lending Business	-	-	1.78	0.56	7.55	1.45
Revenue from customer service	1.33	0.5	-	-	-	-
Revenue from sales	-	-	-	-	3.00	0.58
Total Revenue from Services and Investment	255.65	96.61	295.02	92.80	479.12	92.07
Other Revenues	2.23	0.84	3.20	1.01	4.02	0.77
Profit from Non-Performing Assets	6.73	2.55	19.69	6.19	37.24	7.16
Total Revenues	264.61	100.00	317.91	100.00	520.38	100.00

Risk Factors



Currently, the company operates 5 businesses, namely, non-performing loan investment and management service, debt tracking and collections service, customer service, money lending business and the business of selling products through call center and/or TV Shopping and/or online channel, whereby risk of each core business are varied as follows.

1. Non-performing debt investment and management service business

1.1 The risk of investment loss from managing Non-Performing Loans

The company purchased Non-Performing Loans both secured and unsecured by auctioning from financial institutions also other financial institutions to manage by receiving transfer of claim rights, debt tracking and collecting also prosecution and execution. Therefore, the company is at risk from Non-Performing Loans auction with improper prices or high costs. Risk of collecting debts which less than expected. These factors will affect the worthless investment or loss experience.

However, before each of Non-Performing Loans auction, the company had analyzed Non-Performing Loans' detail as well as other details involving in order to making a decision in, each Non-Performing Loans auction which included securities analysis (in case of secured debts auction), age of debtors, debt categories, each of debts ceiling, cash flow forecasting which expected to receive from Non-Performing Loans Management, storage costs also other related details and ensue on debt collecting consecutively along with debts tracking or debts purchasing analysis for the future. Furthermore, the company had established Assets management Committee to considerate in every debts buying auction. The committees as mentioned will responsible for details analysis in order do making decisions also determining prices for proper Non-Performing Loans auction.

1.2 The risk of investment loss from unsecured debt management

Investment in unsecured debts is to buy and/or participate in unsecured loan auction. In case that the debtor is forced into bankruptcy, assets will need to be shared with other creditors as per proportion and rights. Somehow, the company may not receive any returns from this investment since the payback is not yet been made by the debtors. Further, activities such as debt collection or legal litigation cannot be imposed in the case whereby the bankruptcy is filed.

However, prior to any auction of non-performing loans, the company will carefully analyze and evaluate related information of those non-performing loans before making any decision. The analysis is based on several factors such as debtor's age, type of debts, average credit limit, forecasted cash flow to be generated from the non-performing loans management, storage cost, and other related information. Further, closely monitoring on the debt tracking and collection, and analysis of the future performance are being done. Nevertheless, the company has set up asset management committee to approve the transaction prior to participate in the auction. The committee will analyze and determine the appropriate auction prices for those distressed debts. Unsecured non-performing loans will normally have lower purchase price and/or lower auction price, due to the reasons provided above.

Furthermore, with more than 23 years of debt tracking and collecting service business experience will affect the company to attain the debt collections' target or nearly target through specify debt tracking plans also making reports. Moreover, the company will identify causes also determine solutions in case of debt tracking and collections service failure to improve and figure out the problem to onwards developing business of the company.

1.3 The risk of business competition or the risk of company incapable to bid for new non-performing loans

Operating Investment also Asset Management both secured and unsecured, the entrepreneurs need to own business license, investment readiness also potential debt tracking and collection. At present, few individual entrepreneurs (also non-financial Institutions or hold stocks or establish by government) in this business type. Nowadays, most entrepreneurs are in the financial institutions which sell non-performing assets also purchase non-performing assets from associated company only as a policy. However, even though less entrepreneurs will affect the risk of companies in non-performing assets auction competition not only prices but also capitals, meanwhile non-performing assets auction from companies which are established by government have got quite high capitals, these will affect that there would be no non-performing assets to manage more also impact on company's income. Furthermore, if some private companies begin to operate this type of business, this will cause the risk of more investment usage in order to purchase non-performing assets from financial institutions also non-financial institutions. Due to a large number of Non-Performing loans or assets in the market effect the financial institutions or associated company are incapable to collect debts thoroughly accompany with high cost of debt tracking also not worth for themselves, besides, few individual entrepreneurs also limited capital. Our company believes that we have low risk of competition

1.4 The risk of customer repayment ability on the non-performing loans

Customer repayment ability is the main factor of the revenue generation of non-performing loan management business. Many external factors, such as economic fluctuations and natural disaster, can worsen customer's repayment ability, which will in turn create collectible risk to the company. On the other hand, during economic bloom, debtor's repayment ability is high.

Thus, the company has at all time evaluated the debt tracking and collection activities to analyze the repayment ability of the debtors. As well, from the analysis, several campaigns and stimulus plans, such as debt discount during holiday period and special promotions, are used to promote the payback from the debtor.

1.5 The risk of relying on the management

The company is mainly dependent on the expertise and capabilities from Executive directors of Chayo Asset Management Company Limited, namely, Mr. Suksan Yasasin, Chief Executive Officer. The company is strongly relying on the experience, expertise, knowledge and skills. There is a risk of this dependency and the business operations might get impacted.

However, the company is aware of such risk of dependency on the executive and other expertise personnel. Thus, the company plans and forms structure in the way that other executives can also work interchangeably, under the concept of good governance. Furthermore, the company has provided plans also recruitment processes of succession plan in order to defining recruitment methods of the successor by assigning the Nomination and Remuneration Committee to recruit. Moreover, determining recruitment plans for the Chief Executive Officer succession plan meanwhile nominating a proper person into the succession plan consideration constantly to the Board of Directors to considerate an appointment when a vacant position occurs for instance, when the Chief Executive Officer position is vacant or the person who in charge of this position is unable to perform duties, the company will assign the executive who has the closest level or the Vice Chief Executive office to acting in the position as far as, the remuneration also the selection any person whom qualified as company's principle in order to propose to the Board of Directors to consider and approve the appointment and/or an important position within the Company which enable the company to operate and expand business sustainably in accompany with determining qualifications also capabilities which needed for an important position. The company has applied the

recruitment strategies within the company in order to boost loyalty and morale to the employees. The Human Resources Department is responsible for determining successor process as company determinate also each position evaluation annually. Moreover, the company still reinforces a good relationship constantly within company for instance recreation activity and company seminar. From the company's process as mentioned, is the cause of company has never experienced personnel shortage.

1.6 The risk of complaints and litigation arising from the debt collection activity which is not as prescribed by Debt Collection Act B.E. 2558

The company is exposed to the risk of litigation lawsuits from debtors in the case whereby the employees perform the activities contradicted to what prescribed in Debt Collection Act B.E. 2558 under the supervision of debt collector committee. However, the Company has managed out the risk by providing continuous training to the staff and has set up clear disciplinary actions if staff has performed any wrongdoings. Further, the company also has mechanism on tracking staff performance on debts collection and customer satisfaction survey from the debtors is performed. Apart from that, there is a mechanism to protect the debt collection after the work hours, such as staff's phone using for debt tracking and collecting is not usable after the work hours.

1.7 The risk of fund arranging for auction and debt purchase

Even though there is continuously auction of non-performing loans, however, the investment or nonperforming loans purchases require huge amount of fund. Thus, the company needs to arrange appropriate source of fund ready at all time, given that if the company wins the auction; the company will have to pay full amount of the non-performing loans to the seller on the asset transfer date which is normally within 30 days after the auction date. Therefore, the company, prior to the auction, will always ensure that sufficient funds are available for the payment.

At the present time (as at the 31 December 2020), the company was approved from shareholders to able to raise money through releasing debenture and/or bill of exchange not excess than 2,500 million baht. As of December 31, 2020, the Company had issued 1,520.00 million Baht, nevertheless the company still has credit limit around 980.00 Million Baht. The company is during negotiations with financial institutions or banks in order to apply for additional loans approximately 100 - 200 Million Baht. Thus, the company believes that the risk of fund arranging for debt auction is in level. Anyhow, the company has a policy to ask for a loan in order to maintain the debt to equity ratio in a limited amount of 2 times or not over 1.7 times of interest loans.

1.8 The risk that no non-performing loans are available in the market

Potential risk will be at the period whereby those financial institutions are having no non-performing loans or few non-performing loans on hand, subsequently, they will be able to manage those assets in house or even set up subsidiaries to manage the tracking and collection of those non-performing loans. Economy is the main factor determining the amount of non-performing loans in the market. During the period of economic recession, more non-performing loans will be available as a result. However, the company still believes that whenever there are more non-performing loans in any financial institutions or their subsidiaries' portfolios, they will not be able to fully perform debts tracking and collection activities. Further, the tracking and collection activities incur high cost of processing, which will not worth performing in house. Thus, the company believes that there is a low risk of having no non-performing loans available in the markets.

1.9 The risk that there are changes or incremental regulations, acts and procedures governing the business

It is essential that the company needs to abide by all related rules and regulations which will in turn directly impact the end users. Thus, the company is required to rapidly adjust, adapt and execute,

which in turn will impact the company's strategy previously planned. However, the company is flexible to adjust any strategies and plans to cope up with any upcoming changes in the assumptions that all internal controls are maintained.

1.10 The risk from natural disaster, epidemic including the coronavirus disease 2019 (COVID-19) epidemic since January 2020 and political issues which impact the business environment and company's performance

The company has realized in the importance to have supporting plans for any natural disaster, thus Business Continuity Planning (BCP) is prepared just in case of any immediate activation, such as provision of a second site, planning and testing for employees to work at home that including preventive measures for instance patient screening measures, including the preventive measures, for example, patient screening measure, Measure or procedure to perform if any incident occurs, measures or procedures of operation in case of the situation happens. The plan will minimize the effect of any disruption on an organization, and also support the on-going ability to provide the same service level of execution.

1.11 The risk of higher auction cost due to the increase of competition in the industry

Efficient management is another key factor for the revenue generation of the investment and nonperforming loans the management company. As a result, many companies who are interested in entering into this industry have studied in-depth information on investment and non-performing loans management business. However, to operate the management of non-performing loan business requires high initial funding for the auction of non-performing loans and high investment on related systems. Further, management's expertise and experiences are another key success of the company's performance, which in turn might result as obstacles for the new incomings.

2. Debt Tracking and Collection Service Business

2.1 The risk of litigation arising from the debt collection activity which is not as prescribed by Debt Collection Act B.E. 2558

The company is exposed to the risk of litigation lawsuits from debtors and/or clients in the case whereby the employees perform the activities contradicted to what prescribed in Debt Collection Act B.E. 2558 under the supervision of debt collector committee, such as debts reported wrongly to other persons who are not the debtors, sending any communication containing message/ symbol/ sign/ company's name which implied a debt collection, misunderstanding by the debtors that employees are committing acts of defamation during negotiation, and debt collection activity after the work hours as required by law which is after Monday - Friday 8.00 - 20.00 and holiday 8.00 - 18.00.

However, the company has managed out the risk by providing continuous training to the staff, team lead, and related stakeholders on the understanding of Debt Collection Act B.E. 2558 and has clear disciplinary actions if staff including team lead has performed any wrongdoings. Further, the company also has mechanism on tracking staff performance on debts tracking and collection, voice recorder during the tracking and collection activities and also customer satisfaction survey from the debtors. Apart from that, there is a mechanism to protect the debt collection after the work hours, such as staff's phone using for debt tracking and collecting is not usable after the work hours.

2.2 The risk that the debt collection does not meet target as being set by the clients

External uncontrollable factors and economic conditions are playing key roles on debt tracking and collection business which can result in non-collectible payback as per being targeted. Further, if the uncollectible issues are prolonged, the company will be at risk of not being chosen by the clients in the future.

However, the Company has expertise and experience in debt tracking and collection services of more than 23 years. All executions are performed in a high standard level under strict compliance to all rules and regulations. The company has always well performed the collection activities achieving targets provided by the clients who in turn result in a continuous job offered; as well the clients do not prefer to invest nor start to perform the debt collection activities in house. Furthermore, the Company has outlined the plan and performance reports to track the root cause of those unachievable target collections in order to seek out the solutions for further development and improvement.

2.3 The risk of resources shortage

Given that there is high competition in the labor market, and higher possibilities that many companies are entering into the tracking and debt collection business, it is possible risk that the company will lack of resources to perform the tracking and debt collection. The company could possibly lose the opportunities and revenue portions, if the company could not fill in the empty positions nor unable to retain the existing employees.

The company, thus, plans to manage the resources matter and any upcoming rapid changes by providing appropriate salary to the staff. Proper training will be provided to stipulate employee's expertise. Team building activities will be held in order to boost up the positive working environment, which will in turn attract those specialized staff to stay with the organization.

2.4 The risk from the competition within the industry

Debt Tracking and Collection Service Business does not require high investment, and business organization is not complex. Thus, the risk is that there will be new business operations to compete more in the industry and will result in an intense competition both in term of market sharing and price discount.

Considering the future exposures, the company, therefore, pays high attention on quality of work and standard of the service. Nevertheless, all conducts and procedures will be abided by any laws and regulations in order to maintain the brand image of the clients. In conclusion, the company believes that by maintaining superior quality and high standard, there is a low possibility that the client will not further outsource the collection work to the company.

2.5 The risk of reliance on few major customers

The company is servicing the tracking and debt collection for few major clients, which are leading financial institutions (leading banks) and other information and communication companies. Service contract will be as per the client's consent and will be renewed by terms. In the case whereby the company cannot meet the target services as agreed with clients, there is a risk that the contract will be amended or cancelled.

However, from the records, the company has shown the competence and set a good standard of the services provided. Thus, the company has earned trust from the clients. Moreover, the company is planning to expand the customer base to other financial institutions and other firms in order to lessen the risk of the said dependency. As well, to expand the scope of services to other types of business such as customer service center.

2.6 The risk of depending on the Chief Executives and Specialized Personnel

From the business operation of the Company Chief Executives such as Mr. Suksan Yasasin who is being in charge of Chief Executive Officer as well as Mrs. Pim Pattamasing Na Ayuthaya whose position is Managing Director; with the business experiences for more than 20 years affect these two executives to have well comprehended in the business. The company must rely on knowledges from skills also long experiences of- knowledge and expertise on debts tracking and collection. If the company had lost

these personnel, would have affected the operation capabilities of the company, which will impact on the operations are not going as planned

However, the company has foreseen the risk of depending on the Chief Executives as mentioned, also other specialized personnel. Therefore, the company has planned or specified the replacement of the Chief Executives as good corporate governance. Moreover, the company has created plan as well as recruitment process for succession plan in order to determine recruitment process for successor by specifying the nomination and remuneration as recruiter also determine recruitment plan for : a successor of Chief Executive Officer. Furthermore, nominate a proper person for successor consideration constantly to the Board of Directors in order to consider the appointment when the position is vacant for instance; when the Chief Executive Officer position is vacant or a person in the position is unable to perform a duty, the company will determine the executive whose position is closest to the vacated position or assign the Deputy Chief Executive Officer to perform duties instead until the recruitment and selection of qualified personnel as company's determining principles to propose to the Board of Directors to considerate the appointment and /or an important position within the company which render the company sustainable operation also expand businesses capabilities, Meanwhile, define characteristics as well as needed capabilities of an important position by applying employees recruitment strategies, within the company in order to create loyalty also morale to employees. The Human Resources Department will specify operation process to create successor as the company defined process and each position will have an evaluation every year. Apart from that, the company has reinforced a good relationship within the company consecutively every year for example; recreation activity and company seminar. From the company's process as mentioned, is the cause of company has never experienced personnel shortage.

2.7 The risk of leakage of important information

For debt tracking and collection activities, the clients will send relevant information or related to the company, whereby the data is considered as confidential information of the clients. The Company must not disclose copy or reproduce any single part of the information without clients' written consent. Also, the company will need to monitor and control the staff not to disclose any information to public. In any case, if the staff does not follow the company's rules and procedures by disclosing information to public, the company will be at risk of being sued or fined. Subsequently, company image and reputation can be affected and as a result the company might not get hired in the future.

The Company has protected and managed out the risk by using technology to limit the rights of accessing to the information of each client. This technology will limit the access of the staff and related parties, preventing them from copying any information. Staff, also, is not allowed to bring in any electronic devices to workstation. The company also has process to review the access logs and consistently back up clients' information. Further, the company has clearly outlined the penalty if any staff has violated company's rules and procedures.

3. Customer Service Business

3.1 The risk of Industry Competition

Given that customer service business requires low initial investment and organizational structure is not complex, there is high possibility that new players will easily enter into this industry. This could result in price reduction in order to increase the market shares and customer base. However, call center service business requires high creditability and trust from the customer, since the company is representing the customer's image. Any mistakes occurred from the service can directly impact the company's image. Therefore, the customers are strictly sourcing the service providers. From the records, the company has outstanding performance and a long experience in debt tracking and collection business. The company

has never discredited any customer's image. As a result, there is a very low risk of the market share loss due to the intense competition.

3.2 The risk in contact cancellation due to depending on Large Employers also few group of customer

Generally, Customer Service Center's term of service contract will have employer contract session also renew a contract occasionally. In case of employer decide to terminate or non-renewal the contract, these will directly impact on customer service revenue promptly.

However in the 2020 year, the company had no revenue from customer service center. Meanwhile, customer service center officers had been relocated in debt tracking for associated company too. The company currently seek for new customers not only Information Technology and Communication Industry, but also other industries including developing properties in order to earning for the company. For the purpose that, the, customer service center income, is, approximately 1 - 2% of company total revenues (if any).

4. Money Lending Business

4.1 The risk of Lending

The most important process of money lending is considering customers' credit. If credit evaluation or consideration carelessly, these will affect to the company's approval then improper lending or NPL.

1. These will cause the risk of Non-Performing Loan (NPL) as follows:
2. Income Criterion
3. Net Income Criterion
4. Minimum Year Work Experience Criterion

Total Loan Limit amount from other financial institutions where ever lent money to, under identical license, will not exceed the license terms.

In addition to the company has established agencies also money lending and debt tracking systems which comprise of experienced and skilled personnel to sustain and contribute to credit considerations to reduce the risk.

4.2 The risk of Industry Competition

Personal Loan Business is highly competitive in the industry from both Bank and Non-Bank. Each entrepreneur offers discount promotions to customers and the Company's less profit comparing to other business. However, the company has methods to deal with this problem consist of define the target market to promote product also reduce competition from others, another method is effectively debt-tracking to control Non-Performing Loan. These solutions will ensure that the company may gain more profits nearby our current business.

5. Product Selling Business via Call Center

5.1 Risk from industry competition

At present, there are several sales of beauty products, supplements also cosmetics in the market not only online but also direct sale, so the number of competitors in the market is huge. In this risk, the company foresees and mitigates the risk by introducing products that are popular on their channels to make their products stand out, along with being a business partnership with the product owner will encourage the launch of new products continually also use product expertise to create strengths.



Shareholding Structure

1. Registered and Paid-up capital

Registered and paid-up capital as of December 31, 2020 comprising of:

Registered capital	Baht	468,298,721.50	(Four hundred sixty-eight million, two hundred ninety-eight thousand, seven hundred twenty-one Baht fifty Satang)
Divided into:	Shares	936,597,443	(Nine hundred thirty-six million, five hundred ninety-seven thousand, four hundred forty-three shares)
Par value per share	Baht	0.05	(Fifty Satang)
Paid up capital	Baht	352,799,064.50	(Three hundred fifty-two million, seven hundred ninety-nine thousand, sixty-four Baht fifty Satang)
Divided into:			
Ordinary shares	Shares	705,598,129	(Seven hundred five million, five hundred ninety-eight thousand, one hundred twenty-nine Shares)
Par value per share	Baht	0.05	(Fifty Satang)

2. Shareholders

Information from book closing date as of the 1st February 2021 shows the twelve Major Shareholders and shareholding Proportions as follows;

No.	Shareholders		No. of Shares	%
1.	Mr. Suksan	Yasasin	303,353,822	42.99
2.	Thai NVDR Company Limited		33,631,971	4.77
3.	Doctor Pongsak	Thammathataree	33,500,000	4.75
4.	Mr. Sura	Khanittaweekul	24,000,000	3.40
5.	Mr. Natthawat	Yasasin	22,676,619	3.21
6.	Mr. Paiboon	Sereewiwattana	20,244,775	2.87
7.	Mr. Rittirong	Boonmechote	19,199,200	2.72
8.	Mrs. Waranee	Sereewiwattana	11,760,000	1.67
9.	Mr. Somyos	Munnitivorakul	11,000,000	1.56
10.	Mr. Prayut	Euawattana	10,000,000	1.42
Total Shareholder of Top 10 Major Shareholders			489,366,387	69.35
Other Shareholders			216,231,742	30.65
Grand Total			705,598,129	100.00

Dividend Policy



1. Dividend Policy

The company's dividend policy is to pay out no less than 40 percent of net income after tax and after all reserved under separate financial statement. However, dividend payout policy is subjected to investment plan, conditions and limitations as per prescribed in loan agreement and other related agreements (if any), financial status and company's performance, and other factors. However, the Board of Directors may revise and amend the dividend payout policy as deem appropriate, considering future business plan, needs of funding and other factors. However, the dividend payout should be as prescribed by related rules and will not be greater than retained earnings as shown under separate financial statement.

2. Dividend Policy of the Subsidiaries

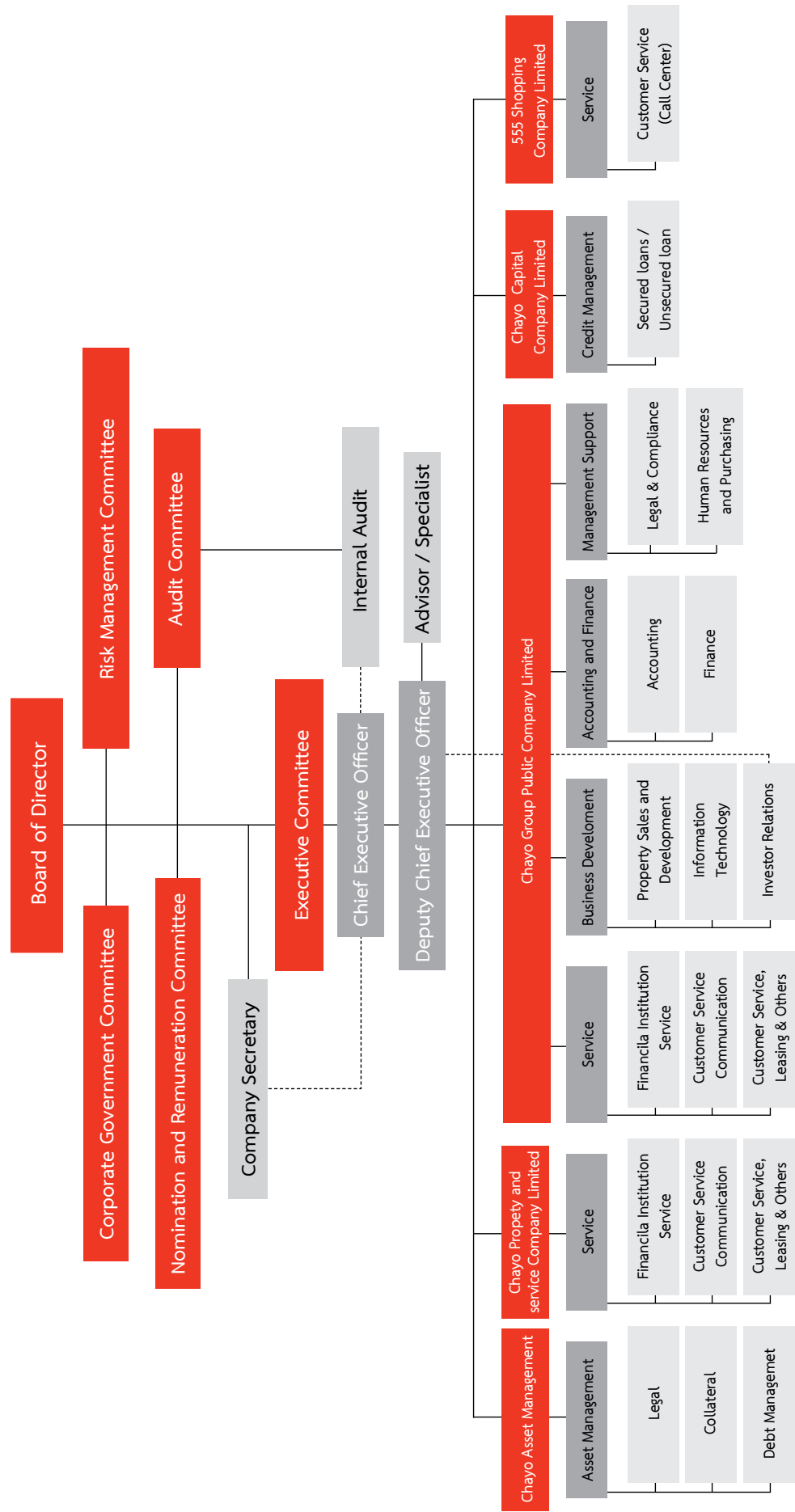
The subsidiaries' dividend policy is to pay out no less than 40 percent of net income after tax and after all reserved under separate financial statement. However, dividend payout policy is subjected to investment plan, conditions and limitations as per prescribed in loan agreement and other related agreements (if any), financial status and the subsidiaries' performance, and other factors. Dividend payout policy might be revised and adjusted as deem appropriate, considering future business plan, needs of funding and other factors. However, the dividend payout should be as prescribed by related rules and will not be greater than retained earnings as shown under separate financial statement.



Organization Structure

Chayo Group Public Company Limited is responsible for regulating subsidiaries to operate their businesses under the same standard. For the best interest of shareholders The Board of Directors are responsible for the supervision and control of operations of the Company and the subsidiaries.

As of the 31st December 2020, the organization charts of the company are as follows:



Board of Director

There are total of 6 committees under the current company's structure, namely, Board of Directors, Executive Committee, Audit Committee, Risk Management Committee, Corporate Governance Committee, and Nomination and Remuneration Committee.

Qualifications of company's Board of Directors and Executives are as per prescribed in Public Limited Companies Act, B.E.2535 under section 68, and Notification of the Securities and Exchange Commission no. TorChor. 28/2551 Re: Application for Approval and Granting of Approval for Sale of Newly Issued Shares (codified) dated 15 December 2008. From 2019 ordinary shareholders' meeting resolution as of 31st December 2020, The Board of Directors who were appointed by the General Meeting of Shareholders for the year 2020 consists of 10 members as follows;

No.	Name	Position
1.	Mr. Wutisak Lapcharoensap	- Chairman of the Board - Independent Director
2.	Mr. Chanon Chotevijit	- Director - Independent Director - Chairman of the Audit Committee - Nomination and Remuneration Committee
3.	Air Chief Marshal Arnon Jarayapant	- Director - Independent Director - Audit Committee - Chairman of Nomination and Remuneration Committee
4.	Mr. Teeranut Thangsatapornpong	- Director - Independent Director - Audit Committee - Chairman of Risk Management Committee - Nomination and Remuneration Committee - Chairman of the Corporate Governance Committee
5.	Mr. Vitthaya Inala	- Director
6.	Mrs. Rosporn Sooksomporn	- Director
7.	Mr. Seksan Rangsiyeranon	- Director - Executive Committee - Risk Management Committee
8.	Mr. Suksan Yasasin	- Vice Chairman of the Board - Risk Management Committee - Corporate Governance Committee - Nomination and Remuneration Committee - Chairman of Executive Committee - Chief Executive Officer

No.	Name	Position
9.	Mr. Kittu Tungsiwong	<ul style="list-style-type: none"> - Director - Risk Management Committee - Nomination and Remuneration Committee - Executive Committee - Deputy Chief Executive Officer - Company secretary - Acting Managing Director Business Development
10.	Mrs. Pim Pattamasing Na Ayuthaya	<ul style="list-style-type: none"> - Director - Risk Management Committee - Corporate Governance Committee - Executive Committee - Managing Director of Executive Support

Directors who have authorities to sign on behalf of the company

Mr. Suksan Yasasin, Mrs. Pim Pattamasing Na Ayuthaya, Mr. Seksan Rangsiyeranon, and Mr. Kittu Tungsiwong whereby signed by two directors and a company's seal

Directors who have control over appointment granted by major shareholders

No director is granted control by major shareholders since Mr. Suksan Yasasin who is appointed as Vice Chairman of the Board is the only major shareholder who has control right over the company.

Duties and responsibilities of the Chairman of the Board

1. Monitor, tracking and supervise the operation of the Board of Director as well as sub-committees.
2. Conducting a meeting of the Board of Directors or may assign another person to do instead.
3. Preside over the meeting of the Board of Directors. In case of equal votes, the chairman will have one more vote for the casting vote.
4. To be the chairman of the shareholders' meeting Control the meeting in accordance with the regulations of the company. Conduct the meeting in accordance with the agenda set forth in the meeting invitation letter.
5. Perform any other activities as assigned by the Board of Directors.

Duties and Responsibilities of Vice Chairman of the Board

1. Manage the business of the company in accordance with the policy, objectives, regulations of the company, Shareholders meeting resolution, Board meeting resolution, Executive Committee Meeting's resolution as well as related regulations.
2. Order or take any action in order to perform the work according to the list at clause 1. to be accomplished very well. Moreover if it is important, report it to the Board of Directors meeting and/or the Executive Committee meeting.
3. Consider and approve the assignment, appointment, transfer, dismissal, including considering the merits Disciplinary measures as well as employee compensation and benefits. All so, it must not conflict with the authority of the Executive Committee.
4. Issue regulations on the performance of the company without conflict with any policies, regulations, rules and resolutions of the shareholders' meeting, Board of Directors meeting and/or the Executive Committee meeting.

5. Grant and/or assignment to another person performing a specific replacement.
6. Enrichment companies to conduct business ethically. Comply with the law, morality and good culture by adhering to the principles of good governance.
7. The use of the above powers of the Chief Executive Officer (Managing Director) is not possible. If the Chief Executive Officer has a stake or there is any conflict of interest with the company.
8. If there is any ambiguity of using above power as required by this to propose matters to the Board of Directors for consideration.
9. Perform any other activities as specified by the Board of Directors and / or the Executive Committee delegated.

Duties and Responsibilities of the Board of Directors

1. Manage and operate the business of the company to comply with the law, objectives, regulations of the company as well as resolutions of the Board of Directors and shareholders' meetings with honesty, Prudent of protect company's benefit, take responsibility and ethical taking into account the interests of all shareholders equally.
2. Has the power to appoint directors and/or the management of the company a number of them can be managed to perform one or more tasks to perform the tasks assigned by the Board, including having the power to appoint the Chief Executive Officer Including the power to appoint and authorize any other person to act on behalf of the Committee. It is under the control of the Committee and has the power to cancel, revoke, amend or change such power as it deems appropriate.
3. Consider appointing other committees such as the Nomination and Remuneration Committee, Risk Management Committee, the Executive Committee, etc., including the power to appoint the chairman of the sub-committees to support the performance of the responsibilities of the Board as appropriateness and necessary. The sub-committees' performance is regularly monitored.
4. The targeted policy action plan and the budget of the company including overseeing the administration and management of the management Sub-committees or of any person assigned to carry out such work in accordance with the policy provided by the Board.
5. To review, review and approve policies, directions, strategies, business plan a large investment business plan of the company proposed by the management to review and revise important policies and programs keep it current and regularly suitable for the business condition of the company.
6. Continually monitor the performance in accordance with the plan and budget.
7. To consider and approve investment in business expansion as well as joint investments with other operators or invest in companies or businesses.
8. Establish policies, directions, strategies also supervise the management of subsidiaries and/or affiliates.
9. Impose regulations of the company.
10. Consider and approve other businesses which is important to the company or which is deemed appropriate to do to benefit the company, except for the following authority in action which can be done only with the prior approval from the shareholders' meeting. The attorney of a director or a person who may have a conflict (according to the SEC and/or the Stock Exchange of Thailand) has a stake or having a conflict of interest with the Company and/or its subsidiaries and/or related companies, that director or a person authorized by a director There is no authority to approve the said transaction.
 - A. Any matter required by law to be a resolution of the shareholders' meeting.

B. Any matter in which the director has interests and is in the scope of the law or the requirements of the Stock Exchange Specify that it needs to be approved by the shareholders' meeting, for example, dealing with connected transactions. Acquisition or disposition of important assets of the company in accordance with the regulations of the Stock Exchange of Thailand or the Capital Market Supervisory Board.

The following matters must be approved by the Board of Directors meeting with a majority vote of the directors present at the meeting. And from the shareholders' meeting with a vote of not less than three-fourths of the total number of votes of shareholders attending the meeting and having the right to vote.

- A. Sale or transfer of all or significant parts of the Company's business.
- B. Purchase or acceptance of business transfer of other companies or private companies to the company.
- C. Making, amending or terminating the lease of all or significant parts of the Company's business. Assigning other people to manage the business of the company or the merger of others for the purpose of sharing profit and loss.
- D. Amendments to the memorandum of association or regulations.
- E. Capital increase, capital reduction, issuance of debentures.
- F. Merger or dissolution of company.
- G. Any other act provided under the provisions of the Securities Law. And / or the designation of the stock exchange it must be approved by the Board of Directors and the shareholders' meeting with the above votes.

Any matter that a director has a stake or a conflict of interest with the company, or a subsidiary. The directors who has a stake or a conflict of interest, has no right to vote on that matter.

- 11. Used the power and duty to provide reports of general information and financial information of the company, to report to shareholders and stakeholders or general investors accurately, timely and in accordance with the law. The Board of Directors has the power and duty to acknowledge the important audit reports of the Audit Committee, or the internal audit department, including auditors and consultants in various departments of the Company and is responsible for determining guidelines for rectification in the event of significant flaws.
- 12. Independent Directors and Non-Executive Directors are available to exercise their discretion independently in determining strategies, management, and resource utilization. Appointment of Directors and setting standards for business operations as well as being ready to oppose the actions of other directors or management in the event of conflicts on matters affecting the equality of all shareholders.
- 13. Appoint a Company Secretary in accordance with the law on securities and exchange, to provide advice on various laws and regulations that the Board of Directors must acknowledge, supervise the management of board meeting documents. Important documents and activities of the Board of Directors Including to coordinate the implementation of the resolutions of the Board of Directors.
- 14. Provide accurate, complete, transparent, reliable, timely and equitable disclosure of information to shareholders and stakeholders.
- 15. Provide an accounting system Reliable financial reporting and auditing In addition, there is a process for assessing the suitability of the internal control and the internal audit to be efficient and effective.
- 16. Provide an appropriate and efficient risk management process which can be assessed, tracked and can manage major risks.
- 17. Arrange to operate in accordance with the principles of good corporate governance. And business

- ethics to serve as a guideline for directors and employees and to encourage communication with the personnel in the company to be informed and to take seriously.
18. Provide a clear and transparent process for conducting related transactions.
 19. Provide a clear process for reporting to the Board's Audit Committee or when there are doubts about frogs or actions. This may have a material impact on the Company's financial position and performance. The Board must be adjustments within the time the Audit Committee deems appropriate.
 20. Organize a review and amendment of the Board of Directors Charter, compliance with conditions.
 21. Monthly report on the holding of securities of the company, spouse and minor children at the Board of Directors' meetings. Moreover must be notify the company acknowledge without delay When there are the following cases;
 - Directors, executives, or related persons report their holding of the Company's securities within 7 business days from the date of appointment.
 - Directors, executives, or related persons report on changes in the stakeholder information within 3 business days from the date of the change of information.
 - An individual or a related person has a stake in the management of the business of the company or subsidiary.
 - An individual or a related person has involved holds shares in the company or subsidiary.
 - The Company informs directors and executives to review the Company's securities holding report once a year and disclose information on the interests of directors and management in the annual registration statement form 56-1 and the annual report form 56-2 (ANNUAL REPORT)
 22. Maintain internal company information which knows from their duties and not use it for their own benefit or others, including not trading in securities within 1 month prior to the announcement and disclosure of quarterly and annual financial statements and within 24 hours after the disclosure of said financial statements.
 23. The committee can seek for professional opinion on business conduct by hiring an outside consultant with the expense of the company.
 24. Perform any other duties in connection with the Company's business as assigned by the shareholders.

Executive Committee

As of the 31st December 2020, the executive committee consists of 6 members are as follows:

No.	Name		Position
1	Mr. Suksan	Yasasin	Chief Executive Officer
2	Mr. Seksan	Rangsiyeranon	Executive Director
3	Mrs. Pim	Pattamasing Na Ayuthaya	Executive Director
4	Mr. Kittti	Tungsiwong	Executive Director
5	Mr. Nottapol	Thipchatchawanwong	Executive Director
6	Ms. Naowarat	Sangkrot	Executive Director

Duties and Responsibilities of the Board of Directors

1. Has the duty to scrutinize the strategic plan, annual business plan, Capital expenditures budget, Business goals Project plans before proposing to the Board of Directors for approval.
2. Control the operations in accordance with the law and manage the Company's business in order to achieve the objectives, vision, missions, strategies and policies of the Board of Directors and in accordance with the laws, conditions, rules and regulations of the company and the relevant regulators.
3. To carry out various matters related to the general business of the company. Approve and follow up on the actions required by the Board of Directors, such as investments that require large amounts of money new product release Joint venture, Lending money or guarantees except normal business practices of the company.
4. Consider and give opinions to the Board of Directors on the Company's dividend payment policy.
5. Verify and approve transactions relating to investment and the acquisition and disposition of assets which is under the approval of the management under the announcement on the acquisition or disposition of assets of a listed company.
6. Effectively supervise and manage the Company's investments for the best interest of the shareholders.
7. Consider and give approval on matters that need to be approved by the Board of Directors. Except for any activities that the Board of Directors has assigned other sub-committees to undertake the operation.
8. Significant performance reports to the Board of Directors for acknowledgment on a regular basis. Including important issues that the Board of Directors should be aware of.
9. Evaluate their performance annually.
10. In performing of duties, the Executive Committee may seek independent advisors. When considering that it is necessary and appropriate the Company is responsible for the expenses.
11. Review and improve the Executive Committee Charter on a regular basis and proposed to the Board of Directors for approval.
12. Perform other duties assigned by the Board of Directors.

Audit Committee

As of the 31st December 2020, the executive committee consists of 3 members are as follows:

No.	Name		Position
1.	Mr. Chanon	Chotevijit	Chairman of the Audit Committee
2.	Air Chief Marshal Arnon	Jarayapant	Audit Committee
3.	Mr. Teeranut	Thangsatapornpong	Audit Committee

Notes: All of 3 Audit Committee members have sufficient knowledge and experience to be able to perform the duties of reviewing the reliability of the financial statements.

Duties and responsibilities of the Audit Committee

1. Verification the company's financial report correctly and reveal sufficiently by coordinating with External Auditor also Executives who responsible for providing financial report both

quarter and annual. By considering financial budget also financial report relate to principle of according, accounting practice method, practice follows accounting standard of going concern, changing in important accounting policy including the reason of management division relate to defining accounting policy before presenting to the Boards of Directors in order to distribute to shareholders and general investors.

2. Set the process also verify for company to have effectively and efficiently of Internal Control System also Internal Audit System by verifying with External Auditor as well as Internal Auditor. Moreover, review the annual Audit Plan of the company and evaluate the result with Auditor and Internal Auditor about problem or limitation which cause from financial audit. Planning to control Electronics data processing and data security in order to prevent corruption or misuse of the computer by employees or unauthorized people also considerate the independence of Internal audit sector along with approving in appointment consideration, laying off the Internal audit head or other departments which responsible for Internal audit.
3. Verification the company's operation follows the law relating to property also stock exchange, stock exchange regulation or law relating to company's business. Furthermore, in charge of and responsible for regulation also rule of the Securities and Exchange Commission, Thailand including stock Exchange of Thailand.
4. Consider the selection and offer appointment also lay off person who owns independent to perform as Company's Auditor including propose the auditor's compensation regarding to trust worthiness, sufficiency of resources also the quantity of Audit's job by Audit's office. Moreover, the experiences of assigned personnel to audit the company's accounting including attend to the auditor's meeting without the department which organize the meeting at least once a year.
5. Consent consideration Related Parties Transaction and/or acquiring or distributing assets of the company or subsidiaries including consider revealing company's data. In case of Related Parties Transaction or transaction which conflict of interest to have accuracy also completeness. Furthermore, consider the transaction above to propose to committee's meeting and/or shareholders meeting in order to follow related law provision also assure that the transaction above are reasonable and get the most out of company.
6. Preparing Audit Committees' Activities report by reveal within annual report as follows;
 - Opinion of correctness, entirety also reliability of the company financial report.
 - Opinion of the company internal audit system adequacy.
 - Opinion of performing follow securities and exchange laws, the stock exchange's regulations or laws relate to company's business.
 - Opinion of the Auditor's propriety.
 - Opinion of the transaction which might conflict of Interest.
 - The amount of Audit Committees' meeting as well as Audit Committees' attendance each.
 - Opinion or overall observation which the Audit Committee has received from performs in the duty follow charter.
 - Other reports which Shareholders also Investors should acknowledge below the terms of reference also responsibilities which were assigned from the Board of Directors and/or according to the laws.
7. Reporting the Audit Committees' activities or other duties which were assigned from the Board of Directors to the Board of Directors as follows;

- Any transaction which will cause the conflict of interest.
 - Question or assume that will cause any corruption or abnormality or important impairment within the Internal Control System.
 - Questioning about infraction or any regulation of the Securities and Exchange Commission Thailand and/or Stock Exchange or laws which relate to company's business other reports which the Board of Directors should acknowledge.
 - In case of the Audit Committees have reported to the Board of Directors about the matter which will effect significantly to financial status also overall operation and conferring with the Board of Directors as well as Executives about operating any improvement within defined due date. If the Audit Committees have found any neglect of improvement process as above without appropriate reason, any Audit committee could report the above matter to the Securities and Exchange of Thailand also Stock Exchange, and/or Stock Exchange of Thailand, as the case may be.
8. After the Audit Committees have been informed from Auditor, in case of the Auditor has found suspicious performance of the committee, manager or any person who responsible for company's operation, commit and offence which relate to obligation also duty according to The Securities and Exchange Act, Section 281/2 paragraph 2, section 305, section 306, section 308, section 309, section 310, section 311, section, 312 or section 313. The Audit Committees would proceed audit as well as report the primary audit result to the Securities and Exchange of Thailand also Stock Exchange and auditor within 30 days, since the auditor informed.
 9. The Audit Committees have authority to ask for independent opinion from other professional advisors when necessary for company's expense.
 10. Invite the Executives or other related person to give an opinion attend to the meeting, or give related information, or request for information from other sectors of the company fir further consideration in other matters.
 11. Review and improve Audit Committees Charter also propose to the Board of Directors in order to consideration for approval.
 12. Other Process which the Board of Directors has assigned, and/or get approval from Audit Committees for instance; reviewing the policies about financial management also risk management, reviewing the performance follows Business Ethics of Executives. Furthermore, reviewing with Company's Executives relate to any important report, which must be proposed to the public according to the laws for example; Executive Report and Analysis. Moreover, the authority of the audit Committees above will not include the authority, which Audit Committees or attorney from Audit Committees are capable to vote for giving the opinion in the transaction, which Audit Committees or attorney from Audit Committees or person with conflict as the announcement from the Securities and Exchange of Thailand also Stock Exchange, and/or the Stock Exchange interested or conflict of interest with company, and/or its subsidiaries, and/or related company.
 13. The Audit Committee is responsible to the Board of Directors and the Board of Directors still has operational responsibility towards third parties.

Risk Management Committee

As of the 31st December 2020, the executive committee consists of 6 members are as follows:

No.	Name	Position
1	Mr. Teeranut Thangsatapornpong	Chairman of Risk Management Committee
2	Mr. Suksan Yasasin	Risk Management Committee
3	Mrs. Pim Pattamasing Na Ayuthaya	Risk Management Committee
4	Mr. Seksan Rangsiyeranon	Risk Management Committee
5	Mr. Nottapol Thipchatchawanwong	Risk Management Committee
6	Mr. Kittit Tungsriwong	Risk Management Committee

Duties and Responsibilities of the Board Risk Management Committee

1. Specify the policy in order to propose to the Board of Directors to considering about overall Risk Management which must be control all important risks.
2. Specify strategies which conform to overall Risk Management Policy of the year 2020, evaluation, tracking also care for Quantitative Risk proper level.
3. Reconsider the adequacy of policy, Risk Management System, the effective of system and perform as defined policy along with controlling also supervising the perspective of Business Group of Company in 2020.
4. Controlling, tracking and verifying the Risk Management important report together with giving advice also opinion in risk assessment, Risk Management measure and remaining Risk Management Plan of company in order to assure the effective of Risk Management also suitable for running business of the company. Moreover, capable of Risk Management Administration in acceptable level, conform to Risk Management policy.
5. Specify and review Risk Management Charter accord with Risk Management Policy for effective and adequate conforms to changing situation.
6. Supporting the Risk Management Development and other tools for supporting Risk Management in every levels throughout the company consecutively also effectively including promote and support the improvement as well as develop the Risk Management System within the company continuously and regularly.
7. Report the important Risk Management result in 2020 year to the board of Directors' acknowledge in case of factors or situations which will affect the company significantly.
8. Communicate and share data as well as coordinate about risk also internal control with Audit Committees constantly.
9. In performing duty, Risk Management Committee would ask for opinion from Independent Director when necessity and suitability. The company will undertake expenses.
10. Review and improve the charter of Risk Management Committees constantly as well as offer to the Board of Directors in order to consideration for approval.
11. Perform other jobs which were assigned from the Board of Directors.

Corporate Governance Committee

As of the 31st December 2020, the executive committee consists of 3 members are as follows:

No.	Name		Position
1	Mr. Teeranut	Thangsatapornpong	Chairman of the Corporate Governance
2	Mr. Suksan	Yasasin	Corporate Governance Committee
3	Mrs. Pim	Pattamasing Na Ayuthaya	Corporate Governance Committee

Duties and Responsibilities of the Supervisory Board Corporate Governance

1. Specify the effective policy also regulation in Good Corporate Governance as well as transparency and accountability. This would build confidence to all related departments.
2. Supervise the operation of committees and Executives as Good Corporate Governance policy ethically and conform to The Securities Exchange of Thailand.
3. Collaboration with compliance abides by the principles of Listed Companies 2017, Good Corporate Governance, or amendment issue as defined by the Securities Exchange of Thailand.
4. Regularly review and update the corporate governance policy, at least once a year to comply with international standards and recommendations of the Corporate Governance Development for Capital Markets Department the Stock Exchange of Thailand or the relevant authorities.
5. Report to the Board of Directors relate to Good Corporate Governance of the company including giving opinion about regulation as well as recommendation, in order to improve appropriately.
6. Corporate Governance Committees should arrange the meeting as a necessity and also sustainability, by having at least 1 meeting per year. Furthermore, report the meeting result to the Board of Director acknowledgement.
7. Preparing summary performance report as well as Corporate Governance of Corporate Governance Committees, which indicate in the annual report of the company.
8. Support the Culture Distribution in Good Corporate Governance for Executives also all employees understanding and effective in practicing within the company and the subsidiaries.
9. Support and give advice to the company about receiving and evaluation or ranking in Corporate Governance in order to improve and enhance the Corporate Governance Standard of the company consecutively.
10. In performing of duties, the Corporate Governance Committee may seek independent advisor's opinion. When considering that necessary and appropriate, the company is responsible for the expenses.
11. Regularly review and update the Corporate Governance Committee Charter and proposed to the Board of Directors for approval.
12. Perform other duties assigned by the Board of Directors.

Nomination and Remuneration Committee

As of the 31st December 2020, the executive committee consists of 5 members are as follows:

No.	Name		Position
1	Air Chief Marshal Arnon	Jarayapant	Chairman of Nomination and Remuneration Committee
2	Mr. Chanon	Chotevijit	Nomination and Remuneration Committee
3	Mr. Teeranut	Thangsatapornpong	Nomination and Remuneration Committee
4	Mr. Suksan	Yasasin	Nomination and Remuneration Vice Committee
5	Mr. Kitt	Tungsrivong	Nomination and Remuneration Committee

Duties and responsibilities of the Nomination and Compensation Committee

1. Defining rule and policy in considering committees Executive Directors as well as sub-committees, as it may deem appropriate.
2. Considering structures, sizes, also compositions of the Board of Directors as well as sub-committees, property with company strategies and changing situations.
3. Considering the qualification determination of a person who will take a position of committee by considering the diversity of knowledge, expertise, skill as well as experience which are beneficial to business operation and time devotion.
4. Considering qualification of a person who would take a position of Independent Director, to be suitable with the company's characteristics. The minimum qualification should follow the principle, which is defined by the Securities and Exchange Commission Thailand.
5. Recruitment also suggests the person with proper qualification in taking positions of Committee, President / General Manager to the Board of Directors.
6. Considering the Board of Directors selection with proper qualification for being a committee in the sub-committee in order to propose to the Board of Directors. Consideration for appropriate appointment and/or when vacancy is available.
7. Consider and review the Chief Executive officer's succession planning along with lists of suitable persons for succession planning consideration consecutively also propose to the Board of Directors to consider the appointment, when vacancy is available.
8. Considering policy and process of the Nomination and Remuneration including money also non-cash for committees, Executive Directors and Chief Executive Officer to conform to the overall operation of the company by comparing with the other company's compensation, within the similar industry, in order to propose to the Board of Directors, and/or at the shareholders' meeting of the company.
9. Considering the Nomination also Remuneration of the company's Executives, from managing director or above, including defining both principle and policy in recruiting as well as appointing company's Executives.
10. Considering the remuneration of committees, annual raise salary of the Chief Executive, bonus as well as other rewards.
11. Report the performance to the Board of Directors' acknowledgement at least 1 time per year.

12. To perform duty as Nomination and Remuneration committees may ask for opinion from an Independent Director. When considering the necessity and sustainability, the company will undertake expenses.
13. Review and improve the Charter of Nomination and Remuneration consecutively as well as propose to the Board of Directors.
14. Other performances which were assigned from the Board of Directors.
15. Propose the aforementioned matters in items 1-10 to the Board of Directors and / or shareholders for further approval.
16. In this regard, the delegation of powers to the Nomination and Remuneration Committee is mentioned above except the delegation of powers made to the Nomination and Remuneration Committee or an attorney from the Nomination and Remuneration Committee can approve any item that any of the Nomination and Remuneration Committee or the attorney of the Nomination and Remuneration Committee, or people who may have a conflict (According to the Notification of the Securities and Exchange Commission and/or the announcement of the Capital Market Supervisory Board and/or the Stock Exchange of Thailand) having an interest or a conflict of interest with the Company and/or subsidiaries and/or related companies, whereby the Nomination and Remuneration Committee must present such matters to the Board of Directors and/or the shareholders' meeting for further consideration.

Meeting of the Board of Directors

The Board of Directors sets a schedule for meetings of the Board of Directors and sub-committees in advance every year. So that each director can arrange time and attend the meeting. In the event that there is a special agenda, additional meetings may be held as appropriate. Send the meeting invitation letter together with supporting documents. The documents contain correct, complete and sufficient information for consideration. It is clearly stated that offer acknowledgement or to approve as the case may be, with delivery to the committee at least 7 days in advance, so that the directors have time to study beforehand along with informing the various departments in the organization of the meeting date for each committee meeting. The details of 2020 and 2019 Board Meetings are as follows;

No.	Name	2019		2020	
		No. of Meeting	No. of Attendance	No. of Meeting	No. of Attendance
1	Mr. Wutisak Lapcharoensap	7	7	6	5
2	Mr. Chanon Chotevijit	7	7	6	6
3	Air Chief Marshal Arnon Jarayapant	7	7	6	5
4	Mr. Teeranut Thangsapornpong	7	7	6	6
5	Mr. Vitthaya Inala	7	7	6	6
6	Mrs. Rosporn Sooksomporn	7	7	6	5
7	Mr. Seksan Rangsiyeranon	7	7	6	6
8	Mr. Suksan Yasasin	7	7	6	6
9	Mrs. Pim Pattamasing Na Ayuthaya	7	7	6	6
10	Mr. Kittu Tungswiwong ^{1/}	7	7	6	6

Remark: ^{1/} Annual General Meeting of Shareholders 2019 on 30 April 2019 had a resolution in appointed Mr. Kittu Tungswiwong to take a position of company's Board of Directors.

The meetings of the board of directors and committees there must be at least two-thirds of the total number of directors. Therefore constituted a quorum according to the corporate governance policy and before every meeting, the chairman of the board will inform the meeting that any director who may be involved or interested in any agenda must abstain from voting and refrain from commenting on that agenda at the end of the meeting of the board of directors and committees the company secretary will prepare the minutes of the meeting within 14 days which will be kept orderly for review.

The chairman of the board encourages non-executive directors to have the opportunity to meet themselves, without the management of the company. In 2020, there was one meeting between the non-executive directors on November 11, 2020.

Management Team

The Board of Directors Meetings resolution on the 11st November 2020, the Company has the executives according to The Securities and Exchange Commission Announcement no.17/2551 on the 15th December 2018, Companies of 9 executives as follows:

No.	Name		Position
1	Mr. Suksan	Yasasin	Chief Executive Officer
2	Mr. Kittu	Tungswiwong	Deputy Chief Executive Officer, Acting Managing Director Business Development and Company secretary
3	Mr. Natee	Limprasert	Managing Director of Asset Management Department
4	Mrs. Pim	Pattamasing Na Ayuthaya	Managing Director of Executive Support

No.	Name		Position
5	Mr. Nottapol	Thipchatchawanwong	Chief Financial Officer and Managing Director of Credit Management
6	Ms. Narumol	Toprapat	Acting Managing Director – Service Business of Chayo Property & Service Company Limited
7	Ms. Waraporn	Inthanu	Acting Managing Director – Service Business of Chayo Group Public Company Limited
8	Ms. Naowarat	Sangkrot	Finance Manager
9	Ms. Tatsanee	Phersri	Acting Accounting Manager

Remark: ^{1/} The Company appointed Ms. Tatsanee Phersri to take a position of Acting Accounting Manager that Instead of the managing director who resigned effective from 1st November 2020

Duties and responsibilities of the Deputy Chief Executive Officer

1. Manage the business of the company in accordance with the policies, objectives, regulations of the company, Shareholders meeting resolution Board meeting resolution Executive Committee Meeting's resolution as well as related regulations.
2. Command or take any action in order to perform the work according to the list of clause 1. to be accomplished well and if it is important, report it to the Board of Directors Meeting and/ or the Executive Committee meeting.
3. Consider and approve the assignment, appointment, transfer, dismissal, including considering the merits Disciplinary measures as well as employee compensation and benefits. Moreover, any operation must not conflict the authority of the Executive Committee.
4. Issue regulations on the performance of the company without conflict with any policies, regulations, rules and resolutions of the shareholders' meeting, Board of Directors Meeting and/ or the Executive Committee meeting.
5. Delegate power and/or assign another person to perform a specific task instead.
6. Promote and develop the company to operate business with ethics, follow the law, morality and good culture by adhering to the principles of good governance.
7. The use of the aforementioned power of the Chief Executive Officer (Managing Director) is not possible, if the Chief Executive Officer has a stake or there is any conflict of interest with the company.
8. If there is unclear using of the above powers as required to propose matters to the Board of Directors for consideration.
9. Perform any other act as specified by the Board of Directors and / or the Executive Committee delegated.

Company secretary

The Board of Directors appoints Mr. Kittit Tungswong as the company secretary on April 30, 2019, responsible for preparing and keeping a register of directors. Board meeting invitation letter Board meeting minutes Annual report Invitation letter to shareholders' meeting Maintaining reports of interest reported by directors and executives including other activities as specified by the Capital Market Supervisory Board.

Remuneration for Directors and Executives

Remuneration Policy for Directors and Executives

The company has a policy to pay remuneration to directors, and subsidiaries, the payment is made in the form of monetary compensation according to the resolution of the 2020 annual General Meeting of Shareholders, which approved the remuneration of directors and committees in the form of meeting allowances as appropriate to the scope of duties and responsibilities.

Compensation must be approved on a hierarchical basis to avoid conflicts, work interests, and for transparency, for example, shareholders approve the remuneration of the Board of Directors. The Board of Directors then approves the remuneration of the Executive Directors. The Executive Board approves the remuneration of the executives with the Nomination and Remuneration Committee to consider the suitability.

In this regard, the Company has a policy not to pay meeting allowances to the Executive Committee to directors who hold executive positions and employees who work full time of the company.

Remuneration of Directors and Sub-Committees

Monetary compensation

The board of directors as assigned by the shareholders will determine the exact remuneration which includes the right for directors to receive additional compensations or benefits. The Board of Director Meeting No. 2/2020 on March 10, 2020 approved the allocation of directors' remuneration and proposed to the 2020 annual General Meeting of Shareholders on April 29, 2020 approved the remuneration of the Board of Directors and various committees as follows, with the remuneration limit for the Board of Directors and sub-committees for the year 2019 and in 2020, not more than 1.75 million Baht and 1.75 million Baht, respectively.

Boards	Monthly Compensation (Baht)		Meeting Allowance (Baht/Time)	
	Chairman	Committee	Chairman	Committee
Boards of Director	-	-	25,000	12,500
Audit Committee	-	-	12,500	10,000
Nomination and Remuneration Committee	-	-	12,500	10,000
Executive Committee	-	-	12,500	10,000
Risk Management Committee	-	-	12,500	10,000
Corporate Governance Committee	-	-	12,500	10,000

The company has remuneration for committees and sub-committees of the year 2019 also 2020 in the amount of 1,624,940 Baht and 1,741,000 Baht respectively, as described in detail below (Executives Director has no rights in the remuneration);

Committee and Sub-Committee	2019			2020		
	Meeting Allowance	Bonus and Training Cost	Total (Baht)	Meeting Allowance	Bonus and Training Cost	Total (Baht)
Mr. Wutisak Lapcharoensap	105,000	150,000	255,000	125,000	165,000	290,000
Mr. Chanon Chotevijit	103,500	258,940	362,440	145,000	132,000	277,000
Air Chief Marshal Arnon Jarayapant	72,500	120,000	192,500	127,500	132,000	259,500
Mr. Teeranut Thangsatapompong	97,000	120,000	217,000	160,000	132,000	292,000
Mr. Vitthaya Inala	28,000	100,000	128,000	75,000	110,000	185,000
Mrs. Rosporn Sooksomporn	59,000	100,000	159,000	62,500	110,000	172,500
Mr. Seksan Rangsiyeranon	161,000	150,000	311,000	155,000	110,000	265,000
Mr. Suksan Yasasin	-	-	-	-	-	-
Mrs. Pim Pattamasing Na Ayuthaya	-	-	-	-	-	-
Mr. Kittit Tungsiwong	-	-	-	-	-	-
Total	626,000	998,940	1,624,940	890,000	891,000	1,741,000

Other non-monetary compensation.

In addition to paying directors' remuneration in the form of meeting allowances other non-monetary compensation is also the company's directors and executive officers liability insurance.

Human Resources

Number of Staff

As of the 31st December 2020, the company and its subsidiaries have total of 158 staffs (excluding executive), can divide into 5 fields of work comprise of Asset Management, Service, Business Development, Accounting and Finance and Administration Support as the details below;

Unit : Staff

Field of work	2018	2019	2020
Staff of Asset Management Department			
Debt Management Department	28	31	32
Litigation Department	19	18	17
Total staff of Asset Management Department	47	49	49
Staff of Service Department			
Customer Service Department and Financial Institutions	122	109	88
Credit Service Department	1	3	1
Total staff of Service Department	123	112	89

Field of work	2018	2019	2020
Staff of Business Development Department			
Business Development Department 1	-	-	-
Business Development Department 2	-	-	-
Total staff of Business Development Department	-	-	-
Staff of Accounting and Finance Department			
Accounting Department	2	2	2
Finance Department	2	2	2
Investor Relation Department	-	-	-
Total staff of Accounting and Finance Department	4	4	4
Staff of Administration Support Department			
Law and Juristic Acts Department	-	-	-
Information Technology Department	5	4	4
Human Resources and Administration Department	2	2	3
Administration Support Department	6	7	5
General Support Department	4	4	4
Total staff Administration Support Department	17	17	16
Total	191	182	158

Personnel compensation

- Remuneration for Directors and Executives

Forms of Remuneration (Baht)	2018	2019	2020
Monetary compensation	12,601,646	14,867,237	19,243,581
<i>Salaries</i>	10,323,483	12,428,862	14,808,766
<i>Bonuses</i>	2,278,163	2,438,375	2,577,350
<i>Provident fund</i>	516,174	1,645,800	1,857,465
Other benefits (Contribution to the Social Security Fund)	63,429	653,600	798,905
Total	13,181,249	17,166,637	20,042,486

• Employee compensation

In 2020, the number of employees of the company decreased by 24, or 13.19%, with the Company paying employees an amount of 46,704,139 Baht, consisting of salary, commission, bonus and provident fund.

Forms of Remuneration (Baht)	2018	2019	2020
Monetary compensation	38,898,193	48,003,492	45,424,029
<i>Salaries</i>	<i>23,286,277</i>	<i>28,900,302</i>	<i>28,274,557</i>
<i>Commission fees</i>	<i>13,880,443</i>	<i>16,720,151</i>	<i>15,034,509</i>
<i>Bonuses</i>	<i>1,354,583</i>	<i>1,700,860</i>	<i>1,587,170</i>
<i>Provident fund</i>	<i>376,890</i>	<i>682,179</i>	<i>527,793</i>
Other benefits (Contribution to the Social Security Fund)	990,186	1,651,401	1,280,110
Total	39,888,379	49,654,893	46,704,139

Human Resources General Policy

To strengthen the Human Resource management of the company to select, develop, promote and retain with skilled also capable employees. Moreover, motivate employees to use their knowledge and ability to perform their work for maximum efficiency and effectiveness. The company has guidelines for Human Resource management as follows;

1. All employees will be treated fairly as part of the company.
2. Selection of persons to hire for various positions, the company will act with justice taking into account the qualifications of each job position Educational qualifications, experiences and other requirements which necessary for the job Employees will be appointed to the appropriate positions or switching careers, as appropriate, depending on the case.
3. The company will continue to support and develop employees. There is training for employees to develop their potential to be able to apply the knowledge that has been acquired to develop a work style to be more efficient.
4. The company will arrange for employees to work in a safe workplace.
5. Remuneration for employees the company will consider doing it in a fair manner according to the nature of the work, performance together with the results of the company.
6. The company gives importance to welfare care. In organizing an appropriate wage and welfare system for employees covering employees' leave, uniform bonus and Annual Travel Activities including giving opportunities for employees to express opinions or make complaints on various matters.
7. The company realizes that good communication will bring efficiency and good relationship in working together, so the company will encourage employees to always get the news related to the company.
8. The company will run a successful business only when its employees and supervisors work with responsibility, mutual care, there shall not be any reason to undermine or destroy order, security and development to progress.

Succession Planning

In order to prepare the organization for the future, the company has established a succession plan policy. The Nomination and Remuneration Committee is the nominee, establish a recruiting plan for the successor to the position of Chief Executive Officer, conduct periodic reviews of the plan and regularly submit a list of qualified candidates for succession to the Board of Directors. Consider an appointment when there is vacant position as follows;

1. Chief Executive Officer

When the position of Chief Executive Officer becomes vacant or those in the position cannot perform their duties the company requires executives at the same level or the Deputy Chief Executive Officer will be acting in the position until the recruitment and selection of the qualified persons according to the criteria, set by the company upper to propose to the Board of Directors for approval and appointment.

2. Executive level

When the executive position from the Managing Director or level is vacant, or those in the position cannot perform their duties, the company will present the selected successors. By considering the evaluation of potential and performance to propose to the Executive Committee to consider and approve the appointment.

Corporate Development

The company operates a project for sustainable development. With an annual development plan to enhance knowledge and competence for employees to enable employees to apply the knowledge they used in the development of their operations to know the rules related to the current work. These things have caused tremendous changes to the organization and brought about continuous development. In 2020, the company has organized various development courses / projects divided into 3 projects as follows;

Company personnel development course		
Employee development programs to increase potential in accordance with relevant business laws and regulations.	Executive Development Program	Projects instill values and corporate culture and the environment.
<ul style="list-style-type: none"> Employee Development Program to provide customer information service. Legal Knowledge Development Project and various regulations related to business. 	<ul style="list-style-type: none"> Corporate sustainability initiatives (including Mai Sustainability Strategy Program) Basic knowledge training project for new employees. 	Business-based social and community (CSR) projects with both executives and employees involved.



Corporate Governance

Corporate Governance Policy

In 2020, the Company strives to be an expert in the management of non-performing assets to build financial stability for clients by managing in accordance with good corporate governance principles by providing customers with responsible and fair service sufficient information is disclosed. As well as maintaining customer information realizing that business has to go hand in hand with being a good corporate citizen and taking care of all stakeholders whether it is shareholders, employees, customers, business partners, creditors, competitors, and society and environment.

In addition to complying with the good corporate governance principles for listed companies in 2017 of the Securities and Exchange Commission in 2020, the Company has reviewed the corporate governance policy through consideration of the supervisory committee. Business and proposed to the Board of Directors for approval on February 25, 2020, in order to achieve the Company's objectives and goals that being a guideline for the directors, executives and employees of the Company to comply with relevant laws, rules and regulations.

The Corporate governance Policy of the Company that cover elements operational structure duties of the Board and Sub-Committees, in order for the Company and its subsidiaries to strictly comply with the policy Both at the directors, management and employees levels through 5 principles of good corporate governance: shareholder rights and equal treatment of shareholders that roles to stakeholders Disclosure of information and transparency Board responsibility and honesty and ethics to ensure that the company operates with the highest responsibility. Transparent and treat stakeholders equally (Details of the Company's corporate governance policy can see more at www.chayo555.com)

In 2020, Board of Directors has approved a proposal from Corporate Governance Committee to specify also reconsider the policies and regulations of Corporate Governance. The company has reconsidered the Corporate Governance Code for Listed Company 2017 to adapt for Businesses Context exhaustively. The details as below;

Practice Principle 1:	Establish Clear Leadership Responsibilities of the Board.
Practice Principle 2:	Define Objectives that promote Sustainable Value Creation
Practice Principle 3:	Strengthen Board Effectiveness.
Practice Principle 4:	Ensure Effective CEO and People Management.
Practice Principle 5:	Nurture Innovation and Responsible Business.
Practice Principle 6:	Strengthen Effective Risk Management and Internal Control.
Practice Principle 7:	Ensure Disclosure and Financial Integrity.
Practice Principle 8:	Ensure Engagement and Communications with Shareholders.

The corporate governance committee of the Company presented a review of the good corporate governance policy. In 2020, the Board of Director meeting No. 1/2020 on February 25, 2020, the Board of Directors has adopted the principles of good corporate governance in the Company's good corporate governance operations. The Company's policies, measures and operating processes are in line with the CG Code, but there are some guidelines that the Board of Directors has in principle and will be adopted in 2020, including:

No.	CG Code 2017	Compensatory measures for any practice principles which has not been apply currently
1	The meeting minutes should be delivers to committee at least 5 working days before the meeting day.	The Company has delivered the draft meeting minutes at least 5 working days before the meeting day. In fact, the real version of meeting minutes' details will not differ from previously meeting as the main point. However, in case of meeting minute's amendment as the main point, the executive will explain before the real meeting.

Other Corporate Governance Principles Compliance

Corporate Governance Code for Listed Companies B.E. 2555 consists of the principles of good corporate governance outlined by Stock Exchange of Thailand, excluding the principles which are explicitly outlined in the law. 5 principles of corporate governance are as follows:

1. Rights of shareholders
2. Equitable treatments of shareholders
3. Roles of stakeholders
4. Information disclosure and transparency
5. Responsibility of the board of Directs

Principle 1 Rights of Shareholders and Principle 2 Equitable Treatments of Shareholders

Every shareholder is regarded as company's owner who is having the equitable rights. These treatments are rights to buy/sell/transfer shares, rights in company's profit and dividends, rights to receive timely and sufficient information through appropriate accessible channels, which in turn will result in the decision on the director voting, nomination of the auditors, and rights to attend the meeting for any voting.

The company recognizes the importance of the equal rights of all minor shareholders and institutional investors. Also, the company always ensures that all shareholders' right are protected and fairly treated:

1. Promote shareholders to exercise their rights
2. Prevent any actions which will interfere or deprive other shareholder's rights
3. Promote and provide adequate information to all shareholders
4. Set up preventive actions on any abstinence of the usage of internal information for one's benefit
5. Channels for all shareholders to report if ones find that there might be any consequences toward ones' benefits.
6. Promote the right to participate in shareholder's meeting, whereby in each meeting the company will:

- (1) Inform the shareholders prior to the meeting on rules and procedures of the meeting, right voting procedures.
 - (2) The company will distribute adequate and necessary information in a timely manner prior to the meeting. The information will be displayed in company's website prior to distributing the relevant documents to the shareholders. This enables shareholders to gain quick access to the meeting details prior to the meeting.
 - (3) Proper registration will be provided to accommodate the shareholders (4) Facilitate and provide appropriate accommodation to all shareholders.
 - (4) Prepare proxy form in the format to facilitate the voting
 - (5) Nominate at least 2 independent directors as an alternative for the shareholders to give a proxy to the 2020 Annual General Meeting of Shareholders, the Company nominated independent directors with for shareholders to appoint 2 proxies; Chairman of the Corporate Governance Committee And Chairman of the Nomination and Remuneration Committee
 - (6) Clear procedure to allow minor shareholders to propose agenda, nominate candidates for directorship, and submit any queries in advance. For the 2020 Annual General Meeting of Shareholders, the Company provides an opportunity for minor shareholders to propose additional agenda items for the Annual General Meeting of Shareholders. And nominate persons to be elected as directors in advance From January 30, 2020 to February 29, 2020, the Company has published the information on the Company's website for shareholders to know in advance the right and method to propose additional agenda. Including the deadline for proposing additional agendas including the Company publishes information through the news system of the Stock Exchange of Thailand.
 - (7) Create an open atmosphere to allow shareholders to give opinions or suggestions, and ask queries during the meeting
 - (8) Promote the use of voting cards on any important agenda
 - (9) Promote the attendance of all directors and all chairmen of sub committees to attend every meeting.
7. The Board of Directors and senior management must disclose transactions which they have a significant interest, relate to or have a direct impact on the Company. Directly, indirectly or through a third party.

For the 2020 Annual General Meeting of Shareholders, the Company has informed the agenda of the meeting and disclose meeting documents in both Thai and English version to investors in general through the Stock Exchange of Thailand information disclosure channels and on the Company's website from April 7, 2020, including sending the meeting invitation letter and supporting documents to the shareholders from April 7, 2020, for 28 days before the shareholders' meeting, which is In accordance with good corporate governance criteria

For the results of the 2020 Annual General Meeting of Shareholders, the Company immediately announced the resolution of the shareholders' meeting via the Stock Exchange of Thailand's information disclosure channel within the meeting date and prepare minutes of meetings that are all important the clarifications, questions and opinions and all resolutions of the meeting are recorded separately in votes of agreeing, disagreeing or abstaining. The Company has published the said report on the Company's website and delivered to the Stock Exchange of Thailand within 14 days from the shareholders' meeting on May 13, 2020, in accordance with good corporate governance criteria.

On the conflicts of interest the Company has established guidelines for employees to perform their duties honestly in accordance with laws, rules and regulations and does not place importance on personal

interests above the responsibility to the Company including not using inside information for personal gain, the Company requires directors, Chief Executive or the first 4 executive-level positions after the top management must report the holding of securities of the Company as well as the persons involved and to report the change in securities holding within 3 business days from the date of the change. However, the senior management and insiders must refrain from trading in securities within 1 month prior to the announcement of news and disclosure of financial statements quarterly and annual financial statements and within 24 hours after the disclosure of each quarter's financial statements.

The Company attaches great importance to an efficient management system within the framework to take good care of business. Therefore, the Company has no policy to support related transactions with persons who may have conflicts of interest. In addition, the Audit Committee will consider related transactions and connected transactions and/or other transactions that may cause conflicts of interest carefully and report to the Board for further consideration. The Company will consider related transactions with the same rules and regulations as transactions in a normal business operation with a third party, however, those who have special interest in any particular will not have the right to vote on the approval of the said transaction.

Principle 3 Roles of Stakeholders

The company places importance on the rights of all stakeholders of the company both internal stakeholders, i.e. shareholders, executives, staff, or external stakeholders, i.e. creditors, partner, competitor, government, society and public, etc. Company believes that by receiving any suggestions from all stakeholders will in turn benefit company's performance and further result in the business development. All laws and related procedures on stakeholders' rights will be taken in a good care. The roles of stakeholders can be summarized as follows

1. Shareholders

The company places an importance on transparency, morality and ethics. Sustainable growth is placing at the heart aiming for good business performance as a result. This, in turn, enables reasonable and sustainable growth to shareholders and investors' investment. The company treats all shareholders with equitability by promoting all directors, executives and staff to be fair, careful and attentive to all the steps of work which as a result will generate the highest benefits toward shareholders. The company will consistently and completely disclose company's status, performance, financial statement, and relevant information by informing both positive and negative future trends with facts. All data will be supported by reasonable supportive information that undisclosed confidential data which can result in conflicts of interest will be used for the benefit of oneself or other parties.

2. Clients

Company has regarded customer satisfaction as a key, thus the company has outlined the policy to provide effective and quick services to serve the needs of its clients. The company will always protect clients' image by work with the clients on providing the best solution to them and related parties. Also, human development will continuously be improved in order to promote the best quality services.

3. Business Partners and/or Creditors

The company promotes the good relationship with business partners and/or creditors by operating under supportive basis, and fairly treatment to all business partners and/or creditors whereby maximizing

the company's benefit. For mutual benefit, any situation which can result in conflict of interest will be avoided and strictly comply with all commitments whereby no deceitful actions will be performed. In any case, if the company finds that there are any deceitful actions being taken, the company will declare those actions to business partners and/or creditors, in order to coordinately fix the issues in a fairly and timely manner. All agreed commitments will be strictly complied, in the case that any commitments are broke, the company will immediate inform business partners and/or creditors.

4. Competitors

The company strictly follows the rules of competition, avoids any inappropriate or corrupted methods in accessing competitors' information. The company will run the business based on good code of conduct towards its competitor by not destroying competitors' reputation in an inappropriate way.

5. Employees

The company gives priority to the employees who are the most critical resources, and who has supported and drove the company's performance toward the goals. Thus, the company promotes the campaign to promote appropriate recruitment, wellbeing of the employees by providing appropriate benefits, opportunity in career growth and arrange good ergonomics in the workplace. Clear compliance to laws and procedures will be adhered to ensure that the employee will work in a safe environment both towards employee's health and assets. The company treats every employee equitably, fairly, and provides suitable remuneration. Job promotion and rotation as well as rewards and punishment will be conducted fairly, and opportunity will be given thoroughly to all staff as per the performance. No unfair treatments which can result in the job security or any threatening to pressure the employees will be performed. The employees have rights to make complain if they do not receive fair treatment in the specified procedure, and it is a must that the company will listen for all the opinions and suggestion from every employee.

6. Government

The company will run the business, along with promoting and developing the country, by adhering to any related laws, rules, regulations and any procedures.

7. Society, Community and Environment

The Company continuously engages in activities that enhance quality of life of the society, community and environment by promoting all standards related to security, sustainability, sanitation and environment. The company recognizes and reinforces the importance of social environmental responsibilities and supporting the improvement towards sustainable society, environment, and better quality of life according to rules and regulations outlined by the regulatory authority. The company addresses the importance of social responsibilities by aiming to promote the community and social development as well as conservation of natural resources.

The Company has a policy to receive complaints provide a variety of contact channels for receiving complaints and how to deal with complaints from customers, employees and other stakeholders clearly to preserve the rights Including protecting the privacy of the complainant The complainant will be protected and keep personal information confidential.

Policy of Ethics and Complaint to Reporting

The Company provides channels for stakeholders to report whistleblowing, complaints or reporting irregularities or misconduct including acts that do not comply with the business ethics of the organization. The stakeholders can be reported to the company's head office at 44/499-504 Phaholyothin Road, Anusawari Subdistrict, Bang Khen District, Bangkok 10220.

For the Company employees, there are channels to receive notification of the matter that the employee wishes to make a complaint or report a clue in the event that unusual transactions are found related to the performance that is considered a misconduct the information will be sent to the Executive Committee, Audit Committee and/or the Board of Directors, the information will be kept confidential. Can notify through the following channels for receiving complaints as follows;

- (1) Direct supervisor
- (2) Human Resources Department 02-004-5565, 086-819-3333
- (3) Fill the information in company's website <http://www.chayo555.com/> or email to Center@chayo555.com

The company has a policy of protect the rights of whistleblowers that keep the information of the complainant confidential and disclose only as necessary and taking into account the safety and damage of the complainants. In 2020, the Company did not find any complaints about wrongdoing corruption or code of business ethics that are significant.

Principle 4 Information disclosure and transparency

The company ensures the information disclosure and transparency of both financial related and non-financial related information with below principles:

1. All disclosed information to shareholders, investors, and public need to be accurate, complete, transparency, timely and adhere to all related rules and regulations, covering financial information, annual financial statement, annual reports and all other information.
2. Disclosure channels will be easily and equitably accessed by all shareholders, investors and public.
3. Always revise important information to be up-to-date and always evaluate the performance of the disclosure procedure.
4. Set up responsible team to take care of the fair and transparency of the disclosure. The team will receive and coordinate on the information disclosure, create a good relationship between the company, shareholders, investors, analyst and all related functions. Information technology team is set up to internally distribute the company update.

In 2020, the executives have the investor relations activities as follows;

- 1) Analyst Meeting
- 2) Opportunity Day that organized by the Stock Exchange of Thailand amount 4 times per year.
- 3) Thailand Focus 2020 that organized by the Stock Exchange of Thailand that for the foreign investors and analysts.
- 4) Company Visit and meetings via Conference Call for investors and analysts.
- 5) Attending a meeting with investors (Investor Conference) both from financial institutions and various securities companies.

5. Information is disclosed in both Thai and English language via easy-to-access channels such as the website, press conferences, and quarterly analyst meetings. Meeting investors and information dissemination channels of the Stock Exchange of Thailand and the Securities and Exchange Commission
6. The Company will notify the voting results of the shareholders' meeting resolutions via the Company's website within the next business day after the meeting.

Interested persons can contact the Investor Relations Department as follows;

Address : Investor Relations Department, No. 44/499-504 Phaholyothin Road,
Anusawari Subdistrict, Bang Khen District, Bangkok 10220

Telephone : 02-016-4499

Fax : 02-001-2555

Email : kitti@chayo555.com

Website : www.chayo555.com

Principle 5 Responsibility of the Board of Directors

5.1 Board of Directors

The Board of Directors comprises of personnel with various knowledge, capability and experience. As mandated, the company has at least 5 directors and not greater than 12 directors whereby one of the directors needs to have expertise in accounting and finance.

1. The independent directors should be at least 3 persons, or one thirds of the Board of Directors.
2. All directors including independent directors should have qualifications as per mandated by related laws and procedures set by the company's governance committee and under good corporate governance. Directors should be personnel with knowledge, capability and experience beneficial to the business operations, and should be recruited through the recruitment process of the Nomination and Remuneration Committee.

However, all appointed directors need to have qualifications as per mandated by company's rules and related law. The remuneration process should be transparent and clear. The nomination and remuneration committee will need to study the detailed qualifications of the nominated directors including their education background and experience, which will support the better decision making by the Board of Directors and shareholders. Further, the position term will be as per specified in company's regulations, and the directors that leave their positions may be re-appointed.

This is to enable the directors to devote their time to overseeing the company's business effectively and to ensure that the directors are able to devote sufficient time to perform their duties. The company requires that each director should not hold a director position in more than 5 listed companies and the Chief Executive Officer may hold a director position in no more than 2 other listed companies without exception. Unless there are reasonable grounds to be considered, except by proposing to the Board of Directors for approval under the corporate governance policy.

In addition, the company has a policy to specify the term of independent directors for no more than 9 years from the date of being appointed as the first independent directors. In the event that it is necessary to appoint that independent director to continue his office the board must reasonably consider the said necessity.

In addition, the Board of Director clearly separates the roles and responsibilities of the board from the management team. In order to, balance power and prevent situations in which one person has absolute decision-making power, for example, the person holding the position of the chairman of the board and the chief executive must not be the same person and clearly separated roles and duties.

1. Charter or responsibilities of the Board of Directors

- (1) Operate the business in accordance with laws, objectives and regulations of the company, including to all the resolution of the shareholder's meeting with integrity, carefulness, and always operate in a way to protect the interests of the company and shareholders.
- (2) Power to appoint number of directors and/or the executives as company's management team, thus, to perform the tasks assigned from the Board of Directors. Further, the Board of Directors also has power to appoint Chief Executive Officer and other committees in order to perform specific assignments on behalf of the board. However, these appointments will need to be under the Board of Director's empowerment, and the Board can revoke, cancel, amend or change such authorities as suitable.
- (3) Authority to appoint sub committees, such as Nomination and Remuneration Committee, Risk Management Committee, Executive Committees. Further, the Board of Directors can appoint Chairman of the sub committees to support the appointed committee as appropriate. At all time, the performance of sub committees will be tracked and evaluated.
- (4) Set goal, approach, strategy, business plan, and company's budget, including the supervision and monitoring of the management team, sub committees, and other related persons' performance on any assignment.
- (5) Evaluate, verify and approve policy, directions, strategy, business plan, and mega investments proposed by the management team. Also, revise critical policy and business plan to be up-to-date and suitable per the current business environment.
- (6) Consistently monitor the company's performance to be in accordance with the plan and budget.
- (7) Approve for any investment in business expansion, including investment in any joint venture with other business operators or companies.
- (8) Determine the management strategy of the subsidiaries and/or associating companies.
- (9) Outline the company's regulations.
- (10) Evaluate and approve key business of the company as appropriate under the assumptions that the decision is based on the best benefit provided to the company. However, the Board is not authorized to perform the following actions, unless approval from the shareholder's meeting is received. In the event that any directors or the delegates or the persons who might have conflicts against the company (according to the announcement of The Office of the Securities and Exchange Commission and the Stock Exchange of Thailand) or process any conflict of interest against the company and/or its subsidiaries and/or the company which relates to the directors or the delegates, the Board will not have authority to approve such topics.
 - a) Resolution from shareholder's meeting is required for any topic specified by law.
 - b) Resolution from shareholder's meeting is required for any issue whereby the directors have conflict of interest or under the scope of law or under the rules of Stock Exchange i.e. the connected transaction, asset acquisition and deposition according to rules of The Office of the Securities and Exchange Commission and the Stock Exchange of Thailand

The below agenda must be approved by the majority votes from the attended directors in the Board's meeting, and no less than 75% of total votes from the attended shareholders with voting right in shareholder's meeting.

- a) Sales or transfer of total or some essential parts of the business
- b) Acquire or obtain other companies
- c) Enter, amend or terminate any contract either the whole or essential parts of the company's leasing. Appointing other individual to manage company's business or merge the business under the purpose of personal benefit sharing.
- d) Amendment of the Memorandum of association or the regulations
- e) Capital increase, capital decrease, and debenture issuance
- f) Enter or terminate the merger of the business
- g) Other mandates as prescribed by law under security section and/or regulation of the stock exchange need to be approved by the Board's meeting and shareholder's meeting with majority votes.

The interested director, who is having the conflicts or conflicts of interest against the company or its subsidiaries, shall not have voting rights in such agenda.

- (11) Authorized to provide the reports and financial reports to shareholders and stakeholders or investors in a timely manner and as per prescribed by law. The Board of Directors has to acknowledge the audit report provided by audit committee, the internal audit, the auditors and the supervisor. The Board of Directors shall consider on the adjustment of the problems.
- (12) The independent directors and non-executive directors shall be independent to evaluate the strategy, management, resources usage, director nomination, standard of business performance, and shall oppose if found any wrongdoings by any directors or management team.
- (13) Appoint Company Secretary as per mandated by the Stock Exchange in order to oversee the related laws and regulations, prepare and manage the documents of the Board of Director's meeting and related confidential documents, Board of Directors' activities, and coordinate for the actions from the Board of Director's meeting resolution.
- (14) Arrange for the disclosure of information to all shareholders and stakeholders in an accurate, complete, transparent, reliable, timely and equal manner.
- (15) Responsible for the proper accounting system and auditing, and also monitor the proper internal audit system and place importance to the efficiency of the internal control system
- (16) Arrange appropriate and efficient risk management system in order to be able to evaluate and manage the critical risk
- (17) Arrange good corporate governance conduct and ethics and set guidelines for the directors and staff. Promote and communicate to all staff in the company to adhere to the guidelines.
- (18) Set up clear and transparent process for the connected transactions
- (19) Clear procedures for audit committee to report any suspicious activities or actions which might significantly impact the financial statement or company's performance to the Board of Director. The Board of Directors will need to amend those issues in a timely manner as per advised by the audit committee.

- (20) Update and revise the company's Charter to be up-to-date
- (21) Declare the shares held under themselves, their spouse and children under the legal age in Board of Director's meeting on a monthly basis, and need to immediately inform the Company if:
 - a) The directors or related persons are having any conflicts on the management of the company or its subsidiaries.
 - b) The directors or related persons are holding the company's or its subsidiaries' shares.
- (22) Prohibited to disclose internal information to third party and no trading of the company's shares within 1 month before publication and 3 days after publication of the company's financial statement.
- (23) The Board of Directors can hire external consultant to provide the business comment at the company's expense
- (24) Perform any duties as per delegated by the shareholders

In 2019, the Board of Directors had considered also approved visions, missions, objective, organizational structure and business direction including review the important policy appropriately and conform to operating business along with good Corporate Governance principles. Meanwhile the company has monitored in leading company's strategies implementation. In the Board up the performance of the Administration Department through company's performance also turnover, particularly financial goals and project to conform to company's strategies as planned.

2. The Board of Director's meeting

- (1) The Board of Directors has schedule the meeting every 3 months, and schedule the meeting in advance for a year, and might arrange special meeting as per necessary.
- (2) Chairman of the Board of Director, Chief Executive Officer, or Managing Director will be responsible for meeting invitation and meeting agenda. The company secretary shall send the notice of the meeting according to the agendas and supporting documents at least 7 days in advance prior to the meeting in order that the Board of Directors shall have sufficient time to consider the matters before the meetings.
- (3) Chairman of the board will conduct the meeting and responsible for the proper discussion time for each agenda. The meeting will be conducted to facilitate and encourage the different opinions for the profits of the shareholders and stakeholders, also allow management team to present important information for particular agenda.
- (4) The company secretary has duty to prepare minutes of the meeting and distributed within 14 days and shall store the meeting documents and related supporting documents, and coordinate with related stakeholders.
- (5) The Company has set up a meeting between non-executive directors without management. In 2020, the Company convened 1 non-executive board meeting on November 11, 2020.
- (6) In the Board of Director's meeting, minimum quorum must be attending while the Board of Director is going to vote in the meeting that requires minimum two-third of the Board of Director from overall.

3. Remuneration of the Committee

The company has a policy which deciding the pay for committees as well as directors in the level of motivation and maintain quality of the committee. The remuneration will be in a comparative level as identical corporate group also combine with the company performance by submit to company's committee and/or shareholder's meeting Likewise, the remuneration of the Chief Executive has been defined appropriately with authorities as principles and policies which have been specified by the committee for the very second productively of the company. The level of remuneration including salaries, raising salaries, bonuses as well as other gratuities must be conform to company's accomplishment also each Board of Director's operation.

4. Directorship in Other Company

For the Board of Director can devote their time to supervising the Company's business to effectively and to ensure that the Board of Director can devote sufficient time to perform their duties. The Company requires that each director should not hold director positions in more than 5 listed companies and the Chief Executive Officer may hold director positions in no more than 2 other listed companies without exception. Unless there is a reasonable cause to be considered except is proposed to the Board of Directors for approval under the corporate governance policy.

The Company has a policy to set the term of an independent director for no more than 9 years from the date of first appointment as independent director. In case it is necessary to appoint an independent director to continue the position that the Board of Director must reasonably consider such necessity.

5. The Development of Committee and Board of Director

The company has policy to support knowledge improving consecutively as well as facilitating training in Corporate Governance System for related persons for instance the Board of Directors, Audit Committee, Executive Committee, Executives also Company Secretaries in order to progressively improving operations. The training will train within company or using outside institute service to acquire knowledge to serve as Committee as well as good Corporate Governance and create community of the committee for knowledge exchange and so on.

In addition every new committee appointment, the Company Secretary will arrange new committee orientation by preparing information also introduce process in business operation of the company which relate to new committee performance.

In the year of 2020, the Committee as well as the Chief Executive had been obtained developing and training as follows;

Name of the Committee	Training Courses Attended
Mr. Seksan Rangsiyeranon	National Defense Course, Class 63, by the National Defense College National Defense Studies Institute
Mr. Suksan Yasasin	<ul style="list-style-type: none"> mai Sustainability Strategy Program organized by the Market for Alternative Investment (mai) Politics and Governance in Democracy for Executives Class 23, organized by King Prajadhipok's Institute. Advanced Security Management Program, Class 12, organized by the Security Management Foundation Seminar for Thai SMEs, How Crisis to Survive, by Bangkok Bank Seminar on Looking Back and Future of Thai Household Debt Organized by the National Credit Bureau Learn Relearn and Unlearn : How to invest under New Normal Market Program by Capital Market Academy (CMA)
Mr. Kitti Tungswong	mai Sustainability Strategy Program by the Market for Alternative Investment (mai)

6. Succession Plan

The Company has designated successors for all important positions. In order to, continue business operations The Board of Directors assign the Nomination and Remuneration Committee to be the candidate. Establish a recruitment plan for the successor to the position of Chief Executive Officer that reviews such plans periodically for their appropriateness. The list of candidates suitable for succession is also regularly submitted to the Board of Director. Consider an appointment when there are vacant positions as follows

- **Chief Executive Officer**

By the time that the Chief Executive Officer position vacancy occurs or the person, who in charge of the position, unable to perform the duty, the company has specified the executive, in an adjacent position, or Deputy Chief Executive Officer as Acting Chief Executive Officer until recruitment and selection for qualified person as company's criteria in order to propose to company's committee to consider and approve the appointment.

- **Executives**

When executive from managing director upward vacant, or a person who hold a position unable to perform a duty, the company will propose a successor who was selected by considering potential assessment also contribution in order to offer to the Board of Directors to consider and approve the appointment.

5.2 Sub-committees

For achieve the highest goals of corporate governance and maintain high operational standards, the Board of Director has appointed sub-committees to help alleviate the burden of the committee in reviewing or studying important matters including the Audit Committee, Nomination and Remuneration Committee, Risk Management Committee, Corporate Governance Committee, and the Executive Committee.

The Board of Director determines roles and separates the scope of powers, duties and responsibilities among sub-committees as follows;

5.2.1 Audit Committee

1. Recruitment process

Audit committee is a part of the Board of Directors, whereby at least 3 directors should be appointed, and one director including (1) Mr. Chanon Chaotevilit, Chairman of the Audit Committee, (2) Air Chief Mashal Anon Jarayapant and (3) Mr. Teeranut Thangsatapornpong, Audit Committee. should have expertise and experience in accounting/ finance. Audit committee should be independent as per mandated by the Office of the Securities and Exchange Commission. Audit committee has authority as per mandated in the Charter.

2. Charter or responsibilities of the audit committee

- (1) Review the accuracy and adequacy of the company's financial reporting, coordinate with auditor and executives who are in charge of the quarterly and yearly financial statements, review whether the company has an appropriate and effective standard of financial statements and reports, any changes of important accounting policy, and also on the opinions related to accounting policy as raised by the Board of Directors, prior to publish the figure to investors and shareholders.
- (2) Review whether the company has an appropriate and effective internal control system and internal audit procedure and evaluate that work together with external auditor and the Company's internal auditor on the annual audit plan review to ensure and evaluate if there are any issues or limitations of the financial audit. Further, outline the control over the electronically processing and prevent the fraudulent actions or any misuse of the computer network by the staff or any stakeholder. All members of the audit committee must be independent director and shall appoint, transfer or terminate the Chairman of the audit committee or any related committees.
- (3) Review the company's compliance with the Securities and Exchange Act, SET regulation, and relevant laws relating to the company business. Also, responsible to act upon any rules and regulations mandated by The Office of the Securities and Exchange Commission and the Stock Exchange of Thailand.
- (4) Nominate, appoint and lay off the independent auditor to review the reliability of financial report. Also, responsible for the review of the compensation of the auditor by taking into account of the creditability, resources, quantity of the work, experience of the assigned auditor. Further, shall participate with the auditor in the meeting without the Company's management at least once a year.

- (5) Shall provide opinion on the connected transactions and/or the acquisition or disposition of company or its subsidiaries' asset and shall disclose the accurate and completed company's connected transactions and any conflict of interest transactions. Approve those agenda and present to the Board of Director and/or shareholder's meeting under the assumptions in accordance to related laws and undergo for the best benefits of the Company.
- (6) Prepare the audit committee report and disclose the said report, signed by the Audit Committee Chairman, in the annual report. The audit committee's report should contain at least the following information:
 - a) Opinion on the accuracy, adequacy and reliability of the company's financial report
 - b) Opinion on the company's internal control system
 - c) Opinion on the company's compliance with the Securities and Exchange Act, the SET regulations, and the relevant laws relating to the Company's business
 - d) Opinion on the appropriation of the external auditor
 - e) Opinion on transactions that may cause conflict of interests
 - f) The frequency of Audit Committee meetings and the participation of each member
 - g) Opinion or raise any points on which the audit committee obtains from the duties according to the charter
 - h) Other reports which shareholders and general investors should know under the scope of duties and responsibilities assigned by the Board of Directors
- (7) The audit committee shall responsible for any duties assigned by the Board of Directors and reports such matters on those assigned duties to the Board of Director in timely manner:
 - a) Conflicts of Interest
 - b) Fraud or irregularity or a significant deficiency in the internal control system
 - c) Infringement of the Office of the Securities and Exchange Commission act and/or the Stock Exchange of Thailand Regulations, or relevant laws related to the company business.
 - d) Other reports which the Board of Directors shall know

If the auditor reports the issues which can significantly impact the company's financial statement and business performance to the Board of Director and Executives on the solutions, however, if the Board of Directors or the management fails to seek an improvement within a reasonable period, any member of the audit committee shall report such matter directly to the Office of the Securities and Exchange Commission and/or Stock Exchange of Thailand.
- (8) If the auditor finds suspicious circumstances in which a director, manager or responsible person in the company committed an offense under the law and Securities and Exchange Act section 281/2 clause 2, section 305, section 306, section 308, section 309, section 310, section 311, section 312 and section 313, the audit committee should initial investigate such matter and shall report the primary result to the Office of the Securities and Exchange Commission and the auditor within 30 days of being informed.
- (9) Audit committee has authority to seek external independent opinion at the expense of the company.

- (10) Audit committee has authority to invite the management or other related stakeholders to participate in the meeting or to provide related information or to obtain any information from any departments to supplement any auditing agenda.
- (11) Occasionally review and update the charter of audit committee, and present to Board of Directors for approval.
- (12) Perform any other duties as assigned by the Board of Directors and/or as per the opinion from the audit committee such as review the financial management policy and risk management procedures, revise the management code of conduct documented in reports published as per the required laws i.e. Management discussion and analysis. However, the interested audit committee or any delegates shall not have the right to vote in the agenda whereby the interested audit committee or any delegates or any conflict stakeholders according to the Office of the Securities and Exchange Commission and/or Stock Exchange of Thailand, have conflict of interest or connected transactions against the company and/or its subsidiaries and/or its associated companies.
- (13) The audit committee shall have responsibilities to the Board of Directors, whereby the Board of Directors shall have responsibilities to the public.

5.2.2 Nomination and Remuneration Committee

1. Recruitment process

Nomination and remuneration committee consists of 3 members that including (1) Air Chief Marshal Anon Jarayapant, Chairman of Nomination and Remuneration Committee, (2) Mr. Chanon Chaotevilit and (3) Mr. Teeranut Thangsatapornpong, Nomination and Remuneration Committee. The committee shall determine the company's rules on nomination and remuneration for the Board of Directors and subcommittees of the company. The nomination and remuneration committee shall nominate suitable directors and present to Board of Director for further presenting for the approval in the shareholder's meeting and determine the compensation for each committee.

2. Charter or responsibilities of the Nomination and Remuneration Committee

- (1) Determine and set appropriate remuneration policy and guideline for Executive committees and sub-committees nomination
- (2) Determine the structure, size and duties of the Board of Directors and sub-committees to be suitable for the company's strategy and the business environment.
- (3) Determine the qualification of the directors by taking into accounts of the knowledge, expertise, and experience qualification of the directors in order to preserve the highest benefit for the company.
- (4) Determine the qualification of the independent directors to be suitable for the business specific structure and to be as per mandated by the Office of the Securities and Exchange Commission and the Stock Exchange.
- (5) Nominate and propose the suitable managers, managing directors, senior managers to the Board of Directors.
- (6) Nominate and propose the suitable sub-committees to the Board of Directors as per appropriate or when if there is a vacancy.
- (7) Regular review the succession plan of the Chairman of the Board of Directors, occasionally revise the successor list, and nominate to the Board of Directors whenever the position is vacant.

- (8) Determine the remuneration packages for the Board of Directors, Executives Committee and the Chief Executive Officer both in cash and non-cash compensation, to comply with the company's performance by comparing the compensation packages against the industry peer. Propose the remuneration packages to the Board of Directors and/or the shareholder's meeting for further approval. The authority also covers those for the subsidiaries.
- (9) Determine the nomination and remuneration of the management team, covering for managing director position and above. Also, propose the policy and procedure of remuneration of the management team and those of the subsidiary companies.
- (10) Authorize to determine the remuneration packages, annual salary increase of the executives, bonus and other compensations.
- (11) Report the performance to the Board of Directors at least once a year.
- (12) Nomination and remuneration committee has authority to seek external independent opinion as appropriate at the expense of the company.
- (13) Occasionally review and update the charter of nomination and remuneration committee, and present to Board of Directors for approval.
- (14) Perform other duties as assigned by the Board of Directors
- (15) Present the above topics number 1 - 10 to the Board of Directors and/or shareholder's meeting for further approval

However, the interested nomination and remuneration committee or any delegates shall not have the right to determine any compensation packages for the interested audit committee or any delegates or any conflict stakeholders according to the Office of the Securities and Exchange Commission and/or Stock Exchange of Thailand who are having benefits or conflicts of interest against the company and/or its subsidiary companies and/or associated company. The nomination and remuneration committee will need to propose the agenda to the Board of Directors and/or the shareholder's meeting for further approval.

5.2.3 Executive Committee

1. Recruitment Process

The executive committee is the sub-committee appointed by the Board of Director, consists of 5 members that including (1) Mr. Suksan Yasasin, Chairman of Executive Committee, (2) Mr. Kittit Tungsiwong, (3) Mr. Seksan Rangsiyeranon, (4) Mrs. Pim Pattamasing Na Ayuthaya, (5) Mr. Nottapol Thipchatchawanwong, and (6) Ms. Naovarat Sangkrod, Executive Committee. The Board of Directors has outlined the responsibilities of the executive committee in the charter.

2. Charter or responsibilities of the Executive Committee

- (1) Responsible for analyzing the strategy, business plan, budget, decision of upcoming projects prior to presenting to the Board of Directors for approval.
- (2) Monitor the performance as per the laws, and manage the company as per vision, mission, strategy and Board of Directors' initiatives, according to laws, rules and regulation of the company and related regulatory authorities.
- (3) Oversee the business, direct the process of approval, and tracking on the defined actions prescribed in the executive committee's rule i.e. any activities apart from the business operations such as any investment that requires lump sum of investment, new products launch, joint venture, lending or guarantee

- (4) Provide opinion to the Board of Directors on the dividend payout policy.
- (5) Review and approve the investment and the acquisition and disposition of the assets under the approval of the management team as per the guidelines on acquisition and disposition of asset for the listed company.
- (6) Ensure the efficiency of the operation and management in order to best benefit the shareholders.
- (7) Opinion and provide rationale on the agenda which requires Board of Directors' approval, except on any activities whereby the Board of Directors has already assigned to other committees.
- (8) Occasionally report the business performance to the Board of Directors, including notify the Board of Director for any important matters.
- (9) Evaluate the performance on an annually basis.
- (10) The Executive Committee has authority to seek external independent opinion as appropriate at the expense of the company.
- (11) Occasionally review and update the charter of executive committee, and present to Board of Directors for approval.
- (12) Perform other duties as assigned by the Board of Directors

5.2.4 Risk Management Committee

1. Recruitment Process

Risk Management Committee Consists of the Chief Executive Officer Director or independent director Managing Director Deputy Chief Executive Officer Chief Executive Officer, Financial Accounting And suitable company executives have 5 members that including (1) Mr. Teeranut Thangsatapornpong, Chairman of Risk Management Committee, (2) Mr. Suksan Yasasin, (3) Mrs. Pim Pattamasing Na Ayuthaya, (4) Mr. Seksan Rangsiyeranon, and (5) Mr. Kitti Tungsiwong, Risk Management Committee. The Risk Management Committee has outlined the responsibilities of the executive committee in the charter.

2. Charter or responsibilities of the risk management committee

- (1) Outline the policy to present to Board of Directors on the risk management and the control on all critical foreseen risks.
- (2) Define the strategy to be consistent with the risk policy. Evaluate, track and monitor the risk to be at appropriate level.
- (3) Review the sufficiency of the risk management policies, maintain the efficiency of the system and the action toward the policies, also governing and monitoring the overall risk level of the business.
- (4) Monitor, keep track and revise the critical risk reporting. Advise and provide opinion in the risk evaluation, risk standard and risk mitigation plan, to ensure the efficiency of the risk management of the company, ascertain the risk policy is appropriate to the business operations and able to manage the risk at the acceptable risk as per outlined in the risk policy.
- (5) Occasionally review and update the charter of the risk management committee to be efficient, consistent with the company's risk policy and the rapid changes of the business environment.
- (6) Provide supports and tools on risk management development to all departments in the organization with efficiency. Occasionally promote and support the development of the risk management.

- (7) Report the important risk management issues to the Board of Directors, in the case whereby any factors or situations can significantly impact the company.
- (8) Occasionally exchange information and coordinate with the audit committee on the risk and internal control.
- (9) The Risk Management Committee has authority to seek external independent opinion as appropriate at the expense of the company.
- (10) Occasionally review and update the charter of the risk management committee, and present to Board of Directors for approval.
- (11) Perform other duties as assigned by the Board of Directors

5.2.5 Corporate Governance Committee

1. Recruitment Process

Corporate Governance Committee consists of at 3 members that including (1) Mr. Teeranut Thangsatapornpong, Chairman of Corporate Governance Committee, (2) Mr. Suksan Yasasin, and (3) Mrs. Pim Pattamasing Na Ayuthaya, Corporate Governance Committee. Corporate Governance Committee have outline and report the good corporate governance to the Board of Directors. The committee shall monitor the performance of the directors and management team to be as per the policies and shall have authorities as per mandated in the charter of the Corporate Governance Committee.

2. Charter or responsibilities of the corporate governance committee

- (1) Outline corporate governance guideline and policy to be transparent, efficient and verifiable in order to further present to the Board of Directors.
- (2) Monitor and ensure that the performance of the directors and management team strictly comply with good corporate governance, Stock Exchange's corporate Governance Code and related laws.
- (3) Coordinate with the compliance team on the principles of the corporate governance code for Listed Companies 2017: Good Corporate Governance or any updated version as per outlined by the Stock Exchange of Thailand.
- (4) Review the company's corporate governance policies in consistent with the international standard and advise from Capital Market Governance Development Division or related agencies at least once a year.
- (5) Report the good corporate governance policies to the Board of Directors, providing comments, guideline and suggestion as appropriate.
- (6) Meeting of the corporate governance committee shall be convened at least once at least 1 meeting per year and report the minutes to the Board of Directors.
- (7) Disclosed the duties and code of corporate governance in the annual report of the company.
- (8) Encourage and motivate the code of corporate governance to all executives and staff both under the company and its subsidiaries.
- (9) Support and provide advice the company on the evaluation or the governance rating, to promote the corporate governance standard.
- (10) The Corporate Governance Committee has authority to seek external independent opinion as appropriate at the expense of the company.
- (11) Occasionally review and update the charter of the corporate governance committee, and present to Board of Directors for approval.
- (12) Perform other duties as assigned by the Board of Directors

5.2.6 Chairman of the committee and Chief Executive Officer

The Board of Director has defined authorities and responsibilities of the Chairman also Chief Executive Officer distinctly in order to be operation processes of the Chairman and Chief Executive Officer as follows

Authorities and Responsibilities of the Chairman

- (1) To regulate, pursue and supervise the operation of both the Board of Director and the Sub Committee.
- (2) To summon a meeting of the Board of Director or assign a representative to proceed instead.
- (3) To be a Chairman in the Board of Director's meeting. In case of equal votes, the Chairman will vote as being casting vote.
- (4) To be a Chairman in the Shareholders meeting, regulate a meeting as the company's regulations also conduct the meeting as respectively agendas which were defined in an invitation to a meeting.
- (5) Other operations which was assigned by the Board of Director.

Authorities and Responsibilities of the Chief Executive Officer

- (1) To administrate company business according to policies, objectives, regulations of the company, Shareholders' meeting resolution, the Board of Directors meeting resolution, Executive Directors meeting resolution along with related regulations.
- (2) To command or proceed in order to achieve operating as (1). In case of significantly matter, should be reported to the Board of Directors meeting also/or Executive Directors meeting.
- (3) To considerate and approve positioning, appointment, transferring, impeachment along with considering credits, disciplinary measures including compensation also welfare of the employee. In order that any operation must not oppose with Executive Directors' Authority.
- (4) To regulate regarding to company's operation without opposing to the policy, regulation, rule also any resolution of the Shareholders' meeting, Board of Directors' meeting and/or Executive Directors Meeting.
- (5) To authorize and/or assign others to perform specific duty instead.
- (6) To reinforce also develop business operation of the company with ethics, obeying the law, moral and good culture based on good governance.
- (7) To apply the authorities above of the Chief Executive Officer (Managing Director) will be unable to apply in case of the Chief Executive Officer has a stake or conflict of any interest with the company.
- (8) Supposing that any indistinctness in applying the authorities, above as prescribed, should be submitted to the Board of Directors' consideration.
- (9) Any operation as the Board of Directors and/or Executive Directors have assigned.

5.3 Recruitment and Appointment of Directors and Executives

5.3.1 Recruitment and Selection of a person who will be appointed to be a Director as well as an Independent Director.

- **Criteria for Selecting Director**

For the purpose of recruitment also nomination of the board of the Director as criteria, having transparency as well as along with the principles of good Corporate Governance, the Board of Director has appointed Nomination and Remuneration Committee to considering and recruiting in case of a vacancy of the Board of Director position occurs or the committee ends of term limit to propose The Board of Director and/or shareholder meeting to consider also approve which is the Board of Director's appointment procedure. The considering selection of a person to propose in the Board of Director position has been defined criteria as;

- (1) The committee, whom needed recruit, should own various qualifications along with Education, skill Career, Specialization which operation strategy of the company without discrimination in gender, age also race.
- (2) Possess leadership, vision, morality and ethics also transparently career background.
- (3) Possess qualification and doesn't have any characteristic which is prohibited by legal and regulation of the company.
- (4) In case of former committee is proposed to occupy a position, a person will be taken in to account further in performance as the Board of Director as well as a Sub-committee after all this time.
- (5) In case of Independent Director recruitment, a person must be qualify as criterion of Capital Market Commission.

- **A committee Recruitment Process**

- (1) A nominating Committee is responsible for recruiting the best qualified expert for the Board of Director by proposing in the Board of Director meeting to consider before proposing to the Annual General meeting of shareholder with majority vote from shareholders in the meeting as well as vote.
- (2) A Nominating Committee will analyze expertise, experience, knowledge also specialization of the committee in order to be an information which will be taken into recruiting committee consideration conform to business operations strategy of the company. Furthermore, in Recruitment as well as Selection of the new committee the Nominating Committee will considerate in knowledge, capability, experience which will be beneficial for committee's performance and necessity for composition structure which still be missing of the committee as an additional consideration.
- (3) whenever new committee is appointed, Company Secretary will arrange new committee orientation by preparing information as well as introduce process in business operation of the company which relate to new committee performance.

5.3.2 Qualifications of Independent Directors

- (1) Holding shares in total not more than 1.00 percent of total voting shares of the company.
- (2) Possess true independence from Administration Department as well as major shareholders.
- (3) Never been or ever been the committee who involved in administration, employee, staff or salaried consultant / Entities with Controlling Authority of the company except for having passed from such the position as mentioned inclusive of spouse of executive son, major shareholders and regulator

- (4) Never had or ever had business relationship with company including never been or ever been major, shareholder director; who didn't serving as Independent Director or Director of whom engaged business relationship with the company, except for having passed from such the position not less than two years.
- (5) Never been or ever been the company's auditor inclusive of never been or ever been the major shareholder, director who didn't serving as Independent Director, executive or partner of auditor's auditing firm which had company's auditor, except for having passed from such the position not less than two years.
- (6) Never been or ever been a professional service provider who has paid more than Two million Baht in service fee per year by the company, except for having passed from such the position not less than two years.
- (7) Never been the committee who has appointed to be a nominee of Director of the company, major shareholder or shareholder who is connected to a major shareholder.
- (8) Does not have any other characteristics which impede from having independent opinions regard to the operation of the company.

5.3.3 Business relationship or professional service of independent directors in the past accounting period

- None -

5.4 Board of Directors of the Subsidiaries

5.4.1 Asset Management Committee

As of the 31st December 2020, the asset management committee consists of 6 directors as follows:

No.	Name	Position
1.	Mr. Suksan Yasasin	Chairman of Asset Management Committee
2.	Mr. Boonchai Prakongkwunchai	Asset Management Committee
3.	Mrs. Pim Pattamasing Na Ayuthaya	Asset Management Committee
4.	Ms. Narumol Toprapat	Asset Management Committee
5.	Mr. Nottapol Thipchatchawanwong	Asset Management Committee
6.	Mr. Kittit Tungsiwong	Asset Management Committee

Charter or responsibilities of the corporate governance committee

- (1) Evaluate the quality of secured or unsecured non-performing loans and come up with the offering price and for the purpose of further management.
- (2) Analyze and evaluate the assets quality, which can be segregated into 3 parts:
 - a) Contracts and litigation information
 - b) Debtor and guarantor
 - c) Collateral
- (3) Analyze also rate for appraisal price which the value should not exceed the market price (at the present time 5%) of unsecured debt. In case of secured debt, will consider from location, surrounding, physical appearance, legal restriction, transportation and public utility to appraisal price meanwhile purchase valuation should not exceed 70% of the market price.
- (4) Authorized to seek internal or external specialist for the opinion

5.5 Code of Conduct

The company aims to encourage the reliability and trustworthy, believing that in turn these actions will lead to sustainable growth and creditability from the customer, shareholders, and the public. The company has outlined the code of conduct for related stakeholders as follows:

The Company

1. Building up the reputation of the company
2. Adhere to the rules and regulations of the company
3. Shall pay attention and perform the works with dedication and patient
4. Honest and loyal to the company, no false, disparaging statements on the company
5. Inform the company on any foreseen impacts and/or misconduct or any illegal activities, in order for the company to take preventive action
6. Shall use the company's assets efficiently and economically, maintain the assets to prevent damage or loss.
7. Shall pay attention and perform the Company's works with dedication and patient to improve the quality, efficiency and profitability of the Company and develop the Company to the excellence.
8. Shall be punctual and utilize the time to best serve the company. The staff shall not be the permanent or temporary staff of other companies with similar business as the company or its subsidiaries, or the competitors or having conflicts of interest against the company.
9. Shall not disclose any confidential information, news or technology to the public.
10. Shall not operate or invest in any activities competing with the company or perform any conflict of interest activities.
11. Shall not vote for any agenda if foreseen any conflicts of interest.
12. Shall maintain and create the harmony and unity among the employees for collaborative working and effective problems solving as teamwork.
13. Shall be responsible and secure a good working environment.
14. Coordinate and act upon the good corporate governance of the company.
15. Not perform other duties, in the case where necessary, the below activities should not be performed:
 - Have an effect on one's work.
 - Violate the law or the public order or the morals.
 - Contradicting to the company's benefit and rules.
 - Negative feedback on company's reputation and image.
 - Disclose or misuse of company's confidential information.

Customer

1. Shall respect other personnel's rights, act according to laws, timely service and treat others fairly.
2. Shall keep client's secrets confidential.
3. Shall conduct them in such manner as to deserve the respect.
4. Shall refrain from accepting any excessively valuable items or any benefits from the person who has business deal with the company.
5. Avoid all circumstances which can lead to the conflicts of interest against the customers.

Employee

1. Shall be disciplined and behaved, and not involve in any gambling.
2. Shall keep one's words and do what one has promised.
3. Shall develop and improve the skills, knowledge and capabilities.
4. Shall perform duties with honesty and not perform any activities for one's own benefits.
5. Shall not utilized company's assets and procedures inappropriately.

Responsibility for the Partners and Creditors

For avoid any actions leading to the damage of company's image, reputation or any unlawful behavior. The suppliers and creditors shall be treated equally and fairly based on mutually fair return. The company believes that the partner is main factor for the company's value creation, thus, the company shall strictly act upon the agreed arrangement, for example, principle and interest repayment and collateral management.

Supervisor and Co-worker

1. Shall coordinate and assist each other
2. Shall respect the supervisors
3. Shall respect and be compassionate to the subordinates
4. Shall share the skill and experience to the co-workers
5. Shall avoid accepting valuable gifts from the co-workers and subordinates
6. Shall not destroy the co-worker's reputation by making damaging accusations on personal issues
7. Shall treat supervisors and co-workers politely, fairly and generously.
8. Shall not claim other's work as oneself
9. Shall not process of bad attitude and accuse the supervisors and co-worker

Insider Trading Management

The Company has policies also supervise both committees and executives in regard to conduct the insider trading of the company and subsidiaries which still be concealed from the public, in order to exploitation in accordance with Securities and Exchange Commission Principles as follows;

1. Enlightened the director also the executive relate to reporting of one's own securities holding; their spouses and underage children including the report stating acquisition or distribution of one's own securities, their spouses and underage children to the Securities and Exchange Commission.
2. Directors also Executives of the company and subsidiaries comprise of their spouses and underage children to provide also disclose reports of acquiring securities also reports of company securities transaction to the Securities and Exchange Commission. Meanwhile, send the duplicate of report to the company in the same day of sending report to the Securities and Exchange Commission office.
3. Directors Executives, Employees also Workers of the company and subsidiaries who acknowledged the substantive insider trading of the company and subsidiaries which will affect company's securities price adjust, must refrain from securities transaction of the company before 1 month of the public dissemination of the financial statements. While after 24 hours of insider trading disclosure to the public, the insider trading confederate must not disclose that information to others until that information will be informed to the Securities and Exchange Commission.

4. Directors, Executives, Employees and Workers of the company and subsidiaries are forbidden to apply any insider trading of the company and subsidiaries which might affect company's securities price adjust, which conceal from public, which perceive by position or status, in order to securities transaction or bidding or offering including induce others in bidding or offering both shares and securities (if any) of the company both direct and indirect, or probably damage the company both direct and indirect, whether any action has an advantage to oneself or others, or divulges the matters of fact in order to have anyone perform instead with personal compensation.

5.6 Auditor's Fee

5.6.1 Audit Fee

In 2020, the Company paid the audit fee to the company of PricewaterhouseCoopers ABAS Company Limited amount 3,800,000 Baht, increased 5.55% from the previous year, mainly due to the expansion of the business of the Company and its subsidiaries.

5.6.2 Non-audit Fee

- None -



Corporate Social Responsibility

1. Overall Guidelines

The Company has adhered to the values of business treatment that are fair to all relevant parties, society, economy and the environment with high-level of ethical and moral operation standards, upheld the principles of maximum transparency and equitable treatment to promote the confidence level for the shareholders, investors, staff, customer, and stakeholders under the corporate governance principles.

Vision

“Expertise in managing secured and unsecured non-performing loans professionally, for customers, and key stakeholders.”

Mission

- Professional management abided by Law and Debt Collection Act.
- Promote and protect positive image of customers and stakeholders.
- Lead by systematic marketing and completed execution.
- Managing assets with integrity and providing best solutions to debtors at all time.

In order to comply with the Principles of the Good Corporate Governance of The Stock Exchange of Thailand, the Company has outlined the guideline for corporate social responsibility and anti-corruption policy as follows;

1. Fair Operating Practices

The company has adhered to the values of business treatment that are fair and under the related rules and regulations. The company shall recognize the importance of the responsibilities towards the stakeholders which are shareholders, staff, customers, partners, investors, creditors and the society.

2. Anti-Corruption

The company is opposed to all forms of corruption, ensures to conduct its business based on the principles of good corporate governance, transparency and fairness. The organization shall be managed effectively, transparently and verifiable. The company also provides knowledge and encourages the staff to comply with the anti-corruption policy. The details are disclosed on the Company’s official website that the stakeholders are thoroughly informed of the anti-corruption policy of the Company. (See more details about the Company’s Anti-Corruption Policy at the website www.chayo555.com/th/sustainability/corporate-governance/ นโยบายต่อต้านการทุจริตและคอร์รัปชัน

In this regard, the Company has a policy and practice guideline on anti-corruption to prevent and reduce the chance that the company will be used as a channel for corruption. There are regular reviews of the effectiveness of related policies and practices which is in line with the best practice of the industry and there is an annual assessment of the risk of corruption. It is reported

to the relevant committees for consideration.

3. Respect on Human rights

The company places importance to the respect of human rights as it is the foundation of the rights. Also, the company outlines the appropriate human rights compliance, and fairly treats the staff without discrimination on the grounds of group, nationality, race, ethnicity, religions, languages or social status, and promotes the surveillance of human rights compliance which is the ground for the management and human resources development foundation.

4. Fair Treatment to Employees

The company has placed great importance on the fair treatment toward employees, equitable management, professional advancement of the staff, and efficiency of the staff. The company as well promotes the code of conduct, provides appropriate benefits, and opens for any suggestions and opinions.

5. Responsibility to Clients and Debtors

The company has outlined the appropriate code of business conduct towards clients and debtors by developing quality and up to standard service. Effective data management and efficient service management are being established in order to serve the clients and debtors. Further, efficient data management is being developed in order to serve the decision making for the clients.

6. Environment Conservation and Effective Environmental Resources Utilization

The company has upheld the responsibilities toward the society and strictly acted upon related rules and procedures on the environment conservation, and also outlined the protective measurement to immediately solve if there are any environmental impacts occurred from business operations by practicing effective resource utilization policies. And the guidelines are as follows;

1. Every Board of Directors also employees must take part in protecting the environment and improving company's workplace environment for instance; the company holds Big Cleaning Day Activity, allow the employees to clean office desks also sort out the equipment which unprofitable to a workplace, environment and employees' sanitation.
2. Every Board of Directors also employees must reduce garbage and wastes along with recycle discarded products and materials which still be salutary.
3. Every Board of Directors must conserve as well as energy efficiency use. The company has defined procedure in saving electricity and water energy by using economical also efficient for instance switch off the lights, turn off the air conditioners as well as switch off the electrical appliances as a campaign duly. Furthermore, electrical appliances selection with energy saving quality particularly light bulbs, air conditioners and electrical appliances indoor.
4. The company has disseminated policies as well as enlightened to the Board of Directors and Employees by means of efficiently resources usage declaration to all employees through bulletin boards in accompany with stimulating also assisting employees' cooperation conscientiously

7. Community and Social Development

The company has highly values the responsibility toward the society. The company, thus, arranged campaigns to support the community and social development by promote the education, foster the career path. The company opens the opportunity for the personnel who do not graduate the Bachelor degree, or even high school (Matthayom 3), to be recruited. As well, the company encourages self-reliance through the social development campaign.

8. Innovation and Diffusion of Innovation

The company has initiated the development of innovation in order to promote the efficiency of the process, and to encourage the development and distribution of innovations to the staff aiming to connect the Company's goal and the customer's needs in return.

2. Anti-Corruption and Conflict of Interests Policy

2.1 Acceptance of Cash and Benefits

1. Directors, executives and employees shall not agree to accept money or any other benefits from the customers, partners, or the person who has business dealing with the company.
2. Directors, executive and employees shall not lend or borrow or soliciting customer or person who has business dealing with the company, except the money borrowed from banks or financial institution.

2.2 Anti-Corruption

The Company is against all forms of corruption without a policy of offering money, incentives, gifts, special privileges in any form, either directly or through third parties. Company partners an external agency or government official to acquire or retain a business advantage or advantage. In addition, there is no policy of reward or any other payment to expedite the operation or facilitate that except for traditional business entertainment, commercial discounts and company promotional programs. There are 71 criteria in the self-assessment form regarding anti-corruption measures according to the SEC.

2.3 Operation Similar Business to the Company

1. The directors, executives and employees shall not operate one's own business which impacts the assigned duties and working time.
2. The directors, executives and employees shall not operate any business competing with the company even through one's will receive direct or indirect benefits.

2.4 Operation the Business with the Company

1. The directors, executives and employees shall disclose by detailing the name, family name or juristic person's name that may have a conflict of interest, prior to perform any transactions with the business.
2. Prohibit the directors, executives and employees who have the rights to vote for the transactions

3. The executor shall check whether the directors, executives and employees have any relationship with the partners prior to perform any transactions to prevent the conflict of interest. The definition of relationship shall be as per the disclosure of information and other acts of listed companies concerning the connected transactions of the Stock Exchange of Thailand.

2.5 Gifts and Entertainment

1. Directors, executives and employee shall not agree to accept both cash and non-cash benefits from the partners and stakeholders, unless accept the gift during the festival seasons with the value not greater than 3,000 baht. Acceptance of gifts greater than 3,000 baht must be reported to the supervisors for further appropriate actions.
2. Directors, executives and employees shall utilize the entertainment cost for the benefit of the company and avoid excessive solicit entertainment provided by other stakeholders or expected partners.

2.6 Business Travel and Seminar

Directors, executives and employees shall accept any business travel and seminar, arranged and paid by the partner, with the purpose for company's benefit, and must be approved by the authorized supervisor prior to such acceptance. However, no cash and other benefits received from the partners are allowed.

2.7 Offering Gifts and Entertainment

1. Offering gifts and entertainment to third parties might sometimes be regarded as bribery since it can be viewed that the offering of gifts and entertainment are for the purposes of business benefits from and to the government. Directors, executives and employees shall not offer such gifts and entertainment. However, only the authorized delegate is allowed to offer appropriate gifts and entertainment to the clients.
2. In some business, juristic person and specific location of the company might stricter policy and/or more reporting or approvals.

2.8 Political Activities and Political Funding

As a citizen that may be interested in the political process or in persuading or building relationships. With government officials, however, participation in processes that are involved in formal processes Cities at different levels - international, national, or local that can become involved and legal liability for the Company is possible, and even if it is something you do yourself without being a representative of the Company. However, the Company already has the right foundation to work and the Company's policy is not related to politics.

There are many laws governing the activities. Company politics Including employees and representatives of the Company conduct of any political activity that is not permitted. It may result in a violation of the law and civil or criminal penalties, business prohibitions and/or damage to reputations for the Company.

2.9 Charity donation

The Company strives to be a good corporate citizen and act strongly. Solidarity in supporting the communities in which we operate, company-funded donations helps support our charitable causes. And will be allocated through a variety of charitable institutions to prevent involvement with improper charities (such as those that support by terrorists or money laundering activities Fraud or other crime), must comply with the Anti-Money Laundering (“AML”) requirements.

Charitable donations must not be given from the company. Or as requests from employees, customers, service providers, government officials or other business partners to condition or to dominate business decisions (or to be free of “reciprocal interests”) or to act for the benefit of any person. The Company’s workplace should be free from outside influences. Donations to various charities should be done secretly that caused by true volunteers that no impact on employment or a decision to provide compensation or compensation and must comply with the policy It’s all about non-claims

2.10 Performing other businesses

There might be a conflict of responsibilities, once the employee is the director of other companies who are listed in the Stock Exchange. As well, there might be a potential risk that the employee will spend majority of the time participating for other companies’ activities, which will become obstacles for performing existing roles and duties for the company. However, the company does not encourage the employee to participate or accept the director position with other companies listed in the Stock Exchange.

The employees must declare and seek for the approval prior to enter into any of the following activities:

1. Being a director or a member of the Board of Director in other companies listed in the Stock Exchange.
2. Being a director or a member of the Board of Director in Public Company with the purpose for the profit.
3. Being a director or a member of the Board of Director in non-profit organization but lead to the conflict of interests or interfere the management of financial and investment.
4. Run of political election, or accept the position in the government, or any relationship with the government agencies.
5. Other non-profit business but lead to or having possibilities of the conflicts of interests.

2.11 Copyright and intellectual property

The Company respects and does not violate copyrights and intellectual property. Employees are responsible for protecting the Company’s intellectual property against unauthorized use or dissemination and respect the rights of copyright and intellectual property owners.

2.12 Protection of Company Assets

For efficient business operation Company employees must properly maintain Company assets. And use the property properly and only increase its business purpose.

2.13 Respects for Human Rights and Equality

The Company operates its business with strict respect for human rights and believes that successful business must work with ethical and humanitarian principles towards all human beings equally. It respects rights and freedoms and does not exclude or discriminate against race, color, sex, age, religion, physical disability, and place of origin or social class which impede or hinder equality of opportunity or equal treatment of employees, customers, partners and others

2.14 Disciplinary sanctions

Acts that violate or may be considered to violate the Code of Conduct, Law and Regulations will be subject to investigation and disciplinary action in accordance with the Company's code of conduct, as appropriate for the effects and nature of the commission of the offense. Fair and free from discrimination. Employees may be responsible for disciplinary action, even if the wrongdoing is not specified in the code of conduct and other practices of the company.

3. The Activities of Corporate Social Responsibility

• Channel for the Complaint (Hot Line)

Whenever there are any breaches, violation of ethics and conduct, wrongdoings, or unfair treatment by the Executive Director, Audit committees and /or the Board of Directors, the company will investigate the complaint in a timely manner with fair and justice. The employees shall submit their concerns and/or fill in the form for further submission to the Executive Director, Audit Committees and/or the Board of Directors, whereby the information will be kept confidential. Channels to raise the complaints are as follows:

- (1) Direct supervisor
- (2) Human Resources Department 02-004-5565, 086-819-3333
- (3) Fill the information in company's website <http://www.chayo555.com> or email to Center@chayo555.com

• Procedure to handle complaints

The complaint center shall consolidate all information regarding the breaches and violations of the ethics and code of conduct for further consideration and handling, also to take preventive measure and report the result to the complainant (in case disclose the name).

• Preventive measure to protect the complainant or person who provides support in the information gathering process.

- (1) The complainant or person who provides supports is free to disclose the name. The company will report back the result in case the complainant chooses to disclose the name.
- (2) The person received complaint shall treat all complaints confidential, and only disclose necessary information to the responsible parties.
- (3) The Company prohibits all the retaliation against the complainant or person who provides supports. The retaliation will be subjected to disciplinary action which might results in the dismissal.

4. The Activities of Corporate Social Responsibility

The company has places an importance on Corporate Social Responsibility: CSR, and on social, environment and quality of life development. In 2020, the company has participated in the follow Corporate Social Responsibility activities:

Corporate Social Responsibility: CSR					
No.	Date	Location	Project Name	Project Details	Amount (Baht)
1.	05/05/20	Chayo Group Company Limited	CHAYO offers dry food to help people affected by COVID-19	Executives and employees donated 500 bags of survival bags and drinking water to nearby communities and employees of the company	145,000
2.	15/05/20	Chayo Group Company Limited	Tu Kab Khao kong Mae	Executives and employees share happiness through the mother's pantry and take consumer items in the pantry Share to employees And people in nearby communities	20,000
3.	25/05/20	COMADO Shooting Range	Provide consumer goods for people suffering from the COVID-19	Executives deliver donated items such as medical equipment, rice, dry food and necessities for people suffering from the COVID-19	30,000
4.	05/06/20	Chayo Group Company Limited	CHAYO distributes drinking water	Executives and employees participated in distributing drinking water to people who commute by Sky train in the opportunity to open the extension of the Green Line (Wat Phra Si Mahathat station)	5,000
5.	10/06/20	Chayo Group Company Limited	CHAYO donated medical devices to Queen Sirikit Hospital.	Provides handheld intubation aids for Queen Sirikit Hospital to be a medical tool It can be used by patients in all departments of the hospital to help reduce the contact distance to reduce the risk of infection in the COVID-19	94,000
6.	30/06/20	Department of Statute, Ministry of Defense	CHAYO by Mr. Suksan Yasasin gives scholarship to support education for civil servants' children Permanent employees and government employees Under the Constitution Department	CHAYO by Mr. Suksan Yasasin gives scholarship to support education for civil servants' children Permanent employees and government employees Under the constitution of the year 2020 and provide financial assistance to those affected by COVID-19	80,000

Corporate Social Responsibility: CSR					
No.	Date	Location	Project Name	Project Details	Amount (Baht)
7.	02/07/20	Constitution Department Office of the Permanent Secretary for Defense	CHAYO Give scholarships	Give scholarships to children of civil servants, permanent employees and government employees under the Constitution Department 99 scholarships	198,000
8.	11/07/20	World Vision Foundation of Thailand Training Center	World Vision Foundation of Thailand Child Sponsorship Program	Donate learning and sports equipment to the underprivileged children of World Vision Foundation of Thailand	30,000
9.	22/08/20	Phra Lao Thepnimit Temple, Amnat Charoen Province	Dining CHAYO GROUP in collaboration with Suksan Foundation	CHAYO together with the Suksan Foundation donate, make merit and go to a charity. At the foundation stone laying ceremony of the Vihara at Phra Lao Thepnimit Temple, Amnat Charoen Province	30,000
10.	15/10/20	Impact Muang Thong Thani	CHAYO Support scholarships for the Foundation for the Empowerment of Persons with Disabilities	Give scholarships to students with disabilities in the foundation for empowering persons with disabilities to provide educational opportunities and provide opportunities for the development of the capabilities of the disabled to be equal with the general public	4,000
11.	04/12/20	Central prison Nakhon Pathom	CHAYO providing supplies and encouragement to inmates at Nakhon Pathom Central Prison	Give the prisoners daily necessities And children born in Nakhon Pathom prison	40,000
12.	25/12/20	Golden Care Nursing Home, Bangkok	CHAYO give flowers to support the nursing home	Give flowers from the Move to SET event and forward to Golden Care nursing homes	-



Internal Control and Risk Management

The Company realizes and attaches importance to risk management and the sufficiency of a good internal control system in order to support the Company and its subsidiaries to achieve its objectives with efficiency and sustainability. Starting with corporate culture creation in order to operate business under the principles of good governance and transparency. A balanced management structure has been established. The formulation of important central operating policies and guidelines in writing for all companies to implement under the same guideline and control system that including the preparation of employee ethics defining disciplinary action and setting appropriate channels and procedures for receiving complaints.

1. Supervision of internal control system and Risk Management

The supervision of the business operation and the adequacy of the Company's internal control system are under the supervision of the Board of Directors. The Board of Directors assigns the Board of Directors to the Audit Committee. A duty to supervise the internal control system and risk management in accordance with the following important criteria:

1. The Board of Directors supervises the Risk Management and the Company's internal control system by appointing and assigning the Audit Committee to responsible for Risk Management and control in accordance with the duties and scope of responsibility. The Company's risk management and control guidelines are carried out under the internal control policy, corporate governance policy and risk management.
2. Audit Committee Act independently in assessing the sufficiency and suitability of the internal control system which is set and supervised by the executive committee including the efficiency of the audit process the audit committee of the company annually reviews the sufficiency form of internal control. There is a review of the audit policies and guidelines of the internal audit department. Supervise the appropriateness of the internal control system. The sufficiency of the internal control and audit system to ensure that the company operates in accordance with the legal requirements, the Audit Committee will report the audit results to the Board of Directors for consideration.
3. The company has continuously developed its information system, to improve the quality of information and communicate information effectively, including Risk Management in information technology. The information security policy of the information technology system has been established, to supervise and operate information technology appropriately and adequately.
4. The company has followed up and evaluated the results of the internal control. The deficiencies in the internal control system are reported to the responsible person that there are measures for corrective action taken in a timely manner. The results of the internal control compliance audit are required to be reported to top management. Audit Committee and the Board of Directors on a regular basis.

2. Opinion of the Audit Committee on the internal control system

For the year 2020 KPS Audit Company Limited, the Company's internal auditor has formulated a 2020 audit plan based on the company's risks to propose to the Audit Committee for approval with an emphasis on ensuring the operations (Operations) efficiency and effectiveness. Moreover, comply with laws and regulations (compliance) and present reports (reporting) appropriately and reliably. This is to ensure that the internal control continues to be effective and efficient. The internal audit examined key systems, including the human resource management system. Cost management system Lending system and income management system and legal system including tracking outstanding issues every quarter in 2020, the company has already resolved most of the outstanding issues.

At the Board of Directors Meeting No. 6/2020 on November 11, 2020, including 3 members of the Audit Committee attended the Meeting by considering the adequacy of the internal control system of the Company and its subsidiaries by asking information from the management and internal auditors. There is an opinion that the company has an internal control system and internal audit that are appropriate and sufficient for the size of the business that can protect company assets from loss or misuse by non-authorized persons able to deal with the risks that are counted important and financial reports of the company is correct disclose information completely, adequately and reliably including management and employees of the Company. In this regard, PricewaterhouseCoopers ABAS Co., Ltd. is the Company's auditor. There was no further opinion on the Company's internal control system in 2020.



Related and Connected Transactions

The Company disclosed the transactions between each other and the connected transactions in the notes to the financial statements. The section titled “Transactions with related parties” which appeared in the consolidated financial statements of the Company in the year ended as of 31st December 2020. The Company has significant business transactions with related parties in which they comply with the terms of trade and criteria agreed between the Group and the individuals or group companies comparable to the terms and prices applicable to the general customer.

- The necessity and justness of the list.**

The connected transactions that occurred thereof there is a necessity and reasonableness of the transaction for the best interest of the Company and its subsidiaries, which is a transaction that supports the Company’s normal business operations the transaction above does not create a conflict of interest.

- Measures or procedures for approving related transactions.**

The Company will consider related transactions with persons who may have conflicts. With approval measures or procedures that are not different from those done with the third parties, any interested person in any transaction will not have the rights to vote on the approval of the transaction, the company will disclose information for transparency in accordance with the principles of good corporate governance.

- Policy or future trend of related transactions**

The company places great importance on the effective management system, according to the framework of good corporate governance (Good Governance) and in accordance with the guidelines of the regulatory agencies involved. The Company does not support transactions with person who may have a conflict of interest if the transaction. The transaction is subject to the ordinary business of the Company

For year ended the 31st December 2020, the company and its subsidiaries have the following connected transactions and the person who may have led to the conflict as bellows;

No.	Company	Related Parties	Transaction Type	Pricing Method	Amount in 12 months (Baht)	Necessities/Remarks
1	Chayo Group Public Company Limited	Chayo Asset Management Company Limited	Rental and Office Service Fee Receivables	Market Price while rental and service fee are in an average price with vicinity approximately 170-200 Baht/square metre. Thus, the company will charge rental and service fee at 170 Baht/square metre.	1,800,000	The subsidiaries rent the office to operate the business with the parent company.

No.	Company	Related Parties	Transaction Type	Pricing Method	Amount in 12 months (Baht)	Necessities/Remarks
2	Chayo Group Public Company Limited	Chayo Property and Service Company Limited	Rental and Office Service Fee Receivables	Market Price while rental and service fee are in an average price with vicinity approximately 170-200 Baht/square metre. Thus, the company will charge rental and service fee at 170 Baht/square metre.	444,000	The subsidiaries rent the office to operate the business with the parent company.
3	Chayo Group Public Company Limited	Chayo Capital Company Limited	Rental and Office Service Fee Receivables	Market Price while rental and service fee are in an average price with vicinity approximately 170-200 Baht/square metre. Thus, the company will charge rental and service fee at 170 Baht/square metre.	96,000	The subsidiaries rent the office to operate the business with the parent company. (Used 30 square metre)
4	Chayo Group Public Company Limited	Chayo Asset Management Company Limited	Management Fee Receivables	Use enterprise's costs and allocate from executive working hours in all positions	26,400,000	Parent company collect the management fee to the subsidiaries since some of the management has participated in managing the subsidiaries, thus to reflect the correct expenditure.
5	Chayo Group Public Company Limited	Chayo Property and Service Company Limited	Management Fee Receivables	Use enterprise's costs and allocate from executive working hours in all positions	6,000,000	Parent company collect the management fee to the subsidiaries since some of the management has participated in managing the subsidiaries, thus to reflect the correct expenditure.
6	Chayo Group Public Company Limited	Chayo Property and Service Company Limited	Interest Receivables	Interest rate 6-6.25% per year, refer to interest rate which the company has borrowed from humanity with interest rate 6-6.25% per year.	1,479,452.06	Refer to company's interest rate

No.	Company	Related Parties	Transaction Type	Pricing Method	Amount in 12 months (Baht)	Necessities/Remarks
7	Chayo Group Public Company Limited	Chayo Asset Management Company Limited	Interest Receivables	Interest rate 6-6.25% per year, refer to interest rate which the company has borrowed from humanity with interest rate 6-6.25% per year.	53,167,737.58	Refer to company's interest rate
8	Chayo Group Public Company Limited	Chayo Capital Company Limited	Interest Receivables	Interest rate 6-6.25% per year, refer to interest rate which the company has borrowed from humanity with interest rate 6-6.25% per year.	147,945.20	Refer to company's interest rate
9	Chayo Group Public Company Limited	Chayo Asset Management Company Limited	Commission Payables	Market price with the same rate as payable to external company	187,544.31	Same rate as payable to the external company.
10	Chayo Group Public Company Limited	Chayo Property and Service Company Limited	Commission Payables	Market price with the same rate as payable to external company	3,990.87	Same rate as payable to the external company.
11	Chayo Asset Management Company Limited	Chayo Group Public Company Limited	Commission Payables	Market price with the same rate as payable to external company	780,696.27	Same rate as payable to the external company.
12	Chayo Asset Management Company Limited	Chayo Property and Service Company Limited	Commission Payables	Market price with the same rate as payable to external company	5,153,263.91	Same rate as payable to the external company.
13	Chayo Asset Management Company Limited	Chayo Group Public Company Limited	Dividend income	Paid from retained earnings for the fiscal year ended 2019, at a par value of Baht 0.50 per share	62,780,000	New items in 2020

No.	Company	Related Parties	Transaction Type	Pricing Method	Amount in 12 months (Baht)	Necessities/Remarks
14	Chayo Asset Management Company Limited	Mr. Suksan Yasasin	Building Rental Payable (Document Storage)	The market price is 14,000 baht/month that comparing the rental fee from nearby building in the same location is 15,000-20,000 Baht or 63.33-100 Baht/square meter. The Company has rented Mr. Suksan Yasasin in an area of 192 square meters (4 floors) is 72.92 Baht/square meter, totaling 14,000.64 Baht, rounded of 14,000 Baht	168,000	The company signed the building rental agreement with the concerned party for the document storage.
15	Chayo Group Public Company Limited	Mr. Nattawat Yasasin	Commercial building rental to serve as a secondary work site for the contingency plan (BCP Plan) for the spread of COVID-19	The market price is 25,000 baht/month that comparing the rental fee from nearby building in the same location is 23,000 (for building improvement) - 26,000 (ready to use) Baht or 95.83 – 108.33 Baht/square meter. The Company has rented in an area of 240 square meters (5 floors) is 104.16 Baht/square meter, totaling 24,999.84 Baht, rounded of 25,000 Baht	250,000	The Company has entered into a commercial building lease agreement with a person who may have a conflict of interest to use it as an alternate workplace (BCP Plan)

Audit committee approved the connected transactions given that there is no conflict of interest and the price is reasonable for all related parties.



Financial Statement

Report on the Responsibilities of the Board of Directors for the Financial Report

The Board of directors is responsible for the financial statement of Chayo Group Public Company Limited, and the consolidated financial statement of Chayo Group Public Company Limited and its subsidiaries, which have been prepared in accordance to the generally accepted accounting standard. The company believes that the accounting policies are appropriate and have been consistently applied. The notes to the financial statements disclose details of useful and material financial information supported for the benefit of shareholders and other stakeholders. The company's external auditor has audited the financial statements and expressed an unqualified opinion in the auditor's report.

An effective and efficient internal control system are put in place in order to have reasonable assurance that the financial records of the company are accurate and complete and are preventive tools for any fraud or abnormality.

The Board of Directors has also appointed the Audit Committee to oversee the accuracy and adequacy of the financial reporting process as well as review the suitability and efficiency of the internal control and independence of the internal audit system, and also on the connected transactions.

In the opinion of the Board, the internal control process is sufficient and appropriate to conclude that the audited financial statements of Chayo Group Public Company Limited and its subsidiaries for year ended 31st December 2020 are in accordance with the accounting principles and any relevant laws and regulations.

Mr. Wutisak Lapcharoensap

(Chairman of The Board)

Mr. Suksan Yasasin

(Chief Executive Officer)

Independent Auditor's Report

The Audit Committee of Chayo Group Public Company Limited is appointed by the Board of Directors and obtained qualifications as per mandated by the Stock Exchange of Thailand. The Audit Committee has held total of 4 meetings during the year. List of independent directors are as follows:

Mr. Chanon	Chotevijit	Chairman of the Audit Committee
Air Chief Marshal Arnon	Jarrapun	Audit Committee
Mr. Teeranut	Thangsatapornpong	Audit Committee

The audit committee has responsibilities to perform the tasks assigned by the Board of Director, and report the minutes of audit committee meeting to the Board of Director, as summarized below:

1. Review the accuracy and adequacy of the company's financial reporting. The audit committee has viewed that the company's financial statement is accurate in accordance with the accounting standard.
2. Review that the company has an appropriate and effective internal control system. The audit committee has evaluated and approved the plan annually, review the internal audit report and monitor the development of the internal control system. The audit committee has viewed that the internal control system is adequate and appropriate. Per business operation the company has established a system of internal control and personnel sufficient to effectively implement the defined operating system and have appropriate measures to prevent any transactions that may cause conflicts.
3. Nominate Mr. Boonlert Kamolchanokkul Certified Public Accountant No. 5339, or Mr. Chanchai Chaipradit Certified Public Accountant No. 3760, or Mr. Pi boon Tunkul Certified Public Accountant No. 4298 under Pricewaterhouse Coopers ABAS Co., Ltd. ("PwC") as company's auditors for 2020 to the Board of Directors for further presenting to shareholder's meeting.
4. Appointed KPS Audit Company Limited ("KPS") as Internal Auditor to evaluate the overall control of the company, and overview on the control plan over the critical functions.
5. Review the connected transactions and monitor that the information is disclosed in accordance to the Stock of Exchange Regulations.
6. There is a meeting between the audit committee and the auditor (without management and executives) at 1 time on 11th November 2020.

On behalf of Audit committee for 2020, we would like to extend our gratitude to all related stakeholders for the support and coordination.

Mr. Chanon Chotevijit

(Chairman of the Audit Committee)



Management Discussion and Analysis

Business Management Overview

The company has categorized business into 5 types namely; Non-Performing Debt Investment and Asset Management, Debt tracking and Collections Service Business, Customer Service Business Loans Business, and product distribution through call center and/or TV Shopping and/or online channel also customer information centers business. For the purpose that the revenue proportion from Non-Performing Loans is the main revenue of the company approximately 73 - 87% of company's net incomes from 2018 to 2020. Thus, the overall operation of the company could refer to non-performing debt investment and asset management. At the beginning of non-performing debt investment and asset management business, the company started with after sale debt management from the auction at that time. However, at present, the company is capable to manage other types of debt from additional auction for instance; credit cards' debt, cash cards' debt, mortgage also overdraft (O/D), and hire purchase/leasing loans. Nowadays, non-performing loans under the company management consists of credit cards' debt also cash cards' debt mostly. On the 31st December 2020, the company has owned debts before deducting secured in the quantity of 65,397 million Baht Therefore, the overview of non-performing debt investment and asset management of the company are as below;

Year	Yearly Storage (Million Baht)	Number of Contracts (issue)	Non-Performing Loans							
			Prime Cost	Adjusted Entry ^{1/}	Incremental Cost	Accrued interest receivable	Amortization Fund	Transfer into property foreclosed	Expected credit losses ^{2/}	Termination Cost
2011	0.12	649	-	-	4.32	-	(0.19)	-	-	4.13
2012	3.80	4,313	4.13	-	22.69	-	(7.74)	-	-	19.08
2013	6.71	4,273	19.08	-	-	-	(10.65)	-	-	8.43
2014	47.94	174,175	8.43	(4.74)	100.35	-	(4.70)	-	-	99.34
2015	142.49	234,537	99.34	9.93	118.51	-	(27.80)	-	(0.30)	199.68
2016	199.74	227,457	199.68	8.77	-	-	(48.11)	-	0.30	160.64
2017	222.32	220,613	160.64	-	181.50	-	(60.22)	-	(0.15)	281.77
2018	252.68	299,187	281.77	-	374.96	-	(39.80)	(13.63)	(9.16)	594.14
2019	267.43	293,000	594.14	-	643.97	-	(35.56)	(80.60)	-	1,121.95
2020	219.32	355,343	1,121.95	-	625.65	236.56	(40.32)	(163.92)	(87.06)	1,692.88

Remark: ^{1/} Adjusted Entry come from the company has changed the revenue calculation method for non-performing loans from portfolio account into debtor account.

^{2/} Before 2020, formerly known as "Allowance for Impairment"

Summary of the Financial Performance for the Year Ended the 31 December 2018 – 2020

Key Financial Performance	Financial Statement					
	Jan-Dec 2018	%	Jan-Dec 2019	%	Jan-Dec 2020	%
Revenue from Debt Tracking and Collection Service	41,443,050	16.2%	61,372,965	20.8%	51,324,636	10.7%
Revenue from Non-Performing Loans Lending	212,873,389	83.3%	231,867,085	78.6%	417,248,392	87.1%
Revenue from Loan	-	0.0%	1,777,522	0.6%	7,547,271	1.6%
Revenue from the Customer Service Center	1,330,719	0.5%	-	0.0%	-	0.0%
Revenue from sales					2,997,185	0.6%
Gross Revenue	255,647,158	100.0%	295,017,572	100.0%	479,117,484	100.0%
Service Cost	(91,701,406)	-35.9%	(105,016,456)	-35.6%	(115,422,724)	-24.1%
Sales Cost	-	0.0%	-	0.0%	(1,902,148)	-0.4%
Gross Profit	163,945,752	64.1%	190,001,116	64.4%	361,792,612	75.5%
Other Revenues	2,225,853	0.9%	3,202,090	1.1%	4,023,887	0.8%
Profit from on sale of Assets	6,734,019	2.6%	19,691,118	6.7%	37,238,875	7.8%
Administrative Expenses	(60,755,407)	-23.8%	(63,768,938)	-21.6%	(67,985,166)	-14.2%
Financial Costs	(2,868,480)	-1.1%	(9,118,056)	-3.1%	(52,701,608)	-11.0%
Pre-tax Profits	109,281,737	42.7%	140,007,330	47.5%	195,310,936	40.8%
(Expenses) Tax revenues	(23,846,648)	-9.3%	(28,960,508)	-9.8%	(40,506,107)	-8.5%
Yearly Net Profit Margin	85,435,089	33.4%	111,046,822	37.6%	154,804,829	32.3 %

Overall Operation Analysis

Revenue

The Gross Revenue from overall operation of the company for the year 2018, 2019 and 2020 in total are 255.65 million baht, 295.02 million baht and 479.12 million baht which increasing from year 2020 comparing to 2019 approximately 184.10 million baht or 62.40% from Revenue from Non-Performing Loans Lending and Revenue from Debt Tracking and Collection Service around 185.38 million baht, Revenue from Loan around 5.77 million baht and Revenue from sales around 3.00 million baht respectively.

- **Income from Loans to Non-performing Assets**

The increment in income for the year 2020 was mainly attributed to the recognition of interest income in accordance with IFRS 9 (“IFRS 9”, commenced on January 1, 2020), from Loans to non-performing assets mainly arose from the increment of income from selling collateral of non-performing assets and increment in collection around Baht 219.32 million. In addition this year the amortization of cost was lower than last year because in 2020, debtors have been affected by the COVID-19 outbreak. Therefore, there is a request for a break in the payment and the payment has been postponed. In

addition to postponing the auction of collateral for non-performing liabilities that was postponed due to the closure of the Legal Execution Department in April and May 2020 due to the COVID-19 epidemic, the following are the details;

Key Financial Performance	For the year end on the 31 st December 2020		For the year end on the 31 st December 2019		For the year end on the 31 st December 2018	
	Million baht	%	Million baht	%	Million baht	%
Effective interest rate	234.85	54.84	n/a	n/a	n/a	n/a
Excess interest income from the estimate	182.40	45.16	n/a	n/a	n/a	n/a
Total of interest income	417.25	100.00	231.87	100.00	212.87	100.00
Revenue recognition or income from loans to non-performing assets	219.32	-	267.43	-	252.68	-

Remark: As of January 1, 2020, the Company has recorded revenues according to Financial Reporting Standards No. 9 (TFRS9), resulting in the method of recognizing income different from the period ended December 31, 2019, that the Company recorded interest income in the effective interest rate is calculated from the projected future cash flows and discounted cash flows to calculate the effective interest rate. In addition, when the actual cash received is greater than the net book value (NBV), the amount is recognized in the estimated excess interest income.

- **Services Income from Debt Collection Service**

In 2019, the company had revenues from debt intensive services of 61.37 million baht, an increase from the year 2018 by 19.93 million baht or representing a 48.09 percent growth. Collect more (This resulted in the company receiving more commissions) due to the increased workload and/or the number of clients or employers. Especially the financial institution customers that the company has been hired even more.

In 2020, the Company had revenues from debt intensive services of 51.32 million baht, a decrease of 10.05 million baht in the previous year or a decrease of 16.37 percent, mainly due to the employer's policy to help customers by stopping monitoring and/or extending the payment period or reducing the payment of annuities due to the spread of the COVID-19 virus.

- **Services Income from the Customer Service Center**

In 2019, the Company has no revenue from providing trade data center services since during the year 2017 and 2018, we have been hired to provide product publicity services and sales of products of telecommunication companies which expires in 2019 while the year 2020 has not yet received additional customer data center services. The Company mainly focuses on debt collection and non-performing debt management services. The employees of the company can accept a variety of jobs as specified by the employer.

- **Services Income from Loan**

In the year 2020, the Company had interest income from loans amounting to Baht 7.55 million as a result of loan lending in 2019 onwards, the income from collateralized loans and personal loans.

- **Sales Income**

In June 2020, the Company has started a new business to sell products through Call Center and/or TV Shopping and/or Online, which in 2020 has revenue from product sales of Baht 3.00 million.

Cost of Rendering Services

The main service costs of the company are salary, commission. And the debt collection service paid to third parties including litigation expenses in 2019, the company has a total service cost of 105.02 million Baht, an increase from the previous year by approximately 13.32 million Baht, most of which is an increase in the cost of the commission case work and increasing salaries and other benefits for employees this is in line with the increase in income.

For the year 2020, the company has total service costs of 115.42 million Baht, increased 10.40 million Baht from the previous year, mainly due to an increase in the cost of litigation work.

Cost of Goods Sold

In the year 2020, the Company had cost of goods sold around Baht 1.90 million. The cost of goods sold represents 63.46% of income.

Gross Profit

In 2019, the Company's gross profit margin was similar to that of the previous year, which was approximately 64.4% of the revenue, with the Company's gross profit increased from the previous year by approximately 26.06 million baht, mainly due to the Company's revenue. Increased from NPLs and income from debt acceleration services In addition, the company has amortized the cost of loans to non-performing assets less.

In 2020, the company had a gross profit of 361.79 million baht (75.5 percent of revenue), with the company's gross profit increasing from 2019 by approximately 171.79 million baht or representing an increase of 90.42 percent compared to the previous year. Most of the reasons for the increase in gross profit was from the Company earn more income from finance providing loans to non-performing assets.

The Company's gross profit depends mainly on revenue. The nature of company costs is largely variable costs which the revenue of the storage amount increased Gross profit will increase with income which gross margin does not change much although the income will increase. The main cost of the Company is commissions paid to employees and external debt collection companies

Other Income

In 2019, other income of the Company was approximately 3.2 million baht, an increase of 0.98 million baht from the previous year. The increase was mainly from rental income from investment properties and transfer fee income and taxes paid by buyers on behalf of the company.

Most of the company's other income comes from interest and rental income. Other income of the company in 2020 amounted to 4.02 million baht, which is similar to that of the previous year.

Gains on disposal of foreclosed assets

In 2019, the Company had a profit from the sale of foreclosed assets of 19.69 million baht as a result of the company sold assets that the company auctioned of distressed assets from the Legal Execution Department as foreclosed assets (NPA) and the sale of assets that going out in 2019

In 2020, the Company had a profit from the sale of foreclosed properties of 37.24 million baht, which is 17.55 million baht higher than the previous year as a result of the departure of property foreclosed (NPA) companies during the year (however, assets foreclosed or NPA arising from the collateral auction company for non-performing debt that the company bought from financial institutions back to assets foreclosed of the Company).

Administrative Expenses

The main administrative expenses of the company comprise the salaries, benefits, and bonuses of the company's employees and management. Audit fee and business consultancy fee in 2019, the company has administrative expenses increased by 3.01 million baht compared to the previous year. Most of the reasons for the increase in administrative expenses consisted of salaries and employee benefits. Transfer fees and specific business taxes arise from the sale of foreclosed properties.

In 2020, the company had administrative expenses in the amount of 67.99 million baht, which is about 4.22 million baht higher than the previous year; most of the increased expenses were advertising expenses for product sales.

Expected credit losses

Expected credit losses that results from comparing the present value of expected future cash inflows (PV) with net book value (NBV) in each individual receivable, if the present value is less than the net book value. The amount will be recorded as an expected credit loss. Most of the loss in 2020 was due to unsecured non-performing debt which is in accordance with Financial Reporting Standards No. 9 promulgated since January 1, 2020

Finance Cost

The financial costs of the company in 2019 increased from the previous year by 6.25 million baht, mainly due to the increase in borrowing for the purchase of the non-performing debt portfolio. Financial costs of the company in 2020 increased from the previous year by 43.58 million baht, the cause of the increase is the same as the increase in 2019.

Income Tax Expenses

Income tax expenses for 2019 amounted to 28.96 million baht or 20.69 percent of profit before tax. The corporate income tax expense increased by Baht 5.11 million due to the increase in profit before tax from the previous year. Income tax expense in 2020 increased from the previous year by 11.55 million baht due to of the increase is the same as the increase in 2019

Net Profit

The Company's net profit for the year 2019 was 111.05 million baht, an increase from 2018 by 29.97 percent or an increase of approximately 25.61 million baht, mainly due to the increase in revenue. Interest, which is in line with the higher collection and sales of collateral. And reduced cost cuts from the near-maturity of non-performing debt portfolio. Income from debt acceleration service that reflects the increased amount of work received. As a result, service income increased and profit from the sale of foreclosed properties was a result of the distressed debt acquired since 2017, with the sale being sold in 2019, thus recognizing such profit.

The company's net profit in 2020 amounted to 154.80 million baht, an increase from the previous year to 39.40 percent, mainly due to the increase in net profit from operations, the increase in interest income and profit from sales.

Financial Position Analysis

Assets	Consolidated financial statements					
	Jan-Dec 2018	%	Jan-Dec 2019	%	Jan-Dec 2020	%
Current assets						
Cash and cash equivalents	148,507,511	17.9%	359,722,837	19.7%	708,199,180	25.2%
Restricted deposits at financial institutions						
- current	200,000	0.0%	500,000	0.0%	500,000	0.0%
Financial assets measured by amortized cost method	-		-		1,570,108	0.1%
Short-term investments	467,563	0.1%	101,014,088	5.5%	-	0.0%
Trade and other receivables	8,349,813	1.0%	35,374,048	1.9%	25,580,699	0.9%
Inventory	-	-	-	-	1,146,147	0.0%
Short-term loans to related parties	-	0.0%	-	0.0%	-	0.0%
Deposit for purchasing loans to non-performing assets	6,193,027	0.8%	18,427,435	1.0%	70,035,357	2.5%
Loan receivables, net	-	0.0%	41,848,452	2.3%	60,992,991	2.2%
Other current assets	2,649,446	0.3%	2,684,982	0.2%	8,568,074	0.3%
Total current assets	166,367,360	20.1%	559,571,842	30.7%	876,592,556	31.2%
Non-Current assets						
Restricted deposits at financial institutions						
- non-current	2,240,189	0.3%	9,393,452	0.5%	8,723,362	0.3%
Loans to non-performing assets, net	594,140,479	71.7%	1,121,950,279	61.5%	1,692,878,187	60.2%
Investments in subsidiaries	-	0.0%	-	0.0%	-	0.0%
Investment properties, net	8,823,372	1.1%	8,342,663	0.5%	7,836,466	0.3%
Foreclosed assets, net	5,243,418	0.6%	75,222,062	4.1%	188,009,951	6.7%
Property, plant and equipment, net	33,761,650	4.1%	30,947,649	1.7%	32,591,375	1.2%
Intangible assets, net	2,040,483	0.3%	2,679,797	0.2%	2,709,863	0.1%
Deferred tax assets	14,474,580	1.8%	14,355,830	0.8%	2,919	0.0%
Other non-current assets	1,728,595	0.2%	2,357,595	0.1%	1,501,000	0.0%
Total non-current assets	662,452,766	79.9%	1,265,249,327	69.3%	1,934,253,123	68.8%
Total assets	828,820,126	100.0%	1,824,821,169	100.0%	2,810,845,679	100.0%

Total Assets

As of December 31, 2019 Total Assets amounted to 1,824.82 million baht, an increase from the previous year by approximately 996.00 million baht, mainly due to

- An increase of approximately Baht 211.22 million in cash and cash portfolios, mainly due to the Company's receiving money from capital increase from the gross collection and operating profit during the year.
- An increase in short-term investments of approximately 100.55 million baht, mainly due to management of excess cash waiting to pay creditors and / or awaiting investment.
- An increase in loans to non-performing assets increased by Baht 527.81 million due to the ongoing bidding of the subsidiary company in portfolios. As a result, loans to non-performing assets increased the previous year.
- An increase in assets foreclosed amounting to 69.98 million baht.

As of December 31, 2020, the Company's total assets amounted to 2,810.85 million baht, an increase from the end of the previous year by 986.02 million baht.

- An increase of approximately Baht 348.48 million in cash and cash portfolios, mainly due to the fact that the company issued 800 million baht of debentures in the 4th quarter of 2020 to purchase debt portfolios Additional administration and use as working capital in the future.
- An increase in net NPLs in the amount of 570.93 million baht.
- An increase in assets foreclosed by the amount of 112.79 million baht.
- An increase in the purchase guarantee for non-performing loans amounting to 51.60 million baht.
- A decrease in short-term investments of Baht 101.01 million due to the divestment of such investments in 2020 and reclassified as financial assets measured at amortized cost of Baht 1.57 million.

Liabilities and Equity	Consolidated financial statements					
	Jan-Dec 2018	%	Jan-Dec 2019	%	Jan-Dec 2020	%
Current liabilities						
Trade and other payables	15,329,480	1.9%	225,066,171	12.3%	43,472,067	1.5%
Liabilities under lease agreements due within 1 year	-	0.0%	-	0.0%	901,627	0.0%
Current portion of liabilities under hire purchase agreements that due within 1 year.	938,668	0.1%	1,061,806	0.1%	-	0.0%
Current portion of long-term borrowings from a financial institution - 1 year	14,330,248	1.7%	24,413,774	1.3%	31,824,972	1.1%
The portion of debentures due within 1 year	-	0.0%	-	0.0%	297,741,986	10.6%
Short-term loans from related parties	-	0.0%	-	0.0%	13,000,000	0.5%
Bills of exchange	-	0.0%	119,635,068	6.6%	119,565,119	4.3%
Income tax payable	10,121,529	1.2%	10,934,768	0.6%	349,550	0.0%
Other current liabilities	3,674,927	0.4%	6,330,973	0.3%	9,666,226	0.3%
Total current liabilities	44,394,852	5.4%	387,442,560	21.2%	516,521,547	18.4%
Non-current liabilities						
Liabilities under lease agreements, net	-	0.0%	-	0.0%	2,430,917	0.1%
Liabilities under hire purchase agreements, net	1,362,934	0.2%	278,936	0.0%	-	0.0%
Long-term borrowings from a financial institution	17,101,392	2.1%	32,371,220	1.8%	38,805,133	1.4%
Debentures	-	0.0%	398,954,785	21.9%	1,082,392,468	38.5%
Employee benefit obligations	2,705,558	0.3%	3,733,082	0.2%	7,727,684	0.3%
Deferred tax liabilities	-	0.0%	-	0.0%	16,281,157	0.6%
Other non-current liabilities	-	0.0%	90,000	0.0%	121,000	0.0%
Total non-current liabilities	21,169,884	2.6%	435,428,023	23.9%	1,147,758,359	40.8%
Total liabilities	65,564,736	7.9%	822,870,583	45.1%	1,664,279,906	59.2%
Equity						
Authorized share capital	280,000,000	33.8%	314,999,986	17.3%	352,799,065	12.6%
Share premium, net	320,966,376	38.7%	454,166,376	24.9%	454,166,376	16.2%
Discount from business combinations under common control	(9,678,120)	-1.2%	(9,678,120)	-0.5%	(9,678,120)	-0.3%
Legal reserve	7,262,746	0.9%	8,636,100	0.5%	12,583,811	0.4%
Unappropriated	149,728,719	18.1%	219,116,361	12.0%	320,548,606	11.4%
Other component of equity	-	0.0%	114,798	0.0%	-	0.0%
Equity attributable to owners of the parent	748,279,721	90.3%	987,355,501	54.1%	1,130,419,738	40.2%
Non-controlling interests	14,975,669	1.8%	14,595,085	0.8%	16,146,035	0.6%
Total equity	763,255,390	92.1%	1,001,950,586	54.9%	1,146,565,773	40.8%
Total liabilities and equity	828,820,126	100.0%	1,824,821,169	100.0%	2,810,845,679	100.0%

Total Liabilities

Total liabilities as of December 31, 2019 amounted to 822.87 million baht, an increase from total liabilities as of 31 December 2018 by 757.31 million baht.

- An increase in trade and other payables in the amount of 209.74 million baht.
- An increase from the issuance of bills and debentures in the amount of 518.59 million baht.
- An increase in borrowing from financial institutions amounting to 25.35 million baht.

Total liabilities as of December 31, 2020 amounted to 1,664.28 million baht, an increase from total liabilities as of 31 December 2019 by 841.41 million baht.

- An increase in debentures in the amount of 981.18 million baht.
- Addition of loans from financial institutions (Both short-term and long-term) in the amount of 13.85 million baht
- An increase in borrowing from related parties in the amount of 13 million baht and
- A decrease in trade payables in the amount of 181.59 million baht.

Total Shareholders' Equities

Total shareholders' equity as of December 31, 2019 was 1,001.95 million baht, an increase of 238.69 million baht from the previous year.

- An increase in the proceeds from the specific capital increase during March 2019 in the amount of 153.20 million baht.
- An increase in profits of 111.54 million baht.
- A decrease from cash dividend payment of 24.00 million baht.

Shareholders' equity as of December 31, 2020 is 1,146.56 million baht, an increase from December 31, 2019 by 144.62 million baht, mainly due to an increase in operating profit amount 154.80 million Baht and a decrease in dividend payment during the year.

Debt to Equity ratio (Interest bearing)

As at 31 December 2020, the Interest bearing debt to equity ratio of the Company was at 1.38

Liquidity Analysis

	2018	2019	2020
Operating Activities (Decrease)	(231,613,822)	(349,203,156)	(765,661,994)
Investing Activities (Decrease)	(1,572,996)	(110,622,563)	98,259,711
Financing Activities (Increase)	323,962,837	671,041,045	1,015,878,626
Net Cash Flow (Decrease)	90,776,019	211,215,326	348,476,343

In 2019, Net cash flow has an increased value from 2018 in the amount of 211.22 million baht due to the company seeking capital in terms of PP capital increase and loan financing. As a result, financing activities earn more cash. The company used both parts of the money to buy the non-performing debt portfolio, resulting in a decrease in cash from operating activities by 349.20 million baht. In terms of cash for that investment activity this year, the company managed cash by investing in long-term investments amount 100 million Baht, resulting in a decrease in cash from investing activities of 110.62 million baht.

In 2020, Net cash flow increased from the year 2019 by 348.48 million baht due to the Company's financing through debentures and borrowing from financial institutions. As a result, financing activities earn more cash. The company used both parts of the funds to buy the non-performing debt portfolio, resulting in a decrease in cash from operating activities by 765.66 million baht. In terms of cash, investment activities increased by 98.26 million baht from the sale of short-term investments in during the year

Sources of Fund

As of December 31, 2020, the Company has a source of funds, cash flow from operations of approximately 388 million baht from the issuance of bills of exchange of 120 million baht from the issuance of debentures of 1,400 million baht and long-term loans from financial institutions the bank loan limit is 130 million Baht and the Company's equity.



Independent Auditor's Report

To the shareholders and the Board of Directors of Chayo Group Public Company Limited

My opinion

In my opinion, the consolidated financial statements and the separate financial statements present fairly, in all material respects, the consolidated financial position of Chayo Group Public Company Limited (the Company) and its subsidiaries (the Group) and separate financial position of the Company as at 31 December 2020, and its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with Thai Financial Reporting Standards (TFRS).

What I have audited

- The consolidated and separate financial statements comprise:
- the consolidated and separate statements of financial position as at 31 December 2020;
- the consolidated and separate statements of comprehensive income for the year then ended;
- the consolidated and separate statements of changes in equity for the year then ended;
- the consolidated and separate statements of cash flows for the year then ended; and
- the notes to the consolidated and separate financial statements, which include significant accounting policies and other explanatory information.

Basis for opinion

I conducted my audit in accordance with Thai Standards on Auditing (TSAs). 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 and the Company in accordance with Code of Ethics for Professional Accountants issued by the Federation of Accounting Professions that are 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 my audit addressed the key audit matter
<p>Interest income from loans to non-performing assets</p> <p>Referring to Note 6.21 to the financial statements for Accounting policies - Revenue recognition, interest income from loans to non-performing assets contributed 87.09% to the Group's total revenues. The Group recognises interest income from loans to non-performing assets based on estimated future cash inflow. This is determined by the quality, type and age of debt, referring to historical records of debt collection discounted with the effective interest rate.</p> <p>I focussed on auditing this area because it required management's significant judgment when determining the assumption to estimate revenues, which are material to the consolidated financial statements</p>	<p>I understood the principle that management used to recognise interest income from loans to non-performing assets. I also assessed the appropriateness of the principle with the general practice of other companies in the same industry.</p> <p>I understood the process of estimating cash flows and the effective interest rate at the initial date.</p> <p>I tested a sample of estimated cash flows and effective interest rates, as well as related factors used to estimate cash flows and the effective interest rate at the acquisition date. This included assessing the appropriateness of factors affecting the estimation of cash flows and effective interest rate at the acquisition date such as hair cut rate, repayment rate, and legal status of receivables, collateral values and initial cost allocation.</p> <p>I tested a sample to calculate the interest income from loans to non-performing assets. In addition, I tested a sample of repayments for loans to non-performing assets.</p> <p>From the above procedures, I found no material errors.</p>

Key audit matter	How my audit addressed the key audit matter
<p>Allowance for expected credit losses of loans to non-performing assets</p> <p>The Group adopted TFRS 9 “Financial Instruments” from 1 January 2020 which introduces an expected credit loss (‘ECL’) impairment model by considering the impact of forward-looking adjustment.</p> <p>As at 31 December 2020, total gross loans to non-performing assets balance reported in the consolidated financial statements and the separate financial statements were Baht 1,783.16 million and Baht 110.74 million respectively. The allowances for expected credit losses were Baht 90.28 million, which represents 5.06% of loans to non-performing assets in the consolidated financial statements and there is no allowance for expected credit losses of loans to non-performing assets in the separate financial statements.</p> <p>Referring to Note 6.6 to the financial statements for Accounting policies - Loans to non-performing assets, The Group recognised loss on impairment of loans to non-performing assets when it anticipated that discounted cash flows for the present values of receivables were lower than the carrying value.</p> <p>I focussed on auditing this area because it required management’s significant judgment to determine the assumptions used to estimate the allowance for expected credit losses, which are material to the consolidated financial statements and separate financial statements.</p>	<p>As TFRS 9 was adopted from 1 January 2020, I tested procedures on the opening balance on the transition date. This included evaluating the accounting policy for compliance with TFRS 9 and testing the adjustments and disclosures made on the transition</p> <p>I understood the principle that management used to recognise the allowance for expected credit losses of loans to non-performing assets. I assessed individual credit on a loan samples and the reasonableness of the assumptions for the cash flow forecasts prepared by management by comparing with the historical results of each type of loan. For cash flows forecasts based on realisation of collateral, I agreed the collateral valuation to the current valuation report prepared by independent valuers. I recalculated ECL for exposures assessed individually.</p> <p>I involved the IT specialist in areas such as reviewing the appropriateness of the reliability of loan information in the system and system calculation accuracy.</p> <p>From the above procedures, I found that the assumptions used to estimate the allowance for the expected credit losses are reasonable according to the supporting evidence.</p>

Other information

The directors are 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 the audit committee.

Responsibilities of management for the consolidated and separate financial statements

The directors are responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with TFRS, and for such internal control as the directors determine 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, the directors are responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group and the Company or to cease operations, or have no realistic alternative but to do so.

The audit committee assists the directors in discharging their responsibilities for overseeing the Group's and the Company'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 TSAs 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 TSAs, 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 and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' 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 and the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the 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 and the Company to cease to continue as a going concern.
- 8 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 the audit committee 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 the audit committee 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 the audit committee, 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.

PricewaterhouseCoopers ABAS Ltd.

Boonlert Kamolchanokkul

Certified Public Accountant (Thailand) No. 5339

Bangkok

25 February 2021

Chayo Group Public Company Limited
Statements of Financial Position
As at 31 December 2020

	Notes	Consolidated financial statements		Separate financial statements	
		2020	2019	2020	2019
		Baht	Baht	Baht	Baht
Assets					
Current assets					
Cash and cash equivalents	11	708,199,180	359,722,837	547,917,867	271,906,318
Restricted deposits at financial institutions - current	12	500,000	500,000	500,000	500,000
Financial assets measured at amortised cost	15	1,570,108	-	1,303,008	-
Short-term investments	5.1, 13	-	101,014,088	-	100,749,211
Trade and other receivables	14	25,580,699	35,374,048	91,165,593	34,596,089
Inventory	16	1,146,147	-	-	-
Short-term loans to related parties	38.5	-	-	1,321,200,100	688,200,100
Deposit for purchasing loans to non-performing assets	17	70,035,357	18,427,435	-	-
Loan receivables, net	18	60,992,991	41,848,452	-	-
Other current assets		8,568,074	2,684,982	7,879,845	2,318,570
Total current assets		876,592,556	559,571,842	1,969,966,413	1,098,270,288
Non-current assets					
Restricted deposits at financial institutions - non-current	12	8,723,362	9,393,452	1,611,680	2,296,268
Loans to non-performing assets, net	19	1,692,878,187	1,121,950,279	110,738,994	-
Investments in subsidiaries	20	-	-	300,449,973	222,999,990
Investment properties, net	21	7,836,466	8,342,663	9,217,166	9,619,976
Foreclosed assets, net	22	188,009,951	75,222,062	-	-
Property, plant and equipment, net	23	32,591,375	30,947,649	20,488,292	16,660,195
Intangible assets, net	24	2,709,863	2,679,797	1,661,538	1,113,569
Deferred tax assets	25	2,919	14,355,830	-	686,107
Other non-current assets		1,501,000	2,357,595	989,000	2,236,595
Total non-current assets		1,934,253,123	1,265,249,327	445,156,643	255,612,700
Total assets		2,810,845,679	1,824,821,169	2,415,123,056	1,353,882,988

The note to financial statements on pages 13 to 77 are an integral part of these consolidated and separate financial statements.

Chayo Group Public Company Limited
Statements of Financial Position (Cont'd)
As at 31 December 2020

	Notes	Consolidated		Separate	
		financial statements		financial statements	
		2020	2019	2020	2019
		Baht	Baht	Baht	Baht
Liabilities and equity					
Current liabilities					
Trade and other payables	26	43,472,067	225,066,171	22,562,961	14,617,963
Current portion of lease liabilities	5.2, 27	901,627	-	652,315	-
Current portion of liabilities under hire purchase agreements	5.2	-	1,061,806	-	-
Current portion of long-term borrowings from a financial institution	27	31,824,972	24,413,774	-	-
Current portion of debentures	27	297,741,986	-	297,741,986	-
Short-term loans from related parties	38.6	13,000,000	-	-	-
Bills of exchange	27	119,565,119	119,635,068	119,565,119	119,635,068
Income tax payable		349,550	10,934,768	-	932,308
Other current liabilities		9,666,226	6,330,973	2,247,436	2,959,096
Total current liabilities		516,521,547	387,442,560	442,769,817	138,144,435
Non-current liabilities					
Lease liabilities, net	5.2, 27	2,430,917	-	2,430,917	-
Liabilities under hire purchase agreements, net	5.2	-	278,936	-	-
Long-term borrowings from a financial institution	27	38,805,133	32,371,220	-	-
Debentures	27	1,082,392,468	398,954,785	1,082,392,468	398,954,785
Employee benefit obligations	28	7,727,684	3,733,082	7,034,878	3,666,326
Deferred tax liabilities	25	16,281,157	-	248,100	-
Other non-current liabilities		121,000	90,000	245,000	214,000
Total non-current liabilities		1,147,758,359	435,428,023	1,092,351,363	402,835,111
Total liabilities		1,664,279,906	822,870,583	1,535,121,180	540,979,546

The note to financial statements on pages 13 to 77 are an integral part of these consolidated and separate financial statements.

Chayo Group Public Company Limited
Statements of Financial Position (Cont'd)
As at 31 December 2020

	Notes	Consolidated		Separate	
		financial statements		financial statements	
		2020	2019	2020	2019
		Baht	Baht	Baht	Baht
Liabilities and equity (Cont'd)					
Equity					
Share capital	29				
Authorised share capital					
936,597,443 ordinary shares at					
a par value of Baht 0.50 each		468,298,722		468,298,722	
(2019: 630,000,000 ordinary shares at					
a par value of Baht 0.50 each)			315,000,000		315,000,000
Issued and paid-up share capital					
705,598,129 ordinary shares at					
paid-up, Baht 0.50 each		352,799,065		352,799,065	
(2019: 629,999,971 ordinary shares at					
paid-up, Baht 0.50 each)			314,999,986		314,999,986
Share premium, net		454,166,376	454,166,376	454,166,376	454,166,376
Discount from business combinations					
under common control		(9,678,120)	(9,678,120)	-	-
Retained earnings					
Appropriated					
Legal reserve	30	12,583,811	8,636,100	12,583,811	8,636,100
Unappropriated		320,548,606	219,116,361	60,452,624	34,986,182
Other component of equity	5.1	-	114,798	-	114,798
Equity attributable to owners of the parent		1,130,419,738	987,355,501	880,001,876	812,903,442
Non-controlling interests		16,146,035	14,595,085	-	-
Total equity		1,146,565,773	1,001,950,586	880,001,876	812,903,442
Total liabilities and equity		2,810,845,679	1,824,821,169	2,415,123,056	1,353,882,988

The note to financial statements on pages 13 to 77 are an integral part of these consolidated and separate financial statements.

Chayo Group Public Company Limited
Statements of Comprehensive Income
For the year ended 31 December 2020

	Notes	Consolidated financial statements		Separate financial statements	
		2020 Baht	2019 Baht	2020 Baht	2019 Baht
Interest income	32	424,795,663	233,644,607	10,221,442	89,252
Services income from debt collection service	38.1	51,324,636	61,372,965	29,159,355	48,913,835
Revenue from sales		2,997,185	-	-	-
Costs of rendering services and managing non-performing assets	34, 38.2	(115,422,724)	(105,016,456)	(18,578,894)	(22,668,651)
Costs of goods sold	16, 34	(1,902,148)	-	-	-
Gross profit		361,792,612	190,001,116	20,801,903	26,334,436
Other income	33, 38.3	4,023,887	3,202,090	153,927,361	58,074,225
Gains on disposal of foreclosed assets		37,238,875	19,691,118	-	-
Administrative expenses	34	(67,985,166)	(63,768,938)	(42,332,912)	(43,090,863)
Expected credit loss		(87,057,664)	-	-	-
Finance costs	35	(52,701,608)	(9,118,056)	(49,324,789)	(7,151,667)
Profit before income tax		195,310,936	140,007,330	83,071,563	34,166,131
Income tax expense	36	(40,506,107)	(28,960,508)	(4,117,367)	(6,699,049)
Net profit for the year		154,804,829	111,046,822	78,954,196	27,467,082
Other comprehensive income:					
Items that will not be reclassified subsequently to profit or loss					
Remeasurements of post-employment benefit obligations	28	(2,819,323)	-	(2,276,964)	-
Income tax relating to items that will not be reclassified subsequently to profit or loss	25	563,865	-	455,393	-
Total items that will not be reclassified subsequently to profit or loss		(2,255,458)	-	(1,821,571)	-
Items that will be reclassified subsequently to profit or loss					
Change in value of available-for-sale investments	13	-	143,497	-	143,497
Income tax relating to items that will be reclassified subsequently to profit or loss	25	-	(28,699)	-	(28,699)
Total items that will be reclassified subsequently to profit or loss		-	114,798	-	114,798
Other comprehensive expense for the year, net of tax		(2,255,458)	114,798	(1,821,571)	114,798
Total comprehensive income for the year		152,549,371	111,161,620	77,132,625	27,581,880
Profit attributable to:					
Owners of the parent		155,353,886	111,427,406	78,954,196	27,467,082
Non-controlling interests		(549,057)	(380,584)	-	-
		154,804,829	111,046,822	78,954,196	27,467,082
Total comprehensive income attributable to:					
Owners of the parent		153,098,428	111,542,204	77,132,625	27,581,880
Non-controlling interests		(549,057)	(380,584)	-	-
		152,549,371	111,161,620	77,132,625	27,581,880
Current portion of lease liabilities					
Weighted-average ordinary shares (shares)	37	705,598,129	686,542,361	705,598,129	686,542,361
Basic earnings per share		0.2202	0.1623	0.1119	0.0400
Diluted earnings per share		0.2136	0.1623	0.1085	0.0400

The note to financial statements on pages 13 to 77 are an integral part of these consolidated and separate financial statements.

Chayo Group Public Company Limited
Statements of Changes in Equity
For the year ended 31 December 2020

Consolidated financial statements												
Notes	Attributable to owners of the parent											
	Issued and paid-up share capital			Share premium, net		Discount from business combinations under common control		Retained earnings		Other component of equity		Total equity
	Baht			Baht		Baht		Appropriated - legal reserve	Unappropriated	Available-for-sales investments	Non-controlling interests	
	Baht			Baht		Baht		Baht	Baht	Baht	Baht	Baht
Opening balance as at 1 January 2020												
- previously reported	314,999,986			454,166,376		(9,678,120)		8,636,100	219,116,361	114,798	14,595,085	1,001,950,586
Impact from changes in accounting policy	-			-		-		-	114,798	(114,798)	-	-
Opening balance as at 1 January 2020 - restated	314,999,986			454,166,376		(9,678,120)		8,636,100	219,231,159	-	14,595,085	1,001,950,586
Changes in equity for the year												
20 Subsidiary establishment during the year	-			-		-		-	-	-	2,100,007	2,100,007
30 Legal reserve	-			-		-		3,947,711	(3,947,711)	-	-	-
31 Stock dividend	37,799,079			-		-		-	(43,049,386)	-	-	(5,250,307)
31 Dividend	-			-		-		-	(4,783,884)	-	-	(4,783,884)
Total comprehensive income for the year	-			-		-		-	153,098,428	-	(549,057)	152,549,371
Closing balance as at 31 December 2020	352,799,065			454,166,376		(9,678,120)		12,583,811	320,548,606	-	16,146,035	1,146,565,773
Opening balance as at 1 January 2019	280,000,000			320,966,376		(9,678,120)		7,262,746	149,728,719	-	14,975,669	763,255,390
Changes in equity for the year												
29 Issuance of ordinary shares	20,000,000			133,200,000		-		-	-	-	-	153,200,000
30 Legal reserve	-			-		-		1,373,354	(1,373,354)	-	-	-
31 Stock dividend	14,999,986			-		-		-	(14,999,986)	-	-	-
31 Dividend	-			-		-		-	(25,666,424)	-	-	(25,666,424)
Total comprehensive income for the year	-			-		-		-	111,427,406	114,798	(380,584)	111,161,620
Closing balance as at 31 December 2019	314,999,986			454,166,376		(9,678,120)		8,636,100	219,116,361	114,798	14,595,085	1,001,950,586

The note to financial statements on pages 13 to 77 are an integral part of these consolidated and separate financial statements.

Chayo Group Public Company Limited
Statements of Changes in Equity (Cont'd)
For the year ended 31 December 2020

Separate financial statements									
	Notes	Issued and paid-up share capital	Share premium, net	Retained earnings		Other component of equity		Total equity	Baht
				Share Baht	Appropriated - legal reserve Baht	Unappropriated Baht	Available-for-sale investments Baht		
Opening balance as at 1 January 2020									
- previously reported		314,999,986	454,166,376	-	8,636,100	34,986,182	114,798	812,903,442	
Impact from changes in accounting policy		-	-	-	-	114,798	(114,798)	-	
Opening balance as at 1 January 2020 - restated		314,999,986	454,166,376		8,636,100	35,100,980	-	812,903,442	
Changes in equity for the year									
Legal reserve	30	-	-	-	3,947,711	(3,947,711)	-	-	
Stock dividend	31	37,799,079	-	-	-	(43,049,386)	-	(5,250,307)	
Dividend	31	-	-	-	-	(4,783,884)	-	(4,783,884)	
Total comprehensive income for the year		-	-	-	-	77,132,625	-	77,132,625	
Closing balance as at 31 December 2020		352,799,065	454,166,376		12,583,811	60,452,624	-	880,001,876	
Opening balance as at 1 January 2019		280,000,000	320,966,376		7,262,746	49,558,864	-	657,787,986	
Changes in equity for the year									
Issuance of ordinary shares	29	20,000,000	133,200,000	-	-	-	-	153,200,000	
Legal reserve	30	-	-	-	1,373,354	(1,373,354)	-	-	
Stock dividend	31	14,999,986	-	-	-	(14,999,986)	-	-	
Dividend	31	-	-	-	-	(25,666,424)	-	(25,666,424)	
Total comprehensive income for the year		-	-	-	-	27,467,082	114,798	27,581,880	
Closing balance as at 31 December 2019		314,999,986	454,166,376		8,636,100	34,986,182	114,798	812,903,442	

The note to financial statements on pages 13 to 77 are an integral part of these consolidated and separate financial statements.

Chayo Group Public Company Limited
Statements of Cash Flows
For the year ended 31 December 2020

	Notes	Consolidated financial statements		Separate financial statements	
		2020	2019	2020	2019
		Baht	Baht	Baht	Baht
Cash flows from operating activities					
Profit before income tax		195,310,936	140,007,330	83,071,563	34,166,131
Adjustments:					
Depreciation and amortisation		6,466,124	5,501,661	3,437,302	2,683,250
Expected credit loss		87,057,664	-	-	-
Gains on disposal of foreclosed assets		(37,238,875)	(19,691,118)	-	-
Dividend income	33	-	-	(62,780,000)	-
Changes in financial assets measured at fair value through profit or loss	15	(379,360)	-	(379,360)	-
Interest income	32	(424,795,663)	(233,644,607)	(10,221,442)	(89,252)
Other interest income	33	(1,503,416)	(1,902,433)	(55,965,802)	(29,811,905)
Employee benefit expenses	28	1,175,279	1,175,553	1,091,588	1,091,589
Finance costs	35	52,701,608	9,118,056	49,324,789	7,151,667
Changes in working capital					
Trade and other receivables		9,793,349	(27,024,235)	(4,321,492)	11,506,475
Inventory		(1,146,147)	-	-	-
Deposit for purchasing loans to non-performing assets		(51,607,922)	(12,234,408)	-	-
Loan receivables		(18,830,497)	(41,781,152)	-	-
Other current assets		(8,249,477)	(32,063)	(6,852,266)	(36,064)
Loans to non-performing assets		(585,329,507)	(407,706,707)	(103,058,124)	-
Foreclosed assets		88,373,428	30,309,681	-	-
Other non-current assets		856,595	(629,000)	1,247,595	(650,000)
Trade and other payables		(186,843,875)	4,303,726	2,695,227	2,628,377
Other current liabilities		3,335,253	989,365	(711,660)	25,925
Employee benefit obligations		-	(148,029)	-	-
Other non-current liabilities		31,000	90,000	31,000	10,000
Cash (used in) generated from operations		(870,823,503)	(553,298,380)	(103,391,082)	28,676,193
Other interest received		1,503,416	1,899,268	3,717,790	11,756,162
Interest received		187,903,114	233,577,307	2,540,572	89,252
Interest paid		(66,717,478)	(3,320,661)	(63,215,069)	(1,557,596)
Income tax paid		(17,527,543)	(28,060,690)	(2,369,620)	(5,969,366)
Net cash (used in) generated from operating activities		(765,661,994)	(349,203,156)	(162,717,409)	32,994,645

The note to financial statements on pages 13 to 77 are an integral part of these consolidated and separate financial statements.

Chayo Group Public Company Limited

Statements of Cash Flows (Cont'd)

For the year ended 31 December 2020

	Notes	Consolidated		Separate	
		financial statements		financial statements	
		2020	2019	2020	2019
		Baht	Baht	Baht	Baht
Cash flows from investing activities					
Decrease (increase) in restricted deposits at financial institutions		670,090	(7,853,127)	684,588	(1,017,987)
Dividens received	33	-	-	62,780,000	-
Payments on short-term investments		-	(100,000,000)	-	(100,000,000)
Payments on short-term loans to related parties	38.5	-	-	(733,000,000)	(435,000,000)
Proceeds from short-term loans to related parties	38.5	-	-	100,000,000	93,000,000
Purchases of property, plant and equipment	23	(6,278,102)	(1,073,324)	(6,160,128)	(799,181)
Purchases of investment properties	21	(40,187)	(86,808)	-	-
Purchases of intangible assets	24	(1,315,430)	(1,609,304)	(1,250,430)	(232,000)
Payments on financial assets measured at amortised cost		(699,517)		(697,294)	
Proceeds from financial assets measured at fair value through profit or loss	15.2	100,522,857	-	100,522,857	-
Payments on investments in subsidiaries	20	-	-	(77,449,983)	(15,000,000)
Net cash generate from (used in) from investing activities		92,859,711	(110,622,563)	(554,570,390)	(459,049,168)
Cash flows from financing activities					
Proceeds from long-term borrowings from financial institutions	27	40,550,000	69,177,980	-	-
Payments on long-term borrowings from financial institutions	27	(26,579,905)	(44,027,950)	-	-
Proceeds from short-term loans to related persons	38.6	13,000,000	-	-	-
Proceeds on bills of exchange	27	120,000,000	119,112,329	120,000,000	119,112,329
Payments of bills of exchange	27	(120,000,000)	-	(120,000,000)	-
Proceeds on debentures	27	1,100,000,000	398,539,289	1,100,000,000	398,539,289
Payments of debentures	27	(105,000,000)	-	(105,000,000)	-
Proceeds on lease liabilities		5,400,000	-	5,400,000	-
Payments on finance lease liabilities		(3,407,592)	(960,860)	(2,316,768)	-
Proceeds from issuance of ordinary shares	29	-	153,200,000	-	153,200,000
Proceeds from issuance of subsidiaries' ordinary shares		2,100,007	-	-	-
Dividends paid to shareholders	31	(4,783,884)	(23,999,743)	(4,783,884)	(23,999,743)
Net cash generated from financing activities		1,021,278,626	671,041,045	993,299,348	646,851,875
Net increase in cash and cash equivalents		348,476,343	211,215,326	276,011,549	220,797,352
Cash and cash equivalents at the beginning of the year		359,722,837	148,507,511	271,906,318	51,108,966
Cash and cash equivalents at the end of the year		708,199,180	359,722,837	547,917,867	271,906,318

Non-cash transactions:

The significant non-cash transactions occurred during the years ended 31 December 2020 and 2019 are as follows:

Closes account from debt settlement to foreclosed assets	163,922,442	80,597,207	-	-
Stock dividend	37,799,079	14,999,986	37,799,079	14,999,986
Purchases of intangible assets	-	76,829	-	-

The note to financial statements on pages 13 to 77 are an integral part of these consolidated and separate financial statements.

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1 General information

Chayo Group Public Company Limited ("the Company") is a public company incorporated and resident in Thailand at 44/499-504 Phahonyothin Road, Anusawaree, Bangkok, Bangkok 10220.

For reporting purpose, the Company and its subsidiaries are referred to as "the Group". The Group has operated with its objective to provide services relating to debt collection, managing non-performing assets from purchases, transferring secured and non-secured non-performing assets from the financial institutions and credit facility companies, providing call center services, loan, and buy and sale of goods and or services.

The Group is allowed to operate Asset Management Business under the Royal Enactment of Financial Institution Asset Management Corporation B.E. 2541 by Bank of Thailand on 21 March 2014.

On 22 March 2018, the Stock Exchange of Thailand endorsed the listing of the Company's ordinary shares in the Market for Alternative Investments (MAI) and On 25 December 2020, the Stock Exchange of Thailand endorsed the listing of the Company's ordinary shares in the Stock Exchange of Thailand (SET). The Company's ticker symbol is "CHAYO".

These consolidated and separate financial statements were authorised for issue by the Board of Directors on 25 February 2021.

2 Significant events during the current year

The outbreak of Coronavirus Disease 2019 ("COVID-19 pandemic") in early 2020 has caused the economic slowdown which affected the Group's the new credit amount approvals and debt collections. Therefore, the Group has issued stricter policies for new credit approvals. Existing account receivables also have affected from their repayment ability; however, the Group has closely tracked the status of accounts receivable. Moreover, management closely monitors the progress of the situation and assesses the financial impacts on the value of assets and contingent liabilities on a regular basis with additional guidelines and strategies to continually cope with the problems which may occur.

The Group has developed guidelines for financial aids during the COVID-19 pandemic in accordance with Bank of Thailand relief measures starting from April 2020. The measurement is to relief principal repayment and interest according to the Group's conditions and terms.

As at 31 December 2020, the Group has receivables who participated in relief measures phase 1 and phase 2 total 409 receivables and 374 receivables, respectively.

From the aforementioned situation, the Group applies the temporary exemption guidance to relieve the impact from COVID-19 (temporary measures to relieve the impact from COVID-19).

Various factors remain uncertain, especially the period for economic to recovery. Therefore, the Company is still in the process of monitoring the situation closely to assist debtor. The Company also assesses the impact that is expected to occur, especially on expected fair value of assets after the relief measures are ended.

3 Basis of preparation

The consolidated and separate financial statements have been prepared in accordance with Thai Financial Reporting Standards ("TFRS") and the financial reporting requirements issued under the Securities and Exchange Act.

The consolidated and separate financial statements have been prepared under the historical cost convention except as disclosed in the accounting policies.

The preparation of financial statements in conformity with TFRS requires management to use certain critical accounting estimates and to exercise its judgement in applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas that are more likely to be materially adjusted due to changes in estimates and assumptions are disclosed in Note 9.

An English version of the consolidated and separate financial statements have been prepared from the statutory financial statements that are in the Thai language. In the event of a conflict or a difference in interpretation between the two languages, the Thai language statutory financial statements shall prevail.

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4 New and amended financial reporting standards

4.1 New and amended financial reporting standards that are effective for accounting period beginning on or after 1 January 2020 and have significant impacts to the Group

a) Financial instruments

The new financial standards related to financial instruments are as follows:

TAS 32	Financial instruments: Presentation
TFRS 7	Financial instruments: Disclosures
TFRS 9	Financial instruments
TFRIC 16	Hedges of a net investment in a foreign operation
TFRIC 19	Extinguishing financial liabilities with equity instruments

The new financial reporting standards related to financial instruments introduce new classification and measurement requirements for financial instruments as well as provide derecognition guidance on financial assets and financial liabilities. The new guidance also provides an option for the Group to apply hedge accounting to reduce accounting mismatch between hedged item and hedging instrument. In addition, the new rule provides detailed guidance on financial instruments issued by the Group whether it is a liability or an equity. Among other things, they require extensive disclosure on financial instruments and related risks.

The new classification requirements of financial assets require the Group to assess both i) business model for holding the financial assets; and ii) cash flow characteristics of the asset whether the contractual cash flows represent solely payments of principal and interest (SPPI). The classification affects the financial assets' measurement. The new guidance requires assessment of impairment of financial assets as well as contract assets and recognition of expected credit loss from initial recognition.

On 1 January 2020, the Group has adopted the financial reporting standards related to financial instruments in its financial statements. The impact from the first-time adoption has been disclosed in Note 5.

b) TFRS 16, Leases

Where the Group is a lessee, TFRS 16, Leases will result in almost all leases being recognised on the balance sheet as the distinction between operating and finance leases is removed. A right-of-use asset and a lease liability will be recognised, with exception on short-term and low-value leases.

On 1 January 2020, the Group has adopted the new lease standard in its financial statements. The impact from the first-time adoption has been disclosed in Note 5.

c) Amendment to TAS 12, Income tax clarified that the income tax consequences of dividends of financial instruments classified as equity should be recognised according to where the past transactions or events that generated distributable profits were recognised.

d) Amendment to TAS 19, Employee benefits (plan amendment, curtailment or settlement) - clarified accounting for defined benefit plan amendments, curtailments and settlements that the updated assumptions on the date of change are applied to determine current service cost and net interest for the remainder of the reporting period after the plan amendment, curtailment or settlement.

e) Amendment to TAS 23, Borrowing costs treatments - explained how to recognise and measure deferred and current income tax assets and liabilities where there is uncertainty over a tax treatment. In particular, it discusses:

- that the Group should assume a tax authority will examine the uncertain tax treatments and have full knowledge of all related information, ie that detection risk should be ignored.
- that the Group should reflect the effect of the uncertainty in its income tax accounting when it is not probable that the tax authorities will accept the treatment.
- that the judgements and estimates made must be reassessed whenever circumstances have changed or there is new information that affects the judgements.

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4.2 New and amended financial reporting standards that are effective for accounting period beginning or after 1 January 2021 and have significant impacts to the Group

Certain amended financial reporting standards have been issued that are not mandatory for current reporting period and have not been early adopted by the Group

a) **Revised Conceptual Framework for Financial Reporting** added the following key principals and guidance:

- Measurement basis, including factors in considering difference measurement basis
- Presentation and disclosure, including classification of income and expenses in other comprehensive income
- Definition of a reporting entity, which maybe a legal entity, or a portion of an entity
- Derecognition of assets and liabilities

The amendment also includes the revision to the definition of an asset and liability in the financial statements, and clarification to the prominence of stewardship in the objective of financial reporting.

b) **Amendment to TFRS 9, Financial instruments and TFRS 7, Financial instruments: disclosures** amended to provide relief from applying specific hedge accounting requirements to the uncertainty arising from interest rate benchmark reform such as IBOR. The amendment also requires disclosure of hedging relationships directly affected by the uncertainty.

c) **Amendment to TAS 1, Presentation of financial statements and TAS 8, Accounting policies, changes in accounting estimates and errors** amended to definition of materiality. The amendment allows for a consistent definition of materiality throughout the Thai Financial Reporting Standards and the Conceptual Framework for Financial Reporting. It also clarified when information is material and incorporates some of the guidance in TAS 1 about immaterial information.

d) **Amendment to TFRS 16, Leases** amended to provide a practical expedient where lessees are exempted from having to consider individual lease contracts to determine whether rent concessions occurring as a direct consequence of the COVID-19 pandemic are lease modifications. It applies to rent concessions that reduce lease payments due from 1 June 2020 to 30 June 2021. The amendment is effective for the annual accounting period beginning on or after 1 June 2020 where early application is permitted.

The Group and the Company has chosen not to early apply the exemption for the current reporting period.

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5 Impacts from initial application of the new and revised financial reporting standards

This note explains the impact of the adoption of TAS 32 *Financial Instruments: Presentation*, TFRS 7 *Financial Instruments: Disclosure*, and TFRS 9 *Financial Instruments* and TFRS 16 *Leases* on the Group's consolidated financial statements and the Company's separate financial statements. The new accounting policies applied from 1 January 2020 were disclosed in Note 6.9, 6.15, and 6.16, respectively.

The Group and the Company have adopted those accounting policies from 1 January 2020 by applying the modified retrospective approach. The comparative figures have not been restated. The reclassifications and the adjustments arising from the changes in accounting policies were therefore recognised in the statement of financial position as of 1 January 2020.

The impact of first-time adoption of new financial reporting standards on the consolidated and separate statements of financial position are as follows:

		Consolidated financial statements			
	Notes	31 December 2019 Baht	TFRS 9 and TAS 32 Baht	TFRS 16 Baht	1 January 2020 Baht
Assets					
Current assets					
Short-term investments	A	101,014,088	(101,014,088)	-	-
Financial assets measured at fair value through profit or loss	A	-	100,143,497	-	100,143,497
Financial assets measured at amortised cost	A	-	870,591	-	870,591
Total assets affected		101,014,088	-	-	101,014,088
Equity and Liabilities					
Liabilities					
Current liabilities					
Current portion of liabilities under hire purchase agreement	B	1,061,806	-	(1,061,806)	-
Current portion of lease liabilities	B	-	-	1,061,806	1,061,806
Non-current liabilities					
Liabilities under hire purchase agreement	B	278,936	-	(278,936)	-
Lease liabilities	B	-	-	278,936	278,936
Total Liabilities		1,340,742	-	-	1,340,742
Equity					
Unappropriated retained earnings	A	219,116,361	114,798	-	219,231,159
Other components of equity	A	114,798	(114,798)	-	-
Total equity affected		220,571,901	-	-	220,571,901

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		Separate financial statements		
		31 December 2019	TFRS 9 and TAS 32	1 January 2020
	Notes	Previously reported Baht	Reclassifications Baht	Restated Baht
Asset				
Current assets				
Short-term investments	A	100,749,211	(100,749,211)	-
Financial assets measured at fair value through profit or loss	A	-	100,143,497	100,143,497
Financial assets measured at amortised cost	A	-	605,714	605,714
Total assets affected		100,749,211	-	100,749,211
Equity				
Unappropriated retained earnings	A	34,986,182	114,798	35,100,980
Other components of equity	A	114,798	(114,798)	-
Total equity affected		35,100,980	-	35,100,980

Notes:

A) Impacts from changes in classification and measurement of financial assets (Note 5.1)

B) Reclassification of leased assets and finance lease liabilities under TFRS 16 (Note 5.2)

5.1 Financial instruments

The total impact on the Group's and the Company's unappropriated retained earnings as of 1 January 2020 are as follows:

	Note	Consolidated financial statements Baht	Separate financial statements Baht
Unappropriated retained earnings as of 31 December 2019 (as previously reported)		219,116,361	34,986,182
Reclassifications of equity investments from available-for-sale to investments at fair value through profit or loss (FVPL)	A	114,798	114,798
Total adjustments to opening unappropriated retained earnings from adoption of TFRS 9		114,798	114,798
Unappropriated retained earnings as of 1 January 2020 after reflecting TFRS 9 adoption		219,231,159	35,100,980

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The impact of these changes on the Group's and the Company's equity as of 1 January 2020 are as follows:

		Consolidated financial statements - Equity	
	Note	AFS reserves Baht	Effect on retained earnings Baht
Balance as of 31 December 2019 (Previously reported)		114,798	219,116,361
Reclassify investments from available-for-sale to FVPL	a	(114,798)	114,798
Opening balance as of 1 January 2020 - TFRS 9 adoption		-	219,231,159

		Separate financial statements - Equity	
	Note	AFS reserves Baht	Effect on retained earnings Baht
Balance as of 31 December 2019 (Previously reported)		114,798	34,986,182
Reclassify investments from available-for-sale to FVPL	a	(114,798)	114,798
Opening balance as of 1 January 2020 - TFRS 9 adoption		-	35,100,980

On 1 January 2020 (the date of initial application), the management has assessed which business models apply to the financial assets and financial liabilities and has classified its financial instruments into the appropriate TFRS 9 categories as follows.

		Consolidated financial statements		
	Notes	Short-term investments Baht	FVPL Baht	Amortised cost Baht
Financial assets				
Balance as at 31 December 2019 (Previously reported)		101,014,088	-	-
Reclassify investments from available-for-sale to FVPL	a	(100,143,497)	100,143,497	-
Reclassify investments from held-to-maturity to amortised cost	b	(870,591)	-	870,891
Opening balance 1 January 2020 - TFRS 9 adoption		-	100,143,497	870,591

		Separate financial statements		
	Notes	Short-term investments Baht	FVPL Baht	Amortised cost Baht
Financial assets				
Balance as at 31 December 2019 (Previously reported)		100,749,211	-	-
Reclassify investments from available-for-sale to FVPL	a	(100,143,497)	100,143,497	-
Reclassify investments from held-to-maturity to amortised cost	b	(605,714)	-	605,714
Opening balance 1 January 2020 - TFRS 9 adoption		-	100,143,497	605,714

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a) Available-for-sale equity investments classified as FVPL

As of 1 January 2020 the Group and the Company reclassified units of TMB ThanaPlus Fund from available-for-sale to financial assets at FVPL amounting 100,143,497 because their cash flows do not represent solely payments of principal and interest (SPPI).

Related fair value gains of Baht 114,798 million was transferred from the AFS reserve to retained earnings on 1 January 2020.

b) Reclassification from held-to-maturity to amortised cost

Fixed deposit that would have previously been classified as held-to maturity are now classified at amortised cost. The Group intends to hold the assets to maturity to collect contractual cash flows and these cash flows consist solely of payments of principal and interest on the principal amount outstanding.

c) Reclassifications of financial instruments on adoption of TFRS 9

On 1 January 2020, the date of initial application, the measurement categories and carrying amounts of financial assets and financial liabilities were as follows.

Consolidated financial statements					
	Measurement categories		Carrying amounts		
	Previously reported	New (TFRS 9)	Previously reported Thousand Baht	New Baht	Difference Baht
Current financial assets					
Cash and cash equivalents	Amortised cost	Amortised cost	359,722,837	359,722,837	-
Restricted deposits at financial institutions - current	Amortised cost	Amortised cost	500,000	500,000	-
Short-term investments	AFS /	FVPL /			
Trade and other receivables	Amortised cost	Amortised cost	101,014,088	101,014,088	-
Deposit for purchasing loans to non-performing assets	Amortised cost	Amortised cost	35,374,048	35,374,048	-
Loan receivables, net	Amortised cost	Amortised cost	18,427,435	18,427,435	-
	Amortised cost	Amortised cost	41,848,452	41,848,452	-
Non-current financial assets					
Restricted deposits at financial institutions - non-current	Amortised cost	Amortised cost	9,393,452	9,393,452	-
Loans to non-performing assets, net	Amortised cost	Amortised cost	1,121,950,279	1,121,950,279	-
Current financial liabilities					
Trade and other payables	Amortised cost	Amortised cost	225,066,171	225,066,171	-
Current portion of liabilities under hire purchase agreements	Amortised cost	Amortised cost	1,061,806	1,061,806	-
Current portion of long-term borrowings from a financial institution	Amortised cost	Amortised cost	24,413,774	24,413,774	-
Bills of exchange	Amortised cost	Amortised cost	119,635,068	119,635,068	-
Non-current financial liabilities					
Liabilities under hire purchase agreements, net	Amortised cost	Amortised cost	278,936	278,936	-
Long-term borrowings from a financial institution	Amortised cost	Amortised cost	32,371,220	32,371,220	-
Debentures	Amortised cost	Amortised cost	398,954,785	398,954,785	-

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	Separate financial statements				
	Measurement categories		Carrying amounts		
	Previously reported	New (IFRS 9)	Previously reported Thousand Baht	New Baht	Difference Baht
Current financial assets					
Cash and cash equivalents	Amortised cost	Amortised cost	271,906,318	271,906,318	-
Restricted deposits at financial institutions - current	Amortised cost	Amortised cost	500,000	500,000	-
Short-term investments	AFS / Amortised cost	FVPL / Amortised cost	100,749,211	100,749,211	-
Trade and other receivables	Amortised cost	Amortised cost	34,596,089	34,596,089	-
Short-term loans to related parties	Amortised cost	Amortised cost	688,200,100	688,200,100	-
Non-current financial assets					
Restricted deposits at financial institutions - non-current	Amortised cost	Amortised cost	2,296,268	2,296,268	-
Current financial liabilities					
Trade and other payables	Amortised cost	Amortised cost	14,617,963	14,617,963	-
Bills of exchange	Amortised cost	Amortised cost	119,635,068	119,635,068	-
Non-current financial liabilities					
Debentures	Amortised cost	Amortised cost	398,954,785	398,954,785	-

d) Impairment of financial assets

The Group and the Company have following financial assets that are subject to the expected credit loss model:

- cash and cash equivalents
- restricted deposits at financial institutions
- trade and other receivables
- short-term loans to related parties
- debt investments carried at amortised cost; and
- deposit for purchasing loans to non-performing assets
- loan receivables and
- loans to non-performing assets

The Group was required to revise its impairment methodology under TFRS 9. The impact of the change in impairment methodology on the Group's and the Company at 1 January 2020 was immaterial.

5.2 Leases

On adoption of TFRS 16, the Group recognised lease liabilities in relation to leases which had previously been classified as finance leases the Group recognised the carrying amount of the lease asset and lease liability immediately before transition as the carrying amount of the right of use asset and the lease liability at the date of initial application. The measurement principles of TFRS 16 are only applied after that date.

6 Accounting policies

6.1 Accounting for consolidation

a) Subsidiaries

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are consolidated from the date on which control is transferred to the Group until the date that control ceases.

In the separate financial statements, investments in subsidiaries are accounted for using cost method.

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b) Changes in ownership interests

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A difference between the amount of the adjustment to non-controlling interests to reflect their relative interest in the subsidiary and any consideration paid or received is recognised within equity.

If the ownership interest in associates and joint ventures is reduced but significant influence and joint control is retained, only a proportionate share of the amounts previously recognised in other comprehensive income is reclassified to profit or loss where appropriate. Profit or loss from reduce of the ownership interest in associates and joint ventures is recognise in profit or loss.

When the Group losses control, joint control or significant influence over investments, any retained interest in the investment is remeasured to its fair value, with the change in carrying amount recognised in profit or loss. The fair value becomes the initial carrying amount of the retained interest which is reclassified to investment in an associate, or a joint venture or a financial asset accordingly.

c) Intercompany transactions on consolidation

Intra-group transactions, balances and unrealised gains on transactions are eliminated. Unrealised gains on transactions between the Group and its associates and joint ventures are eliminated to the extent of the Group's interest in the associates and joint ventures. Unrealised losses are also eliminated in the same manner unless the transaction provides evidence of an impairment of the asset transferred.

6.2 Business combination

The Group applies the acquisition method to account for business combinations with an exception on business combination under common control. The consideration transferred for the acquisition of a subsidiary comprises.

- fair value of the assets transferred,
- liabilities incurred to the former owners of the acquiree
- equity interests issued by the Group

Identifiable assets and liabilities acquired and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date.

On an acquisition-by-acquisition basis, the Group initially recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets.

The excess of the consideration transferred, the amount of any non-controlling interest recognised and the acquisition-date fair value of any previous equity interest in the acquiree (for business combination achieved in stages) over the fair value of the identifiable net assets acquired is recorded as goodwill. In the case of a bargain purchase, the difference is recognised directly in profit or loss.

Acquisition-related cost

Acquisition-related cost are recognised as expenses.

Step-up acquisition

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is re-measured to fair value at the acquisition date; any gains or losses arising from such re-measured are recognised in profit or loss.

Changes in fair value of contingent consideration paid/received

Subsequent changes to the fair value of the contingent consideration that is an asset or liability is recognised in profit or loss. Contingent consideration that is classified as equity is not re-measured.

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Business combination under common control

The Group accounts for business combination under common control by measuring acquired assets and liabilities of the acquiree at their carrying values presented in the highest level of the consolidation. The Group retrospectively adjusted the business combination under common control transactions as if the combination had occurred on the later of the beginning of the preceding comparative period and the date the acquiree has become under common control.

Consideration of business combination under common control are the aggregated amount of fair value of assets transferred, liabilities incurred and equity instruments issued by the acquirer at the date of which the exchange in control occurs.

The difference between consideration under business combination under common control and the acquirer's interests in the carrying value of the acquiree is presented as "surplus arising from business combination under common control" in equity and is derecognised when the investment is disposed of (transferred to retained earnings).

6.3 Cash and cash equivalents

In the statements of cash flows, cash and cash equivalents includes cash on hand, deposits held at call, short-term highly liquid investments with maturities of three months or less from acquisition date.

6.4 Restricted deposits

Restricted deposits mean deposits with banks with restrictions on withdrawals.

6.5 Loan receivables

Receivables that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in interest income using the effective interest rate method presented as a separate line item in interest income.

The impairment of trade receivables are disclosed in Note 6.9 (e).

6.6 Loans to non-performing assets

The Group acquires in secured and non-secured assets from financial institutions and credit facility companies from bidding for debts collection which is expected to be collected for 4-6 years from the acquisition date. The Group has no rights to claim the repayment from the seller when the debts cannot be collected.

The loans to non-performing assets are classified as non-current assets unless management has expressed the intention of holding the loans for less than 12 months from the statement of financial position date, in which case they are included in current assets, except management has intention to sell the loans for financing cash in the operation, in which case they are included in current assets.

The loans to non-performing assets are presented at their acquisition cost less amortised costs using the effective interest rate less allowance for expected credit loss (if any).

The Group recognised expected credit loss of loans to non-performing assets when it anticipates discounted cash flows to the present values of receivables are lower than carrying value.

6.7 Trade receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. They are generally due for settlement within 30 days and therefore are all classified as current.

Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, they are recognised at fair value. The Group holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost.

The impairment of trade receivables are disclosed in Note 6.9 (e).

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6.8 Inventories

Inventories are stated at the lower of cost and net realisable value.

Cost of inventories is determined by the weighted average method. Cost of finished goods comprise all purchase cost and costs directly attributable to the acquisition of the inventory less all attributable discounts and directly attributable costs in bringing the inventories to their present location and condition.

6.9 Financial asset

For the year ended 31 December 2020

a) Classification

From 1 January 2020, the Group classifies its debt instrument financial assets in the following measurement categories depending on i) business model for managing the asset and ii) the cash flow characteristics of the asset whether they represent solely payments of principal and interest (SPPI).

- those to be measured subsequently at fair value (either through other comprehensive income or through profit or loss); and
- those to be measured at amortised cost.

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

For investments in equity instruments, the Group has an irrevocable election at the time of initial recognition to account for the equity investment at fair value through profit or loss (FVPL) or at fair value through other comprehensive income (FVOCI) except those that are held for trading, they are measured at FVPL.

b) Recognition and derecognition

Regular way purchases, acquires and sales of financial assets are recognised on trade-date, the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

c) Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at FVPL, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether the cash flows are solely payment of principal and interest.

d) Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the financial assets. There are three measurement categories into which the Group classifies its debt instruments:

- **Amortised cost:** Financial assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in interest income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses) together with foreign exchange gains and losses. Impairment losses are presented as a separate line item in the statement of comprehensive income.

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e) Impairment

From 1 January 2020, the Group assesses expected credit loss on a forward-looking basis for its financial assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade and other receivables, the Group applies the simplified approach, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

Impairment (and reversal of impairment) losses are recognised in profit or loss and included in administrative expenses.

Loan to non-performing assets is not required to consider the Significant Increase Credit Risk (SICR) because it is classified as Purchased or Originated Credit Impaired (POCI) financial assets measured at amortised cost with lifetime expected credit losses.

The Group assesses expected credit loss on a forward-looking macroeconomic information that is supportive and reasonable with unbiased and probability-weighted outcome by comparing between present value of expected future cash flow discounted with effective interest rate of loan to non-performing assets and carrying value of loan to non-performing assets as at reporting date and the expected credit loss can be both impairment gain or loss in statement of comprehensive income.

Classification and measurement of financial assets for the year ended 31 December 2019 is disclosed in Note 5.1(c).

For the year ended 31 December 2019

Available-for-sale investments

Available-for-sale investments are subsequently measured at fair value. The unrealised gains and losses of available for sale investments are recognised in other comprehensive income and are subsequently reclassified to profit or loss when the investment is disposed.

Held-to-maturity investments

Held-to-maturity investments are carried at amortised cost using the effective interest method less impairment.

Disposal of investments

On a disposal of an investment, the difference between the net disposal proceeds and the carrying amount (including cumulative changes in fair value recognised in equity) is recognised to the profit or loss. When the Group disposes an investment partially, the carrying amount of the disposed part is determined by the weighted average method.

6.10 Investment properties

Investment properties, principally freehold office buildings, are held for long-term rental yields or for capital appreciation or both and are not occupied by the Group.

Investment property is measured initially at cost, including directly attributable costs and borrowing costs.

Subsequent expenditures are capitalised to the asset's carrying amount only where it is probable that future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be reliably measured. When parts of an investment property are replaced, the carrying amount of the replaced parts are derecognised.

All other repairs and maintenance costs are expensed when incurred.

Subsequently, they are carried at cost less accumulated depreciation and impairment.

Depreciation on investment properties is calculated using the straight-line method to allocate their costs to their residual values over their estimated useful lives, as follows:

Buildings	20 years
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6.11 Foreclosed assets

The foreclosed assets are stated at the lower of cost or net realisable value which referred from the latest appraised value less estimated selling expenses.

Gains or loss on the disposal of foreclosed assets are recognised in the statements of comprehensive income when the Company transfers the significant risks and reward of ownership to the purchaser. Loss on impairment are recognised as expenses in the statements of comprehensive income.

6.12 Property, plant and equipment

All other property, plant and equipment are stated at historical cost less accumulated depreciation and impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount, only when it is probable that future economic benefits associated with the item will flow to the Group, capitalised where there is future economic benefits. The carrying amount of the replaced part is derecognised.

All other repairs and maintenance are charged to profit or loss when incurred.

Land is not depreciated. Depreciation on other assets is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives, as follows:

Buildings and building improvements	20 years
Office equipments	5 years
Furnitures and fixtures	5 years
Vehicles	5 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Gains or losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

6.13 Intangible assets

Computer software

Acquired computer software is measured at cost. These costs are amortised over their estimated useful lives not over than 3 years.

Cost associated with maintaining computer software are recognised as an expense as incurred.

6.14 Impairment of assets

Assets that have an indefinite useful life are tested annually for impairment, or more frequently if events or changes in circumstances indicate that it might be impaired. Assets that are subject to amortisation are reviewed for impairment whenever there is an indication of impairment. An impairment loss is recognised for the amount by which the carrying amount of the assets exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use.

Where the reasons for previously recognised impairments no longer exist, the impairment losses on the assets concerned other than goodwill is reversed.

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6.15 Leases

For the year ended 31 December 2020

Leases - where the Group is the lessee

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payment that are based on an index or a rate
- amounts expected to be payable by the lessee under residual value guarantees
- the exercise price of a purchase option if the lessee is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be determined, the lessee's incremental borrowing rate is used, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions.

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs.

Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise small office equipment.

Leases - where the Group is the lessor

When assets are leased out under a finance lease, the present value of the lease payments is recognised as a receivable. The difference between the gross receivable and the present value of the receivable is recognised as unearned finance income. Lease income is recognised over the term of the lease which reflects a constant periodic rate of return. Initial direct costs are included in initial measurement of the finance lease receivable and reduce the amount of income recognised over the lease term.

Rental income under operating leases (net of any incentives given to lessees) is recognised on a straight-line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying asset and recognised as expense over the lease term on the same basis as lease income. The respective leased assets are included in the statement of financial position based on their nature.

For the year ended 31 December 2019

Leases - where the Group is the lessee

Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease.

At the inception of finance lease, the lower of the fair value of the leased property and the present value of the minimum lease payments is capitalised. Each lease payment is allocated between the liability and finance charges to achieve a constant rate on the liabilities balance outstanding. The corresponding rental obligations is presented net of finance charges. Finance cost is charged to profit or loss over the lease period.

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Leases - where the Group is the lessor

When assets are leased out under a finance lease, the present value of the lease payments is recognised as a receivable. The difference between the gross receivable and the present value of the receivable is recognised as unearned finance income. Lease income is recognised over the term of the lease which reflects a constant periodic rate of return. Initial direct costs are included in initial measurement of the finance lease receivable and reduce the amount of income recognised over the lease term.

Rental income under operating leases (net of any incentives given to lessees) is recognised on a straight-line basis over the lease term.

6.16 Financial liabilities

For the year ended 31 December 2020

a) Classification

Financial instruments issued by the Group are classified as either financial liabilities or equity securities by considering contractual obligations.

- Where the Group has an unconditional contractual obligation to deliver cash or another financial asset to another entity, it is considered a financial liability unless there is a predetermined or possible settlement for a fixed amount of cash in exchange of a fixed number of the Group's own equity instruments.
- Where the Group has no contractual obligation or has an unconditional right to avoid delivering cash or another financial asset in settlement of the obligation, it is considered an equity instrument.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

b) Measurement

Financial liabilities are initially recognised at fair value and are subsequently measured at amortised cost.

c) Derecognition and modification

Financial liabilities are derecognised when the obligation specified in the contract is discharged, cancelled, or expired.

Where the terms of a financial liability are renegotiated/modified, the Group assesses whether the renegotiation / modification results in the derecognition of that financial liability. Where the modification results in an extinguishment, the new financial liability is recognised based on fair value of its obligation. The remaining carrying amount of financial liability is derecognised. The difference as well as proceed paid is recognised as other gains/(losses) in profit or loss.

Where the modification does not result in the derecognition of the financial liability, the carrying amount of the financial liability is recalculated as the present value of the renegotiated / modified contractual cash flows discounted at its original effective interest rate. The difference is recognised in other gains/(losses) in profit or loss.

For the year ended 31 December 2019

Borrowings

Borrowings are recognised initially at the fair value, net of directly attributable transaction costs incurred. Borrowings are subsequently stated at amortised cost.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it will be drawn down. The fee is deferred until the drawn down occurs and included in effective interest calculation. However, if it is probable that facility will not be drawn down, that portion of the fee paid is recognised as a prepayment and amortised over the period of related facility.

Borrowings are removed from the statement of financial position when the obligation specified in the contract is discharged, cancelled, or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as finance costs.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

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6.17 Current and deferred income taxes

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current tax

The current income tax is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax

Deferred income tax is recognised on temporary differences arising from differences between the tax base of assets and liabilities and their carrying amounts in the financial statements. However, deferred income tax is not recognised for temporary differences arise from:

- initial recognition of an asset or liability in a transaction other than a business combination that affects neither accounting nor taxable profit or loss is not recognised
- investments in subsidiaries, associates and joint arrangements where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax is measured using tax rates of the period in which temporary difference is expected to be reversed, based on tax rates and laws that have been enacted or substantially enacted by the end of the reporting period.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

6.18 Employee benefits

a) Short-term employee benefits

Liabilities for short-term employee benefits such as wages and salaries that are expected to be settled wholly within 12 months after the end of the period are recognised in respect of employees' service up to the end of the reporting period. They are measured at the amount expected to be paid.

b) Defined contribution plan

The Group pays contributions to a separate fund on a voluntary basis. The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due.

c) Defined benefit plans

Amount of retirement benefits is defined by the agreed benefits the employees will receive after the completion of employment. It usually depends on factors such as age, years of service and an employee's latest compensation at retirement.

The defined benefit obligation is calculated annually by an independent actuary using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using market yield of government bonds that matches the terms and currency of the expected cash outflows.

Remeasurement gains and losses are recognised directly to other comprehensive income in the period in which they arise. They are included in retained earnings in the statements of changes in equity.

Past-service costs are recognised immediately in profit or loss.

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d) Termination benefits

The Group recognises termination benefits at the earlier of (a) when the Group can no longer withdraw the offer of those benefits; and (b) when the entity recognises costs for the related restructuring. Benefits due more than 12 months are discounted to their present value.

6.19 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation. The increase in the provision due to passage of time is recognised as interest expense.

6.20 Share capital

Ordinary shares dividends are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

6.21 Revenue recognition

Service income from debt collection is recognised as revenue provided that collectability of the consideration is probable in accordance with the substance of the relevant agreements.

Interest income from loans to non-performing assets is recognised using the effective interest method calculated from estimated future cash inflows. If actual cash flows from collection exceed calculated revenues, the remaining cash collection will be amortised from the value of loans to non-performing assets for each period. In the case that all investment amount is written off, the Group shall recognise cash inflows as interest income from loans to non-performing assets and recognise loss on impairment immediately when there is an indication for significant decrease in cash flows. The future cash flows from loans to non-performing assets are estimated based on the quality, type and age of debt and referred to historical records of debt collection, where the total estimation shall not over the amount of cash flows estimated by management since the purchase of the assets. It is expected that the debt collection will last 4-6 years since the date of acquired loans to non-performing assets.

Revenue from sale is recognise using fair value from selling goods net of value added tax. They are recognised in accordance with the provision of goods provided that collectability of the consideration is probable when the goods are delivered.

Interest income is recognised using the effective interest method.

Dividend income is recognised when the right to receive payment is established.

Other income is recognised using the accrual basis.

6.22 Dividend distribution

Dividend distributed to the Company's shareholders is recognised as a liability when interim dividends are approved by the Board of Directors, and when the annual dividends are approved by the shareholders.

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7 Financial risk management

7.1 Financial risk

The Group exposes to a variety of financial risk: market risk (including foreign exchange risk, interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance. The Group uses derivative financial instruments to hedge certain exposures.

Management is responsible to carried out by the Group's management. The Group's policy includes areas such as foreign exchange risk, interest rate risk, price risk, credit risk and liquidity risk. The framework parameters are approved by the Board of Directors and uses as the key communication and control tools for management.

7.1.1 Market risk

Cash flow and fair value interest rate risk

The Group's income and operating cash flows are substantially independent of changes in market interest rates. The Group is exposed to interest rate risk relates primarily to its deposits at financial institutions, long-term loans to related parties, short-term borrowings, long-term borrowings and debentures. Most of the Group's financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate. The Group assesses that the interest rate risk is insignificant as the interests from financial assets and financial liabilities are not significantly different. However, the Group will use interest rate swap to management the risk when necessary.

Under the interest rate swaps, the Group agrees with the other parties to exchange, at specified interval, the difference between fixed contract rates and floating rate interest amounts calculated by reference to the agreed notional principal amounts. Any differential to be paid or received on an interest rate swap agreement is recognised as a component of interest revenue or expense over the period of the agreement.

The Group and the Company does not apply hedge accounting.

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Consolidated financial statements

Descriptions	2019								Average rate (%)
	Fixed interest rates			Floating interest rates					
	Within 1 year Baht	1 - 5 years Baht	Over 5 years Baht	Within 1 year Baht	1 - 5 years Baht	Over 5 years Baht	Non-interest bearing Baht		
Financial assets									
Cash and cash equivalents	-	-	-	342,620,633	-	-	17,102,204	359,722,837	0.55%
Restricted cash	500,000	7,832,983	-	1,560,469	-	-	-	9,893,452	0.21%
Short-term investments	101,014,088	-	-	-	-	-	-	101,014,088	0.90%
Trade and other receivables	-	-	-	-	-	-	35,374,048	35,374,048	-
Loan receivables	41,848,452	-	-	-	-	-	-	41,848,452	12.03%
Loans to non-performing assets	-	1,131,262,294	-	-	-	-	-	1,131,262,294	29.32%
Deposit for purchasing loans to non-performing assets	-	-	-	-	-	-	18,427,435	18,427,435	-
Total financial assets	143,362,540	1,139,095,277	-	344,181,102	-	-	70,903,687	1,697,542,606	
Financial liabilities									
Trade and other payables	-	-	-	-	-	-	225,066,171	225,066,171	-
Lease liabilities	1,061,806	278,936	-	-	-	-	-	1,340,742	6.36%
Long-term borrowings from financial institutions	-	-	-	24,413,774	32,371,220	-	-	56,784,994	5.04%
Bills of exchange	119,635,068	-	-	-	-	-	-	119,635,068	4.82%
Debentures	-	398,954,785	-	-	-	-	-	398,954,785	2.66%
Total financial liabilities	120,696,874	399,233,721	-	24,413,774	32,371,220	-	225,066,171	801,781,760	

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Separate financial statements							
Descriptions	2020						
	Fixed interest rates			Floating interest rates			Non-Interest bearing Baht
	Within 1 year Baht	1 - 5 years Baht	Over 5 years Baht	Within 1 year Baht	1 - 5 years Baht	Over 5 years Baht	
Financial assets							
Cash and cash equivalents	-	-	-	547,191,986	-	-	725,881
Restricted cash	500,000	611,680	-	1,000,000	-	-	-
Financial assets measured at amortised cost	1,303,008	-	-	-	-	-	-
Trade and other receivables	-	-	-	-	-	-	91,165,593
Short-term loans to related parties	1,321,200,100	-	-	-	-	-	-
							1,321,200,100
Total financial assets	1,323,003,108	611,680	-	548,191,986	-	-	91,891,474
							1,963,698,248
Financial liabilities							
Trade and other payables	-	-	-	-	-	-	22,562,961
Lease liabilities	652,315	2,430,917	-	-	-	-	-
Bills of exchange	119,565,119	-	-	-	-	-	-
Debentures	297,741,986	1,082,392,468	-	-	-	-	-
							1,380,134,454
Total financial liabilities	417,959,420	1,084,823,385	-	-	-	-	22,562,961
							1,525,345,766

Separate financial statements							
2019							
Descriptions	Fixed interest rates			Floating interest rates			Average Rate (%)
	Within 1 year Baht	1 - 5 years Baht	Over 5 years Baht	Within 1 year Baht	1 - 5 years Baht	Over 5 years Baht	
Financial assets							
Cash and cash equivalents	-	-	-	271,519,852	-	-	271,906,318
Restricted cash	500,000	1,296,268	-	1,000,000	-	-	2,796,268
Short-term investments	100,749,211	-	-	-	-	-	100,749,211
Trade and other receivables	-	-	-	-	-	-	34,596,089
Short-term loans to related parties	688,200,100	-	-	-	-	-	688,200,100
Total financial assets	789,449,311	1,296,268	-	272,519,852	-	34,982,555	1,098,247,986
Financial liabilities							
Trade and other payables	-	-	-	-	-	14,617,963	14,617,963
Bills of exchange	119,635,068	-	-	-	-	-	119,635,068
Debentures	-	398,954,785	-	-	-	-	398,954,785
Total financial liabilities	119,635,068	398,954,785	-	-	-	14,617,963	533,207,816
							4.82%
							2.66%

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7.1.2 Credit risk

The Group has no significant concentrations of credit risk. The Group has policies in place to ensure that contracts are made with customers who have an appropriate credit history, limiting customers' credit limit. The Group has policies that limit the amount of credit exposure to any one financial institution.

a) Security

For some trade receivables the Group may obtain security in the form of guarantees or letters of credit which can be called upon if the counterparty is in default under the terms of the agreement.

b) Impairment of financial assets

The Group and the Company has 8 types of financial assets that are subject to the expected credit loss model:

- Cash and cash equivalents
- Restricted cash
- Trade and other receivables
- Short-term loans to related parties
- Debt investments carried at amortised cost
- Deposit for purchasing loans to non-performing assets
- Loan receivables
- Loans to non-performing assets

While financial assets are also subject to the impairment requirements of TFRS 9, the identified impairment loss was immaterial except loans to non-performing assets.

The reconciliations of loss allowances for trade receivables and loans to non-performing assets for the year ended 31 December 2020 are as follows:

	Consolidated financial statements			
	Loss allowance measured at amount equal to			
	12 months expected credit losses Baht	Lifetime Expected credit losses Baht	Lifetime expected credit losses (credit-impaired financial assets) Baht	Total Baht
As of 31 December 2019				
– calculated under TAS 101	-	-	9,312,015	9,312,015
Amounts restated through opening retained earnings	-	-	-	-
Opening loss allowance as at 1 January 2020 - calculated under TFRS 9	-	-	9,312,015	9,312,015
Increase in loss allowance recognised in profit or loss during the year	-	-	80,970,915	80,970,915
As of 31 December 2020				
- calculated under TFRS 9	-	-	90,282,930	90,282,930

There is no expected loss in the separate financial statement as at 31 December 2020.

The Group and the Company write-off trade receivables and loans to non-performing assets when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the group, a failure to make contractual payments or cannot be contacted for a period greater than 90 days after default.

Impairment losses on trade receivables and loans to non-performing assets are presented as net impairment losses within operating profit. Subsequent recoveries of amounts previously written off are credited against the same line item.

Previous accounting policy for impairment of trade receivables for comparative period

In the year 2019, the Group recognised impairment of trade receivables based on the incurred loss model such as uncollectible or past due for a period less than 90 days, which was not taken into account future losses. Therefore, expected credit loss allowance and allowance for doubtful accounts are not comparable.

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Loans to related parties

Loans to related parties measured at amortised cost are considered to have low credit risk, and the loss allowance recognised during the year was therefore limited to 12 months expected losses. Lifetime expected credit losses is recognised for the loans that the credit risk is significant increased.

Other financial assets measured at amortised cost

Other financial assets measured at amortised cost include fixed deposits.

Financial asset measured at fair value through profit or loss

The Group is also exposed to credit risk in relation to debt investments that are measured at fair value through profit or loss. The maximum exposure at the end of the reporting period is the carrying amount of these investments.

7.1.3 Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. At the end of the reporting period the Group held deposits at call of Baht 708,199,180 (2019: Baht 359,722,837) that are expected to readily generate cash inflows for managing liquidity risk. Due to the dynamic nature of the underlying businesses, the Group Treasury maintains flexibility in funding by maintaining availability under committed credit lines.

Management monitors i) rolling forecasts of the Group's liquidity reserve (comprising the undrawn borrowing facilities below); and ii) cash and cash equivalents on the basis of expected cash flows. In addition, the Group's liquidity management policy involves projecting cash flows in major currencies and considering the level of liquid assets necessary, monitoring balance sheet liquidity ratios and maintaining financing plans.

a) Financing arrangements

The Group has access to the following undrawn credit facilities as at 31 December as follows:

	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
Floating rate	MLR	MLR-0.75	-	-
Expiring within one year				
- Bank overdraft	-	-	-	-
Expiring beyond one year				
- Bank loans	20,000,000	20,550,000	-	-
	20,000,000	20,550,000	-	-

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b) Maturity of financial liabilities

The tables below analyse the maturity of financial liabilities grouping based on their contractual maturities. The amounts disclosed are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant. For interest rate swaps, the cash flows have been estimated using forward interest rates applicable at the end of the reporting period.

Consolidated financial statements				
	On demand Baht	Within 1 year Baht	1 - 5 years Baht	Total Baht
As at 31 December 2020				
Trade and other payables	-	43,472,067	-	43,472,067
Lease liabilities	-	1,046,547	2,648,880	3,695,427
Long-term borrowings from a financial institution	-	31,983,517	39,008,628	70,992,145
Bills of exchange	-	120,000,000	-	120,000,000
Debentures	-	300,000,000	1,100,000,000	1,400,000,000
Total	-	496,502,131	1,141,657,508	1,638,159,639
Consolidated financial statements				
	On demand Baht	Within 1 year Baht	1 - 5 years Baht	Total Baht
As at 31 December 2019				
Trade and other payables	-	225,066,171	-	225,066,171
Lease liabilities	-	1,143,228	251,883	1,395,111
Long-term borrowings from a financial institution	-	22,963,942	34,058,108	57,022,050
Bills of exchange	-	120,000,000	-	120,000,000
Debentures	-	-	405,000,000	405,000,000
Total	-	369,173,341	439,309,991	808,483,332
Separate financial statements				
	On demand Baht	Within 1 year Baht	1 - 5 years Baht	Total Baht
As at 31 December 2020				
Trade and other payables	-	22,562,961	-	22,562,961
Lease liabilities	-	794,664	2,648,880	3,443,544
Bills of exchange	-	120,000,000	-	120,000,000
Debentures	-	300,000,000	1,100,000,000	1,400,000,000
Total	-	443,357,625	1,102,648,880	1,546,006,505
Separate financial statements				
	On demand Baht	Within 1 year Baht	1 - 5 years Baht	Total Baht
As at 31 December 2019				
Trade and other payables	-	14,617,963	-	14,617,963
Bills of exchange	-	120,000,000	-	120,000,000
Debentures	-	-	405,000,000	405,000,000
Total	-	134,617,963	405,000,000	539,617,963

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7.2 Capital management

The objectives when managing capital are to:

- safeguard their ability to continue as a going concern, to provide returns for shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital

In order to maintain or adjust the capital structure, the Group may adjust the number of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Consistent with others in the industry, the Group monitors capital based on gearing ratio which is determined by dividing net debt with equity.

The net debt to equity ratios as at 31 December are as follows:

	2020 Baht	2019 Baht
Total liabilities	1,664,279,906	822,870,583
Equity (including non-controlling interests)	1,146,565,334	1,001,950,586
Net debt to equity ratio	145.15%	82.13%

The credit rating was unchanged and the interest-bearing debt ratios as at 31 December are as follows:

	2020 Baht	2019 Baht
Net interest bearing debt	1,586,662,222	576,715,589
Equity (including non-controlling interests)	1,146,565,334	1,001,950,586
Net debt to equity ratio	138.38%	57.56%

Loan covenants

Under the terms of the major borrowing facilities, the Group is required to comply with the following financial covenants:

- net debt to equity ratio must be not more than 2:1, and
- the Company has to stay the status as listed company in The Stock Exchange of Thailand

The Group has complied with these covenants throughout the reporting period. As at 31 December 2020, the ratio of debt to equity ratio was 145.15% (2019: 82.13%).

Debenture covenants

Under the terms of the major borrowing facilities, the Group is required to comply with the following financial covenants:

- net debt to equity ratio must be not more than 1.7:1, and

The Group has complied with these covenants throughout the reporting period. As at 31 December 2020, the ratio of debt to equity ratio was 138.38 (2019: 57.56).

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8 Fair value

The following table presents financial assets and liabilities that are measured at fair value, excluding where its fair value is approximating the carrying amount.

Consolidated financial statements								
Level 1		Level 2		Level 3		Total		
2020	2019	2020	2019	2020	2019	2020	2019	
Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	
Assets:								
Financial assets reassured at fair value (FV)								
Available-for-sale investments								
Mutual funds								
-	-	-	100,143,497	-	-	-	100,143,497	
Total assets								
-	-	-	100,143,497	-	-	-	100,143,497	
Separate financial statements								
Level 1		Level 2		Level 3		Total		
2020	2019	2020	2019	2020	2019	2020	2019	
Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	
Assets:								
Financial assets reassured at fair value (FV)								
Available-for-sale investments								
Mutual funds								
-	-	-	100,143,497	-	-	-	100,143,497	
Total assets								
-	-	-	100,143,497	-	-	-	100,143,497	

Fair values are categorised into hierarchy based on inputs used as follows:

Level 1: The fair value of financial instruments is based on the current bid price or closing price by reference to the Stock Exchange of Thailand or the Thai Bond Dealing Centre.

Level 2: The fair value of financial instruments is determined using significant observable inputs and, as little as possible, entity-specific estimates.

Level 3: The fair value of financial instruments is not based on observable market data.

The fair value measurement of financial assets and liabilities comply with the accounting policy which disclose on Notes 6.9 and 6.16.

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The following table presents financial assets and liabilities that are not measured at fair value.

	Consolidated financial statements							
	Level 1		Level 2		Level 3		Total	
	2020	2019	2020	2019	2020	2019	2020	2019
	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht
Financial Assets								
Cash and cash equivalents	708,199,180	359,722,837	-	-	-	-	708,199,180	359,722,837
Restricted deposits at financial institutions	9,223,362	9,893,452	-	-	-	-	9,223,362	9,893,452
Financial assets measured at amortised cost	1,570,108	870,591	-	-	-	-	1,570,108	870,591
Trade and other receivables	-	-	25,580,699	35,374,048	-	-	25,580,699	35,374,048
Loan Receivables	-	-	60,992,991	41,848,452	-	-	60,992,991	41,848,452
Loans to non-performing assets	-	-	-	-	1,692,878,187	1,121,950,279	1,692,878,187	1,121,950,279
Deposit for purchasing loan to non-performing assets	-	-	70,035,357	18,427,435	-	-	70,035,357	18,427,435
Total	718,992,650	370,486,880	156,609,047	95,649,935	1,692,878,187	1,121,950,279	2,568,479,884	1,588,087,094
Financial liabilities								
Trade and other payables	-	-	43,472,067	225,066,171	-	-	43,472,067	225,066,171
Lease liabilities	-	-	3,332,544	1,340,742	-	-	3,332,544	1,340,742
Long-term borrowings from financial institutions	-	-	70,630,105	56,784,994	-	-	70,630,105	56,784,994
Short-term borrowing from related parties	-	-	13,000,000	-	-	-	13,000,000	-
Bills of Exchange	-	-	119,565,119	119,635,068	-	-	119,565,119	119,635,068
Debentures	-	-	1,380,134,454	398,954,785	-	-	1,380,134,454	398,954,785
Total	-	-	1,630,134,289	801,781,760	-	-	1,630,134,289	801,781,760
Separate financial statements								
	Level 1		Level 2		Level 3		Total	
	2020	2019	2020	2019	2020	2019	2020	2019
	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht
Financial assets								
Cash and cash equivalents	547,917,867	271,906,318	-	-	-	-	547,917,867	271,906,318
Restricted deposits at financial institutions	2,111,680	2,796,268	-	-	-	-	2,111,680	2,796,268
Financial assets measured at amortised cost	1,303,008	605,714	-	-	-	-	1,303,008	605,714
Trade and other receivables	-	-	91,165,593	34,596,089	-	-	91,165,593	34,596,089
Loans to related parties	-	-	1,321,200,100	688,200,100	-	-	1,321,200,100	688,200,100
Loans to non-performing assets	-	-	-	-	110,738,994	-	110,738,994	-
Total	551,332,555	275,308,300	1,412,365,693	722,796,189	110,738,994	-	2,074,437,242	998,104,489
Financial liabilities								
Trade and other payables	-	-	22,562,961	14,617,963	-	-	22,562,961	14,617,963
Lease liabilities	-	-	3,083,232	-	-	-	3,083,232	-
Bills of Exchange	-	-	119,565,119	119,635,068	-	-	119,565,119	119,635,068
Debentures	-	-	1,380,134,454	398,954,785	-	-	1,380,134,454	398,954,785
Total	-	-	1,525,345,766	533,207,816	-	-	1,525,345,766	533,207,816

Transfer between fair value hierarchy

The Group recognises transfers between fair value hierarchy levels as at the date of the event or change in circumstances that caused the transfer.

There were no transfers between levels 1 and 2 during the year.

(a) Financial instruments in level 1

The fair value of financial instruments traded in active markets is based on quoted market prices at the statement of financial position date. The quoted market price used for financial assets held by the Group is the current bid price/closing price by reference to the Stock Exchange of Thailand and the Thai Bond Dealing Centre. These instruments are included in level 1.

(b) Financial instruments in level 2

The fair value of financial instruments that are not traded in an active market (over-the-counter) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

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(c) Financial instruments in level 3

If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

The main factor the Group applies in estimating fair value at level 3 to is a discount rate appropriate for relevant risks.

Valuation processes

The Group's finance department comprises the committee that assesses the fair values of financial assets for financial reporting in the financial statements including the level 3 fair value. This committee directly reports to Management Committee (MC) and Audit Committee. The meeting among Chief Financial Officer, Audit Committee, and the committee assessing the fair values is held at least once each quarter which is consistent with the Group's quarterly reporting date.

The main information used for assessing the level 3 fair value include aging from the last payment date the debtors made payment to the financial institutions, legal status, and outstanding balance. The discount rate applied is the maximum default rate of the local financial institutions.

Changes in level 2 and 3 fair values are analysed at each reporting date during the quarterly valuation discussions between the CFO and MC. As part of this discussion, the CFO presents a report that explains the reasons for the fair value movements.

Cash and cash equivalents and restricted deposits at financial institutions

The carrying amounts of cash and cash equivalents presented in the statement of financial position approximate fair values.

Short-term investments

The fair value of available-for-sale investments is based on net asset value as at year end date announced by the asset management company. The fair value is within level 2 of the fair value hierarchy.

The fair value of held-to-maturity investments due within 1 year recorded at book value, as the impact of discounting is not significant.

Trade and other receivables

The carrying amounts of trade and other receivables presented in the statement of financial position approximate fair values.

Short-term loans to related parties

The carrying amounts of short-term loans to related parties presented in the statement of financial position approximate fair values.

Loan receivables

The carrying amounts of loan receivables presented in the statement of financial position approximate fair values.

Loans to non-performing assets

The fair value of loans to non-performing assets is calculated by estimating cash flows to be received from debtors or disposal of collateral in the future discounted by the maximum of default interest from financial institutions. The estimated cash flows to be received from debtors used significant unobservable inputs such that the Group classifies the fair value measurement at level 3 of fair value hierarchy.

Estimation on the expected debt collection period of loan to non-performing assets was changed from those that were applied for financial information for financial statements for the year ended 31 December 2019 (Note 2.9). The expected debt collection period of loan to non-performing assets changes from 4 - 5 years from the acquisition date to 4 - 6 years from the acquisition date since the Group is able to collect debt according to the changed period.

Deposit for purchasing loan to non-performing assets

The carrying amounts of deposit for purchasing loan to non-performing assets presented in the statement of financial position approximate fair values.

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Trade and other payables

The carrying amounts of trade and other payables presented in the statement of financial position approximate fair values.

Lease liabilities, bills of exchange, long-term borrowings from financial institutions and debentures

The fair value of lease liabilities, bills of exchange, long-term borrowings from financial institutions and debentures is calculated by discounting cash outflows to settle borrowings using the average minimum loan rate (MLR) from top 5 local financial institutions.

9 Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

a) *Recognition of interest income from loans to non-performing assets*

The Group recognises interest income from loans in non-performing assets based on estimated future cash inflow according to quality, type and age of debt referring to historical records of debt collection discounted with effective interest rate.

b) *Estimated impairment of loans to non-performing assets*

The Group annually evaluates whether loans to non-performing assets have suffered any impairment, in accordance with the accounting policy stated in Note 6.6. The recoverable amounts have been determined based on the present value of estimated future cash receipts that have been revised discounted at the original effective interest rate which reflects the quality of non-performing assets as at the financial report date.

c) *Allowance for doubtful accounts of loan receivables*

The Group maintains an allowance for doubtful accounts to reflect impairment of loan receivables. Management uses judgment in estimating the allowance for doubtful accounts by considering overdue period of receivables and type of collateral. The assessment is based on historical debt collection experiences, historical default, and future market trends.

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10 Segment information

The Group reports based on segments by presenting main business as main reported segments by considering the types of business in which the Group operates.

The Group operates in 5 main segments:

- 1) Segment of debt collection service
- 2) Segment of management of non-performing assets
- 3) Segment of call center services
- 4) Segment of loan
- 5) Segment of products and or services

The financial statements are reported by segments in consolidated financial statements:

For the year ended 31 December 2020	Debt collection service Baht	Management of non-performing assets Baht	Call center service Baht	Loan Baht	Products and or services Baht	Total Baht
Revenues	57,450,131	417,248,392	-	7,547,271	2,997,185	485,242,979
Revenues from inter-segment	(5,937,951)	(187,544)	-	-	-	(6,125,495)
Revenues from segment	51,512,180	417,060,848	-	7,547,271	2,997,185	479,117,484
Costs	(30,915,113)	(89,695,303)	-	(937,803)	(1,902,148)	(123,450,367)
Costs from inter-segment	191,535	5,933,960	-	-	-	6,125,495
Costs from segment	(30,723,578)	(83,761,343)	-	(937,803)	(1,902,148)	(117,324,872)
Segment results	20,788,602	333,299,505	-	6,609,468	1,095,037	361,792,612
Unallocated costs						(67,985,166)
Profit from operation						293,807,446
Other income						4,023,887
Gain on disposal from foreclosed assets						37,238,875
Expected credit loss						(87,057,664)
Finance costs						(52,701,608)
Profit before income tax						195,310,936
Income tax expense						(40,506,107)
Net profit						154,804,829
Timing of revenue recognition						
At a point in time						93,254,351
Over time						427,125,895
Total revenue						520,380,246

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For the year ended 31 December 2019	Debt collection service Baht	Management of non-performing assets Baht	Call center service Baht	Loan Baht	Total Baht
Revenues	69,226,818	231,867,085	-	1,777,522	302,871,425
Revenues from inter-segment	(7,853,853)	-	-	-	(7,853,853)
Revenues from segment	61,372,965	231,867,085	-	1,777,522	295,017,572
Costs	(31,679,894)	(79,977,533)	-	(1,212,882)	(112,870,309)
Costs from inter-segment	-	7,853,853	-	-	7,853,853
Costs from segment	(31,679,894)	(72,123,680)	-	(1,212,882)	(105,016,456)
Segment results	29,693,071	159,743,405	-	564,640	190,001,116
Unallocated costs					(63,768,938)
Profit from operation					126,232,178
Other income					3,202,090
Gain on disposal from foreclosed assets					19,691,118
Finance Costs					(9,118,056)
Profit before income tax					140,007,330
Income tax expense					(28,960,508)
Net profit					111,046,822
Timing of revenue recognition					
At a point in time					81,868,740
Over time					236,042,040
Total revenue					317,910,780

11 Cash and cash equivalents

	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
Cash on hand	26,302	29,294	8,968	15,524
Deposits held at call with banks	708,172,878	359,693,543	547,908,899	271,890,794
3 months fixed deposit	-	-	-	-
Total	708,199,180	359,722,837	547,917,867	271,906,318

The interest rates of deposits held at call with banks of saving accounts and 3 months fixed deposit account are 0.125% - 0.375% per annum (2019: 0.20% - 1.25% per annum).

12 Restricted deposits at financial institutions

As at 31 December 2020 and 2019, restricted deposits at financial institutions of the Group and the Company are fixed deposits for securing the performance of debt collection services which is in the normal course of business.

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13 Short – term investments

	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
Fixed deposits not over 12 months	-	870,591	-	605,714
Available-for-sales investments - mutual funds	-	100,143,497	-	100,143,497
Total	-	101,014,088	-	100,749,211

The movements in available-for-sales investments are as follows:

	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
At 1 January	-	-	-	-
Additions	-	100,000,000	-	100,000,000
<u>Add</u> Re-measuring available-for-sales investments	-	143,497	-	143,497
<u>Less</u> Reclassification (note 5.1)	-	(100,143,497)	-	(100,143,497)
At 31 December	-	-	-	-

14 Trade and other receivables

	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
Trade receivables	7,446,216	9,073,996	3,868,200	5,754,939
<u>Less</u> Allowance for expected credit loss	-	-	-	-
Trade receivables, net	7,446,216	9,073,996	3,868,200	5,754,939
Amounts due from related parties (Note 38.4)	-	-	7,246,896	177,434
Interest receivables from short-term loans to related parties (Note 38.4)	-	-	79,820,237	27,586,198
Accrued income ⁽¹⁾	9,735,473	24,610,100	-	-
Prepaid expenses	364,724	420,784	221,415	327,197
Advances	7,536,310	527,847	-	10,000
Others	497,976	741,321	8,845	740,321
Total	25,580,699	35,374,048	91,165,593	34,596,089

⁽¹⁾ The Group has accrued income from selling collaterals of loans to non-performing assets by auction from Legal Execution Department amounting to Baht 9.74 million.

Fair values of trade receivables.

Due to the short-term of the current receivables, their carrying amount is considered to be the same as their fair value.

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15 Financial assets

As at 31 December 2020, classification of the Group's financial assets and financial liabilities are as follows:

Consolidated financial statements			
	FVPL Baht	Amortised cost Baht	Total Baht
Financial assets			
Cash and cash equivalents	-	708,199,180	708,199,180
Restricted cash	-	9,223,362	9,223,362
Financial assets measured at amortised cost	-	1,570,108	1,570,108
Trade and other receivables	-	25,580,699	25,580,699
Deposit for purchasing	-		
loans to non-performing assets	-	70,035,357	70,035,357
Loan receivables	-	60,992,991	60,992,991
Loans to non-performing assets	-	1,692,878,187	1,692,878,187
Other current financial assets	-	8,568,074	8,568,074
Financial liabilities			
Trade and other payables	-	43,472,067	43,472,067
Lease liabilities	-	3,332,544	3,332,544
Long-term borrowings from			
financial institutions	-	70,630,105	70,630,105
Short-term borrowing from related parties	-	13,000,000	13,000,000
Bills of Exchange	-	119,565,119	119,565,119
Debentures	-	1,380,134,454	1,380,134,454
Separate financial statements			
	FVPL Baht	Amortised cost Baht	Total Baht
Financial assets			
Cash and cash equivalents	-	547,917,867	547,917,867
Restricted cash	-	2,111,680	2,111,680
Financial assets measured at amortised cost	-	1,303,008	1,303,008
Trade and other receivables	-	91,165,593	91,165,593
Loans to related parties	-	1,321,200,100	1,321,200,100
Loans to non-performing assets	-	110,738,994	110,738,994
Other current financial assets	-	7,879,845	7,879,845
Financial liabilities			
Trade and other payables	-	22,562,961	22,562,961
Lease liabilities	-	2,430,917	2,430,917
Bills of Exchange	-	119,565,119	119,565,119
Debentures	-	1,380,134,454	1,380,134,454

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15.1 Other financial assets at amortised cost

a) Classification of financial assets at amortised cost (2019: amortised cost / fair value under TAS105)

The Group classifies its financial assets as at amortised cost only if both of the following criteria are met:

- the asset is held within a business model whose objective is to collect the contractual cash flows; and
- the contractual terms give rise to cash flows that are solely payments of principal and interest

Financial assets at amortised cost other than trade receivables and loans to non-performing assets include the following debt investments:

	Consolidated financial statements					
	31 December 2020			31 December 2019		
	Current Baht	Non-current Baht	Total Baht	Current Baht	Non-current Baht	Total Baht
Fixed deposits	1,570,108	-	1,570,108	870,591	-	870,591
Deposit for purchasing loans to non-performing assets	70,035,357	-	70,035,357	18,427,435	-	18,427,435
Loan receivables	60,992,991	-	60,992,991	41,848,452	-	41,848,452
Total	132,598,456	-	132,598,456	61,146,478	-	61,146,478

	Separate financial statements					
	31 December 2020			31 December 2019		
	Current Baht	Non-current Baht	Total Baht	Current Baht	Non-current Baht	Total Baht
Fixed deposits	1,303,008	-	1,303,008	605,714	-	605,714
Short-term loans to related parties	1,321,200,100	-	1,321,200,100	688,200,100	-	688,200,100
Total	1,322,503,108	-	1,322,503,108	688,805,814	-	688,805,814

b) Fair values of other financial assets at amortised cost

Due to the short-term nature of the other current assets, their carrying amount is considered to be the same as their fair value. For the majority of the non-current assets, the fair values are also not significantly different to their carrying amounts.

As at 31 December 2020 short-term loans to related parties at a carrying amount of Baht 1,321,200,100 (2019: Baht 688,200,100). The fair values were calculated based on cash flows discounted using a current lending rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit risk.

c) Allowance for expected credit loss

All of the Group's and the Company's investments at amortised cost are considered to have low credit risk. The loss allowance recognised during the period was therefore limited to 12 months expected losses.

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15.2) Financial assets at fair value through profit or loss

a) Classification of financial assets at fair value through profit or loss (2019: fair value)

The Group classifies the following financial assets at fair value through profit or loss (FVPL):

- equity investments that are held for trading, and

	Consolidated financial statements		Separate financial statements	
	2020 Fair value Baht	2019 Baht	2020 Fair value Baht	2019 Baht
Current assets				
Investments in debt securities				
- Listed bonds (2019: fair value)	-	100,143,497	-	100,143,497
Total	-	100,143,497	-	100,143,497

b) Amounts recognised in profit or loss

Significant acquisitions and disposals during the year

As at 26 March 2020, the Group was fully received cash back from the mutual fund which has announced liquidation on 26 March 2020 due to the significant global economic volatility from COVID-19 pandemic, and the fund announced to repayment based on liquidity support scheme completed on 13 November 2020.

As at 13 November 2020, the Group disposed all of the TMB THANAPLUS classified as financial assets measured at FVPL in the amount of Baht 100,522,856 and gain on disposal Baht 379,360.

16 Inventories

	Consolidated financial statements	
	2020 Baht	2019 Baht
Finished goods	1,146,147	-
<u>Less</u> Allowance for net realisable value	-	-
Total	1,146,147	-

During the years ended 2020 and 2019, amounts recognised as cost of sales in profit or loss are as follows:

	Consolidated financial statements	
	2020 Baht	2019 Baht
Cost of sales and cost of services	1,902,148	-

There are no inventories in the separate financial statement as at 31 December 2020 and 2019.

17 Deposit for purchasing loans to non-performing assets

As at 31 December 2020 and 2019, the Group bids for purchasing non-performing assets during the auctions. The deposit will be returned when the auctions ended or will be net off with the purchase price if the Group wins the bidding.

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18 Loan receivables, net

As of 31 December 2020 and 2019, loan receivables are as follows:

Consolidated financial statements			
2020			
	Due within 1 year Baht	Due over than 1 year Baht	Total Baht
Loan receivables	60,701,857	-	60,701,857
<u>Less</u> Front-end fee	(26,766)	-	(26,766)
Interest receivables	317,900	-	317,900
	60,992,991	-	60,992,991
<u>Less</u> Allowance for expected credit loss (2019: loss on impairment)	-	-	-
Loan receivables, net	60,992,991	-	60,992,991
Consolidated financial statements			
2019			
	Due within 1 year Baht	Due over than 1 year Baht	Total Baht
Loan receivables	42,628,860	-	42,628,860
<u>Less</u> Front-end fee	(847,708)	-	(847,708)
Interest receivables	67,300	-	67,300
	41,848,452	-	41,848,452
<u>Less</u> Allowance for expected credit loss (2019: loss on impairment)	-	-	-
Loan receivables, net	41,848,452	-	41,848,452

There is no loan receivables in the separate financial statement as at 31 December 2020 and 2019.

Outstanding loan receivables as at 31 December 2020 can be analysed as follows:

Consolidated financial statements	
2020 Baht	
Not overdue and overdue less than 1 month	60,701,857
Overdue over 1 month - 3 months	-
Overdue over 3 months - 6 months	-
Overdue over 6 months - 12 months	-
Overdue over 12 months	-
	60,701,857
<u>Less</u> Allowance for expected credit loss (2019: loss on impairment)	-
Loan receivables, net	60,701,857

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19 Loans to non-performing assets, net

As of 31 December 2020 and 2019, loans to non-performing assets are as follows:

	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
Loans to non-performing assets	1,572,736,274	1,131,262,294	103,058,124	-
<u>Add</u> Accrued interest income	210,424,843	-	7,680,870	-
<u>Less</u> Allowance for expected credit loss (2019: loss on impairment)	(90,282,930)	(9,312,015)	-	-
Loans to non-performing assets, net	1,692,878,187	1,121,950,279	110,738,994	-

The movements of loans to non-performing assets for years ended 31 December 2020 and 2019 are as follows:

	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
At 1 January	1,121,950,279	594,140,479	-	-
Additions	625,647,233	643,967,300	103,745,783	-
<u>Add</u> Accrued interest income	236,578,507	-	7,680,870	-
<u>Less</u> Closes account from debt settlement to foreclosed assets (Note 22)	(163,922,422)	(80,597,207)	-	-
<u>Less</u> Disposals	(33,660,166)	(25,420,500)	-	-
<u>Less</u> Proceeds from loans to non-performing assets	(6,657,560)	(10,139,793)	(687,659)	-
<u>Less</u> Allowance for expected credit loss (2019: loss on impairment)	(87,057,664)	-	-	-
At 31 December	1,692,878,187	1,121,950,279	110,738,994	-

As at 31 December 2020, loans to non-performing assets in the consolidated financial statements consisted of 355,343 contracts (2019: 293,000 contracts), and 132 contracts have secured assets (2019: 134 contracts) and the appraised value of collaterals is Baht 929.58 million (2019: Baht 896.17 million) and loan to non-performing assets in the separate financial statement consisted of 42,609 contracts.

Loans to non-performing assets as at 31 December 2020 and 2019 can be analysed by aging from the date of acquisition of loans to non-performing assets as follows:

	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
Less than 1 year	624,404,102	643,967,300	103,058,124	-
1 - 2 years	605,957,600	293,316,158	-	-
2 - 3 years	228,002,792	122,721,783	-	-
3 - 4 years	45,486,588	-	-	-
4 - 5 years	-	56,001,052	-	-
More than 5 years	68,885,192	15,256,001	-	-
Total amounts loans to non-performing assets	1,572,736,274	1,131,262,294	103,058,124	-

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19.1 Classified by loan type

Consolidated financial statements		
	2020	2019
	Baht	Baht
Overdrafts	3,974,736,777	4,028,043,895
Loans	29,152,143,817	28,654,306,310
Notes	358,550,288	358,550,288
Hire-purchase receivables	7,644,326,884	1,291,341,623
Financial lease receivables	10,925,762	10,872,162
Credit cards	13,945,676,279	13,838,732,113
Others	10,310,263,489	1,677,785,650
<u>Less</u> Deferred revenue	(63,823,887,022)	(48,728,369,747)
Total loans net of deferred revenue	1,572,736,274	1,131,262,294
<u>Add</u> Accrued interest receivables	210,424,843	-
Total loans net of deferred revenue and accrued interest receivables	1,783,161,117	1,131,262,294
<u>Less</u> Allowance for expected credit loss (2019: loss on impairment)	(90,282,930)	(9,312,015)
Total loans to non-performing assets, net	1,692,878,187	1,121,950,279
Separate financial statements		
	2020	2019
	Baht	Baht
Hire-purchase receivables	1,379,284,273	79,195,721
Financial lease receivables	10,925,762	10,872,162
<u>Less</u> Deferred revenue	(258,947,741)	(90,067,883)
Total loans net of deferred revenue	1,131,262,294	-
<u>Add</u> Accrued interest receivables	-	-
Total loans net of deferred revenue and accrued interest receivables	1,131,262,294	-
<u>Less</u> Allowance for expected credit loss (2019: loss on impairment)	(9,312,015)	-
Total loans to non-performing assets, net	1,121,950,279	-

19.2 Allowance for expected credit loss

The reconciliations of allowance for expected credit loss for loans to non-performing assets at amortised cost other than trade receivables for the year ended 31 December 2020 are as follows:

Consolidated financial statements	
Loss allowance measured at amount equal to	
Lifetime expected credit losses (credit-impaired financial assets)	
Thousand Baht	
As of 31 December 2019	9,312,015
Amounts restated through opening retained earnings	-
Opening loss allowance as at 1 January 2020	9,312,015
Increase in loss allowance recognised in profit or loss during the year	80,970,915
Written off during the year as uncollectible	-
As of 31 December 2020- calculated under TFRS 9	90,282,930

There is no expected credit loss in the separate financial statement as at 31 December 2020.

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20 Investments in subsidiaries

As at 31 December 2020 and 2019, the subsidiaries included in consolidated financial statement. The subsidiaries have only ordinary shares in which the Group directly holds those shares. The proportion of ownership interests held by the Group is equal to voting rights in subsidiaries held by the Group.

Company Name	Country of incorporation	Business	Ownership interest %	Registered capital		Paid-up capital		Holding percentage %	Cost	
				2020 Baht '000	2019 Baht '000	2020 Baht '000	2019 Baht '000		2020 Baht '000	2019 Baht '000
Chayo Asset Management Co., Ltd.	Thailand	Management of non-performing assets	99.99	200,000	156,950	200,000	156,950	99.99	212,050	169,000
Chayo Property and Service Co., Ltd.	Thailand	Debt collection and call center service	99.99	20,000	20,000	20,000	20,000	99.99	21,000	21,000
Chayo Capital Co., Ltd.	Thailand	Personal loan	70.00	50,000	50,000	50,000	50,000	70.00	35,000	35,000
555 Shopping Co., Ltd	Thailand	Products and or services	70.00	7,000	-	7,000	-	70.00	4,900	-
Chayo JV Co., Ltd	Thailand	Management of non-performing assets	99.99	55,000	-	55,000	-	99.99	27,500	-
Less Impairment of investments									-	(2,000)
									300,450	223,000

On 14 May 2020, at the Board of Directors' Meeting No.3/2563 approved to invest in the 555 Shopping Co., Ltd. (subsidiary) which is a newly incorporated company, with ordinary shares of 55,000 at Baht 100 per share, totaling Baht 5,500,000 and the Company paid for the paid-up share capital of 55,000 at Baht 35 per share, totaling Baht 1,925,000 on 29 May 2020. 555 Shopping Co., Ltd. was registered with Department of Business Development on 29 May 2020.

On 5 September 2020, at the Board of Directors' Meeting No.5/2563 approved to invest in the Chayo JV Co., Ltd. (subsidiary) which is a newly incorporated company, with ordinary shares of 11,000,000 at Baht 5 per share, totaling Baht 55,000,000 and the Company paid for the paid-up share capital of 10,999,997 at Baht 2.50 per share, totaling Baht 27,499,992.50 on 14 October 2020. Chayo JV Co., Ltd. was registered with Department of Business Development on 14 October 2020.

On 11 November 2020, at the Board of Directors' Meeting No.6/2563 passed a resolution to approve the increase in registered share capital by issuance of 85,000 ordinary shares at par value of Baht 35 per share totaling Baht 43,050,000. 555 Shopping Co., Ltd. registered additional with Department of Business Development on 4 December 2020.

On 27 November 2020, at the Extraordinary General Meeting of Shareholders No.2/2563 passed a resolution to approve the increase in registered share capital by issuance of 8,609,998 ordinary shares at par value of Baht 5 per share totaling Baht 43,049,990. Chayo JV Co., Ltd. registered additional with Department of Business Development on 1 December 2020.

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21 Investment properties, net

	Consolidated financial statements			
	Land Baht	Buildings and building improvements Baht	Construction in progress Baht	Total Baht
At 1 January 2019				
Cost	1,397,916	8,761,370	511,218	10,670,504
<u>Less</u> Accumulated depreciation	-	(1,847,132)	-	(1,847,132)
Net book value	1,397,916	6,914,238	511,218	8,823,372
For the year ended 31 December 2019				
Beginning net book value	1,397,916	6,914,238	511,218	8,823,372
Additions	-	-	86,808	86,808
Transfer in/(out)	-	598,026	(598,026)	-
Depreciation charge	-	(567,517)	-	(567,517)
Ending net book value	1,397,916	6,944,747	-	8,342,663
At 31 December 2019				
Cost	1,397,916	9,359,396	-	10,757,312
<u>Less</u> Accumulated depreciation	-	(2,414,649)	-	(2,414,649)
Net book value	1,397,916	6,944,747	-	8,342,663
For the year ended 31 December 2020				
Beginning net book value	1,397,916	6,944,747	-	8,342,663
Additions	-	40,187	-	40,187
Depreciation charge	-	(546,384)	-	(546,384)
Ending net book value	1,397,916	6,438,550	-	7,836,466
At 31 December 2020				
Cost	1,397,916	9,399,583	-	10,797,499
<u>Less</u> Accumulated depreciation	-	(2,961,033)	-	(2,961,033)
Net book value	1,397,916	6,438,550	-	7,836,466

In the consolidated financial statements, depreciation expense of Baht 546,384 (2019: Baht 567,517) has been charged in administrative expenses.

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	Separate financial statements		
	Land	Buildings and	Total
	Baht	improvements	Baht
	Baht	Baht	Baht
At 1 January 2019			
Cost	4,661,218	8,853,092	13,514,310
Less Accumulated depreciation	-	(3,451,679)	(3,451,679)
Net book value	4,661,218	5,401,413	10,062,631
For the year ended 31 December 2019			
Beginning net book value	4,661,218	5,401,413	10,062,631
Depreciation charge	-	(442,655)	(442,655)
Ending net book value	4,661,218	4,958,758	9,619,976
At 31 December 2019			
Cost	4,661,218	8,853,092	13,514,310
Less Accumulated depreciation	-	(3,894,334)	(3,894,334)
Net book value	4,661,218	4,958,758	9,619,976
For the year ended 31 December 2020			
Beginning net book value	4,661,218	4,958,758	9,619,976
Depreciation charge	-	(402,810)	(402,810)
Ending net book value	4,661,218	4,555,948	9,217,166
At 31 December 2020			
Cost	4,661,218	8,853,092	13,514,310
Less Accumulated depreciation	-	(4,297,144)	(4,297,144)
Net book value	4,661,218	4,555,948	9,217,166

In the separate financial statements, depreciation expense of Baht 402,810 (2019: Baht 442,655) has been charged in administrative expenses.

The fair values of investment properties in land and building in consolidated and separate financial statements were at Baht 18.50 million and Baht 24.17 million, respectively.

The fair values are measured by independent professionally qualified valuers who hold a recognised relevant professional qualification and has recent experience in the locations and categories of the investment properties valued.

The Group applies the Market Approach in calculating fair values of investment properties. The fair value is within Level 2 of the fair value hierarchy.

Amounts recognised in profit and loss that are related to investment properties are as follows:

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
	Baht	Baht	Baht	Baht
Rental income	-	-	2,340,000	2,340,000
Direct operating expenses incurred by the investment properties resulting in rental income for the year	-	-	(402,810)	(442,655)
Total	-	-	1,937,190	1,897,345

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22 Foreclosed assets, net

During the years ended 31 December 2020 and 2019, movements of foreclosed assets are as follows:

	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
At 1 January	75,222,062	5,243,418	-	-
Additions	12,152,800	15,690,319	-	-
Closes account from debt settlement to foreclosed assets (Note 19)	163,922,442	80,597,207	-	-
Disposals	(63,287,353)	(26,308,882)	-	-
At 31 December	188,009,951	75,222,062	-	-

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23 Property, plant and equipment

	Consolidated financial statements					
	Land Baht	Buildings And building improvements Baht	Office equipment Baht	Furniture and Fixture Baht	Vehicles Baht	Total Baht
At 1 January 2019						
Cost or fair value	8,767,080	27,818,481	6,231,344	4,011,645	6,642,280	53,470,830
Less Accumulated depreciation	-	(7,882,400)	(3,163,696)	(3,327,606)	(2,529,441)	(16,903,143)
Less Accumulated impairment	-	(2,806,037)	-	-	-	(2,806,037)
Net book amount	8,767,080	17,130,044	3,067,648	684,039	4,112,839	33,761,650
For the year ended 31 December 2019						
Opening net book amount	8,767,080	17,130,044	3,067,648	684,039	4,112,839	33,761,650
Additions	-	221,036	661,737	190,551	-	1,073,324
Depreciation charge	-	(1,180,861)	(984,047)	(393,961)	(1,328,456)	(3,887,325)
Closing net book amount	8,767,080	16,170,219	2,745,338	480,629	2,784,383	30,947,649
At 31 December 2019						
Cost or fair value	8,767,080	28,039,517	6,893,081	4,202,196	6,642,280	54,544,154
Less Accumulated depreciation	-	(9,063,261)	(4,147,743)	(3,721,567)	(3,857,897)	(20,790,468)
Less Accumulated impairment	-	(2,806,037)	-	-	-	(2,806,037)
Net book amount	8,767,080	16,170,219	2,745,338	480,629	2,784,383	30,947,649

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		Consolidated financial statements					
		Land	Buildings And building improvements	Office equipment	Furniture and Fixture	Vehicles	Total
		Baht	Baht	Baht	Baht	Baht	Baht
Adjustments from change in accounting policy (Note 5.2)							
Cost or fair value		-	-	-	-	6,642,280	6,642,280
Less Accumulated depreciation		-	-	-	-	(3,857,897)	(3,857,897)
Net book amount		-	-	-	-	2,784,383	2,784,383
At 1 January 2020							
Cost or fair value		8,767,080	28,039,517	6,893,081	4,202,196	6,642,280	54,544,154
Less Accumulated depreciation		-	(9,063,261)	(4,147,743)	(3,721,567)	(3,857,897)	(20,790,468)
Less Accumulated impairment		-	(2,806,037)	-	-	-	(2,806,037)
Net book amount		8,767,080	16,170,219	2,745,338	480,629	2,784,383	30,947,649
For the year ended 31 December 2020							
Opening net book amount		8,767,080	16,170,219	2,745,338	480,629	2,784,383	30,947,649
Additions		-	191,510	488,756	197,836	5,400,000	6,278,102
Depreciation charge		-	(1,190,851)	(1,069,792)	(328,542)	(2,045,191)	(4,634,376)
Closing net book amount		8,767,080	15,170,878	2,164,302	349,923	6,139,192	32,591,375
At 31 December 2020							
Cost or fair value		8,767,080	28,231,027	7,381,837	4,400,032	12,042,280	60,822,256
Less Accumulated depreciation		-	(10,254,112)	(5,217,535)	(4,050,109)	(5,903,088)	(25,424,844)
Less Accumulated impairment		-	(2,806,037)	-	-	-	(2,806,037)
Net book amount		8,767,080	15,170,878	2,164,302	349,923	6,139,192	32,591,375

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	Separate financial statements					
	Land Baht	Buildings And building improvements Baht	Plant and machinery Baht	Furniture and Fixture Baht	Vehicles Baht	Total Baht
At 1 January 2019						
Cost or fair value	5,503,778	17,078,022	3,987,924	2,818,799	-	29,388,523
Less Accumulated depreciation	-	(5,179,434)	(1,503,860)	(2,557,060)	-	(9,240,354)
Less Accumulated impairment	-	(2,806,037)	-	-	-	(2,806,037)
Net book amount	5,503,778	9,092,551	2,484,064	261,739	-	17,342,132
For the year ended 31 December 2019						
Opening net book amount	5,503,778	9,092,551	2,484,064	261,739	-	17,342,132
Additions	-	221,036	422,594	155,551	-	799,181
Depreciation charge	-	(644,863)	(667,390)	(168,865)	-	(1,481,118)
Closing net book amount	5,503,778	8,668,724	2,239,268	248,425	-	16,660,195
At 31 December 2019						
Cost or fair value	5,503,778	17,299,058	4,410,518	2,974,350	-	30,187,704
Less Accumulated depreciation	-	(5,824,297)	(2,171,250)	(2,725,925)	-	(10,721,472)
Less Accumulated impairment	-	(2,806,037)	-	-	-	(2,806,037)
Net book amount	5,503,778	8,668,724	2,239,268	248,425	-	16,660,195

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		Separate financial statements				
		Buildings And building improvements Baht	Plant and machinery Baht	Furniture and Fixture Baht	Vehicles Baht	Total Baht
	Land Baht					
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
Adjustments from change in accounting policy (Note 5.2)						
Cost or fair value						
Less Accumulated depreciation						
Net book amount						
At 1 January 2020						
Cost or fair value	5,503,778	17,299,058	4,410,518	2,974,350	-	30,187,704
Less Accumulated depreciation	-	(5,824,297)	(2,171,250)	(2,725,925)	-	(10,721,472)
Less Accumulated impairment	-	(2,806,037)	-	-	-	(2,806,037)
Net book amount	5,503,778	8,668,724	2,239,268	248,425	-	16,660,195
For the year ended 31 December 2020						
Opening net book amount	5,503,778	8,668,724	2,239,268	248,425	-	16,660,195
Additions	-	191,510	416,282	152,336	5,400,000	6,160,128
Depreciation charge	-	(652,389)	(802,095)	(164,451)	(713,096)	(2,332,031)
Closing net book amount	5,503,778	8,207,845	1,853,455	236,310	4,686,904	20,488,292
At 31 December 2020						
Cost or fair value	5,503,778	17,490,568	4,826,800	3,126,686	5,400,000	36,347,832
Less Accumulated depreciation	-	(6,476,686)	(2,973,345)	(2,890,376)	(713,096)	(13,053,503)
Less Accumulated impairment	-	(2,806,037)	-	-	-	(2,806,037)
Net book amount	5,503,778	8,207,845	1,853,455	236,310	4,686,904	20,488,292

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As at 31 December 2020 and 2019, right-of-use asset balance are as follows:

	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
Vehicles				
Cost or fair value	12,042,280	6,642,280	5,400,000	-
Less Accumulated depreciation	(5,903,088)	(3,857,897)	(713,096)	-
Total	6,139,192	2,784,383	4,686,904	-

For the year ended 31 December 2020 and 2019, amounts charged to profit or loss and cash flows relating to leases are as follows:

	Consolidated financial statements		Separate financial statements	
	2020 Baht	Restate 2019 Baht	2020 Baht	Restate 2019 Baht
Depreciation charge of right-of-use assets:				
Vehicles	2,045,191	1,328,456	713,096	-
Total	2,045,191	1,328,456	713,096	-
Addition to the right-of-use assets during the year	5,400,000	-	5,400,000	-
Total cash outflow for leases	3,573,004	4,494,876	2,429,776	-
Expense relating to short-term leases	250,000	168,000	250,000	-
Expense relating to leases of low-value assets	139,956	168,031	-	46,800
Expense relating to variable lease payments	361,704	515,967	-	148,798

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24 Intangible assets, net

	Consolidated financial statements			Separate financial statements		
	Software Baht	Software in process Baht	Total Baht	Software Baht	Software in process Baht	Total Baht
At 1 January 2019						
Cost	2,955,725	-	2,955,725	2,239,340	-	2,239,340
<u>Less</u> Accumulated amortisation	(915,242)	-	(915,242)	(598,294)	-	(598,294)
Net book value	2,040,483	-	2,040,483	1,641,046	-	1,641,046
For the year ended 31 December 2019						
Opening net book amount	2,040,483	-	2,040,483	1,641,046	-	1,641,046
Additions	616,133	1,250,000	1,686,133	52,000	180,000	232,000
Amortisation charge	(1,046,819)	-	(1,046,819)	(759,477)	-	(759,477)
Closing net book value	1,609,797	1,250,000	2,679,797	933,569	180,000	1,113,569
At 31 December 2019						
Cost	3,571,858	1,250,000	4,641,858	2,291,340	180,000	2,471,340
<u>Less</u> Accumulated amortisation	(1,962,061)	-	(1,962,061)	(1,357,771)	-	(1,357,771)
Net book value	1,609,797	1,250,000	2,679,797	933,569	180,000	1,113,569
For the year ended 31 December 2020						
Opening net book amount	1,429,797	1,250,000	2,679,797	933,569	180,000	1,113,569
Additions	222,500	1,092,930	1,315,430	157,500	1,092,930	1,250,430
Amortisation charge	(1,285,364)	-	(1,285,364)	(702,461)	-	(702,461)
Closing net book value	366,933	2,342,930	2,709,863	388,608	1,272,930	1,661,538
At 31 December 2020						
Cost	3,614,358	2,342,930	5,957,288	2,448,840	1,272,930	3,721,770
<u>Less</u> Accumulated amortisation	(3,247,425)	-	(3,247,425)	(2,060,232)	-	(2,060,232)
Net book value	366,933	2,342,930	2,709,863	388,608	1,272,930	1,661,538

25 Deferred income taxes

The analysis of deferred tax assets and deferred tax liabilities is as follows:

	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
Deferred tax assets:				
Deferred tax assets to be recovered within 12 months	-	-	-	-
Deferred tax assets to be recovered after 12 months	31,448,591	14,384,966	1,388,517	714,806
	31,448,591	14,384,966	1,388,517	714,806
Deferred tax liabilities:				
Deferred tax liabilities to be settled within 12 months	(77,958)	(29,136)	(77,521)	(28,699)
Deferred tax liabilities to be settled after 12 months	(47,648,871)	-	(1,559,096)	-
	(47,726,829)	(29,136)	(1,636,617)	(28,699)
Deferred income taxes, net	(16,278,238)	14,355,830	(248,100)	686,107

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The gross movement of the deferred income taxes accounts is as follows:

	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
At 1 January	14,355,830	14,474,580	686,107	512,181
(Charged)/credited to profit or loss (Note 36)	(31,197,933)	(90,051)	(1,389,600)	202,625
Charged to other comprehensive income	563,865	(28,699)	455,393	(28,699)
At 31 December	(16,278,238)	14,355,830	(248,100)	686,107

The movement in deferred tax assets and liabilities during the year is as follows:

	Consolidated financial statements			
	Unrealised gain (loss) on available- for-sale investments Baht	Loans to non- performing assets Baht	Employee benefit obligations Baht	Total Baht
Deferred tax assets				
At 1 January 2019	-	13,936,393	538,624	14,475,017
(Credited)/charged to profit or loss	-	(305,341)	215,290	(90,051)
At 31 December 2019	-	13,631,052	753,914	14,384,966
At 1 January 2020	-	13,631,052	753,914	14,384,966
Charged to profit or loss	-	16,264,724	235,036	16,499,760
Charged to other comprehensive income	-	-	563,865	563,865
At 31 December 2020	-	29,895,776	1,552,815	31,448,591
Deferred tax liabilities				
At 1 January 2019	-	-	437	437
Charged to other comprehensive income	28,699	-	-	28,699
At 31 December 2019	28,699	-	437	29,136
At 1 January 2020	28,699	-	437	29,136
Charged to profit or loss	48,822	47,648,871	-	47,697,693
At 31 December 2020	77,521	47,648,871	437	47,726,829

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	Separate financial statements			Total Baht
	Unrealised gain (loss) on available-for-sale investments Baht	Loans to non- performing assets Baht	Employee benefit obligations Baht	
Deferred tax assets				
At 1 January 2019	-	-	512,181	512,181
Charged to profit or loss	-	-	202,625	202,625
At 31 December 2019	-	-	714,806	714,806
At 1 January 2020	-	-	714,806	714,806
Charged to profit or loss	-	-	218,318	218,318
Charged to other comprehensive income	-	-	455,393	455,393
At 31 December 2020	-	-	1,388,517	1,388,517
Deferred tax liabilities				
At 1 January 2019	-	-	-	-
Charged to other comprehensive income	28,699	-	-	28,699
At 31 December 2019	28,699	-	-	28,699
At 1 January 2020	28,699	-	-	28,699
Charged to profit or loss	48,822	1,559,096	-	1,607,918
At 31 December 2020	77,521	1,559,096	-	1,636,617

26 Trade and other payables

	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
Trade payables	2,351,707	3,710,964	1,901,882	2,988,823
Amounts due to related parties (Note 38.4)	-	-	202,223	190,992
Deferred income	608,865	-	-	-
Accrued expenses	22,688,510	14,991,729	10,621,299	6,256,364
Accrued interest	9,310,562	4,655,836	9,304,109	4,655,836
Loan to non-performing assets payables	-	200,700,300	-	-
Others	8,512,423	1,007,342	533,448	525,948
Total	43,472,067	225,066,171	22,562,961	14,617,963

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27 Borrowings

	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
Current				
Bills of exchange	119,565,119	119,635,068	119,565,119	119,635,068
Current portion of long-term borrowings	297,741,986	-	297,741,986	-
Borrowings from financial institutions	31,824,972	24,413,774	-	-
Lease liabilities	901,627	-	652,315	-
Total current borrowings	450,033,704	144,048,842	417,959,420	119,635,068
Non-current				
Debentures	1,082,392,468	398,954,785	1,082,392,468	398,954,785
Borrowings from financial institutions	38,805,133	32,371,220	-	-
Lease liabilities	2,430,917	-	2,430,917	-
Total non-current borrowings	1,123,628,518	431,326,005	1,084,823,385	398,954,785
Total borrowings	1,573,662,222	575,374,847	1,502,782,805	518,589,853

The movement of borrowings for the years ended 31 December 2020 and 2019 is as follows:

	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
At 1 January	575,374,847	31,431,640	518,589,853	-
Additions	1,235,162,447	586,829,598	1,194,872,467	517,651,618
Repayments	(251,579,905)	(44,027,950)	(225,000,000)	-
Amortisation of prepaid interest expense	4,326,445	-	4,326,445	-
Amortisation of relevant cost to obtain borrowings	7,045,844	1,141,559	6,910,808	938,235
At 31 December	1,570,329,678	575,374,847	1,499,699,573	518,589,853

The details of borrowings are as follows:

	Consolidated financial statements				
	Amount Baht	Prepaid arrange fee Baht	Prepaid Interest Baht	Interest rate %	Interest payment term
As at 31 December 2020					
Bills of exchange	120,000,000	(70,000)	(364,881)	21 January 2021	5.50
Debentures	300,000,000	(2,258,014)	-	29 November 2021	6.25
Debentures	300,000,000	(4,569,368)	-	1 August 2022	6.00
Debentures	800,000,000	(13,038,164)	-	27 November 2022	6.00
Borrowings from financial institutions	21,008,108	(52,083)	-	Monthly 30 April 2019 - 31 March 2022	MLR - 2.00
Borrowings from financial institutions	16,384,037	(196,332)	-	Monthly 30 April 2020 - 31 March 2024	MLR - 2.00
Borrowings from financial institutions	33,600,000	(113,625)	-	Monthly 13 May 2020 - 13 November 2024	MLR - 2.00

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Consolidated financial statements					
	Amount Baht	Prepaid arrange fee Baht	Maturity date	Interest rate %	Interest payment term
As at 31 December 2019					
Bills of exchange	120,000,000	(364,932)	21 April 2020	5.50	At maturity
Debentures	105,000,000	(1,306,105)	23 September 2021	5.95	Quarterly
Debentures	300,000,000	(4,739,110)	29 November 2021	6.25	Quarterly
Borrowings from financial institutions	37,572,050	(93,979)	Monthly 30 April 2019 - 31 March 2022	MLR - 2.00	Monthly
Borrowings from financial institutions	19,450,000	(143,077)	Monthly 31 March 2020 - 31 March 2022	MLR - 0.75	Monthly

	Separate financial statements					
	Amount	Prepaid	Prepaid		Interest	Interest
	Baht	arrange fee	Interest	Maturity date	rate	payment term
		Baht	Baht		%	
As at 31 December 2020						
Bills of exchange	120,000,000	(70,000)	(364,881)	21 January 2021	5.50	-
Debentures	300,000,000	(2,258,014)	-	29 November 2021	6.25	Quarterly
Debentures	300,000,000	(4,569,368)	-	1 August 2022	6.00	Quarterly
Debentures	800,000,000	(13,038,164)	-	27 November 2022	6.00	Quarterly

Separate financial statements					
	Amount Baht	Prepaid arrange fee Baht	Maturity date	Interest rate %	Interest payment term
As at 31 December 2019					
Bills of exchange	120,000,000	(364,932)	21 April 2020	5.50	At maturity
Debentures	105,000,000	(1,306,105)	23 September 2021	5.95	Quarterly
Debentures	300,000,000	(4,739,110)	29 November 2021	6.25	Quarterly

Borrowings from financial institutions

In 2020, borrowings from financial institutions incurred related interest expense amounting to Baht 3.19 million (2019: Baht 1.65 million).

In 2020, Chayo Asset Management Co., Ltd. (Subsidiary) drew down long-term borrowings from a local financial institution amounting to Baht 20 million from the credit facility of Baht 20 million. The Company has fully guaranteed the long-term borrowings.

The interest rate exposure on the borrowings of the Group is as follows:

	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
Borrowings:				
- at fixed rates	1,499,699,573	518,589,853	1,499,699,573	518,589,853
- at floating rates	70,630,105	56,784,994	-	-
Total borrowings	1,570,329,678	575,374,847	1,499,699,573	518,589,853

The effective interest rates at the statement of financial position date were as follows:

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Bills of exchange	6.47%	6.53%	6.47%	6.53%
Debentures	6.91% - 7.15%	6.73% - 7.15%	6.91% - 7.15%	6.73% - 7.15%
Long-term borrowings from financial institutions	4.81% - 5.32%	5.23% - 5.51%	-	-

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The carrying amounts and fair values of borrowings are as follows:

	Consolidated financial statements			
	Carrying amounts		Fair values	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
Bills of exchange	119,565,119	119,635,068	119,924,642	119,610,758
Debentures	1,380,134,454	398,954,785	1,378,891,332	398,493,868
Long-term borrowings from financial institutions	70,630,105	56,784,994	70,576,157	56,743,911
	1,570,329,678	575,374,847	1,569,392,131	574,848,537
	Separate financial statements			
	Carrying amounts		Fair values	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
Bills of exchange	119,565,119	119,635,068	119,924,642	119,610,758
Debentures	1,380,134,454	398,954,785	1,378,891,332	398,493,868
	1,499,699,573	518,589,853	1,498,815,974	518,104,626

The fair value of current borrowings approximates their carrying amount as the impact of discounting is not significant.

The fair values are based on discounted cash flows using a discount rate based upon the average minimum loan rate (MLR) from top 5 local financial institutions (2019: MLR per annum) and are within level 2 of the fair value hierarchy.

Maturity of long-term borrowings is as follows:

	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
Within 1 year	449,132,077	144,048,842	417,307,105	119,635,068
Between 1 year but not over 2 years	1,100,700,929	425,821,679	1,082,392,468	398,954,785
Between 2 years but not over 5 years	20,496,672	5,504,326	-	-
	1,570,329,678	575,374,847	1,499,699,573	518,589,853

28 Employee benefit obligations

The amounts recognised in the statement of financial position are as follows:

	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
Present value of post-employment benefit obligations	7,727,684	3,733,082	7,034,878	3,666,326
Liability in the statement of financial position	7,727,684	3,733,082	7,034,878	3,666,326

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The movement in the post-employment benefit obligations during the year is as follows:

	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
At 1 January	3,733,082	2,705,558	3,666,326	2,574,737
Current service cost	379,584	379,399	298,067	298,067
Interest cost	69,860	70,318	67,686	67,686
Past service cost	725,835	725,836	725,835	725,836
Benefit paid	-	(148,029)	-	-
Loss on remeasurements	2,819,323	-	2,276,964	-
At 31 December	7,727,684	3,733,082	7,034,878	3,666,326

The amounts recognised in the statements of comprehensive income are as follows:

	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
Current service cost	379,584	379,399	298,067	298,067
Interest cost	69,860	70,318	67,686	67,686
Past service cost	725,835	725,836	725,835	725,836
Total (mainly included in administrative expense)	1,175,279	1,175,553	1,091,588	1,091,589

The amounts recognised in other comprehensive income are as follows:

	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
Gain on remeasurements of employee benefit obligations				
Gain from change in financial assumptions	(125,373)	-	(103,139)	-
Gain from change in demographic assumption	(421,294)	-	(381,989)	-
Loss from change in plan experience	3,366,448	-	2,762,092	-

The principal actuarial assumptions used are as follows:

	Consolidated financial statements		Separate financial statements	
	2020 %	2019 %	2020 %	2019 %
Discount rate	0.72 - 1.48	1.42 - 2.15	0.73	1.42
Salary growth rate	3.00	5.00	3.00	5.00
Turnover rate (depends on range of ages)	0.00 - 32.00	0.00 - 34.00	0.00 - 32.00	0.00 - 34.00
Mortality rate	100% of Thai Mortality Ordinary Table 2017	100% of Thai Mortality Ordinary Table 2017	100% of Thai Mortality Ordinary Table 2017	100% of Thai Mortality Ordinary Table 2017

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Sensitivity analysis of actuarial assumptions as at 31 December 2020 is as follows:

Consolidated financial statements			
Impact on defined benefit obligations			
Change in assumptions	Increase in obligation	Decrease in obligation	
%	Baht	Baht	
Discount rate	- 0.50	139,709	-
Discount rate	+ 0.50	-	132,917
Salary growth rate	- 0.50	-	93,098
Salary growth rate	+ 0.50	97,380	-
Mortality rate	- 0.50	532	-
Mortality rate	+ 0.50	-	531
Turnover rate	- 10.00	174,122	-
Turnover rate	+ 10.00	-	152,606

Separate financial statements			
Impact on defined benefit obligations			
Change in assumptions	Increase in obligation	Decrease in obligation	
%	Baht	Baht	
Discount rate	- 0.50	123,699	-
Discount rate	+ 0.50	-	117,540
Salary growth rate	- 0.50	-	80,875
Salary growth rate	+ 0.50	84,801	-
Mortality rate	- 0.50	428	-
Mortality rate	+ 0.50	-	427
Turnover rate	- 10.00	151,203	-
Turnover rate	+ 10.00	-	132,869

Sensitivity analysis of actuarial assumptions as at 31 December 2019 is as follows:

Consolidated financial statements			
Impact on defined benefit obligations			
Change in assumptions	Increase in obligation	Decrease in obligation	
%	Baht	Baht	
Discount rate	- 0.50	116,015	-
Discount rate	+ 0.50	-	109,906
Salary growth rate	- 0.50	-	140,743
Salary growth rate	+ 0.50	147,152	-
Mortality rate	- 0.50	890	-
Mortality rate	+ 0.50	-	890
Turnover rate	- 10.00	216,537	-
Turnover rate	+ 10.00	-	194,770

Separate financial statements			
Impact on defined benefit obligations			
Change in assumptions	Increase in obligation	Decrease in obligation	
%	Baht	Baht	
Discount rate	- 0.50	111,770	-
Discount rate	+ 0.50	-	105,973
Salary growth rate	- 0.50	-	136,472
Salary growth rate	+ 0.50	142,563	-
Mortality rate	- 0.50	872	-
Mortality rate	+ 0.50	-	872
Turnover rate	- 10.00	206,461	-
Turnover rate	+ 10.00	-	186,920

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions, the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the liability recognised in the statement of financial position.

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Expected maturity analysis of undiscounted retirement benefits as at 31 December 2020 and 2019 is as follows:

Consolidated financial statements					
2020					
	Less than 1 year Baht	1 - 3 years Baht	3 - 5 years Baht	Over 5 years Baht	Total Baht
Retirement benefit	5,579,333	-	1,484,680	3,228,920	10,292,933
Total	5,579,333	-	1,484,680	3,228,920	10,292,933
Consolidated financial statements					
2019					
	Less than 1 year Baht	1 - 3 years Baht	3 - 5 years Baht	Over 5 years Baht	Total Baht
Retirement benefit	-	2,253,301	-	5,284,679	7,537,980
Total	-	2,253,301	-	5,284,679	7,537,980
Separate financial statements					
2020					
	Less than 1 year Baht	1 - 3 years Baht	3 - 5 years Baht	Over 5 years Baht	Total Baht
Retirement benefit	5,579,333	-	-	2,638,879	8,218,212
Total	5,579,333	-	-	2,638,879	8,218,212
Separate financial statements					
2019					
	Less than 1 year Baht	1 - 3 years Baht	3 - 5 years Baht	Over 5 years Baht	Total Baht
Retirement benefit	-	2,253,301	-	4,883,966	7,137,267
Total	-	2,253,301	-	4,883,966	7,137,267

The weighted average duration of the retirement benefit is 5.33 – 14.15 years (2019: 7.46 - 24.98 years).

29 Share capital

Consolidated financial statements					
	Number of shares - issued and paid-up Shares	Ordinary shares - issued and paid-up Baht	Share Premium, net Baht	Discount from business combinations under common control Baht	Total Baht
As at 1 January 2020	629,999,971	314,999,986	454,166,376	(9,678,120)	759,488,242
Issuance of ordinary shares	-	-	-	-	-
Stock dividend	75,598,158	37,799,079	-	-	37,799,079
As at 31 December 2020	705,598,129	352,799,065	454,166,376	(9,678,120)	797,287,321
As at 1 January 2019	560,000,000	280,000,000	320,966,376	(9,678,120)	591,288,256
Issuance of ordinary shares	40,000,000	20,000,000	133,200,000	-	153,200,000
Share issuing costs	29,999,971	14,999,986	-	-	14,999,986
As at 31 December 2019	629,999,971	314,999,986	454,166,376	(9,678,120)	759,488,242

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	Separate financial statements			
	Number of shares - issued and paid-up Shares	Ordinary shares - issued and paid-up Baht	Share premium, net Baht	Total Baht
As at 1 January 2020	629,999,971	314,999,986	454,166,376	769,166,362
Issuance of ordinary shares	-	-	-	-
Stock dividend	75,598,158	37,799,079	-	37,799,079
As at 31 December 2020	705,598,129	352,799,065	454,166,376	806,965,441
As at 1 January 2019	560,000,000	280,000,000	320,966,376	600,966,376
Issuance of ordinary shares	40,000,000	20,000,000	133,200,000	153,200,000
Share issuing costs	29,999,971	14,999,986	-	14,999,986
As at 31 December 2019	629,999,971	314,999,986	454,166,376	769,166,362

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On 30 October 2020, the Annual General Meeting of Shareholders No. 1/2020 approved the decrease in authorised share capital from Baht 10 million to Baht 3.5 million by deducting par value from Baht 100 per share to Baht 35 per share.

On 30 October 2020, the Annual General Meeting of Shareholders No. 1/2020 approved the increase in authorised share capital from Baht 3.5 million to Baht 7 million by issuing 100,000 ordinary shares at a par value of Baht 35 per share.

On 27 November 2020, the Extraordinary General Meeting of Shareholders No. 2/2020 approved the increase in authorised share capital from Baht 157 million to Baht 200 million by issuing 8.6 million ordinary shares at a par value of Baht 5 per share.

On 18 December 2020, the Extraordinary General Meeting of Shareholders No. 1/2020 approved the decrease in authorised share capital from 11 million shares to 550,000 shares by increasing par value from Baht 5 per share to Baht 100 per share.

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On 3 January 2019, the Extraordinary General Shareholders' Meeting No. 1/2019 approved the increase in authorised share capital from Baht 280 million to Baht 308 million by issuing 56 million ordinary shares at a par value of Baht 0.50 per share.

In March 2019, the Company offered its 40 million ordinary shares through a General Mandate. The new shares were sold to 28 subscribers at Baht 3.83 per share with par value of Baht 0.50, totalling Baht 153.20 million. The Company received paid-up share capital and registered the increase in capital with the Department of Business Development 27 March 2019.

On 8 November 2019, the Extraordinary General Shareholders' Meeting No. 2/2019 passed a resolution to approve the decrease in registered capital amounting to Baht 8 million from the existing registered capital of Baht 308 million to the new registered capital of Baht 300 million by adjusting the unallocated 16 million ordinary shares at par value of Baht 0.50 per share which are left over from the allocation of the issued shares under the general mandate pursuant.

On 8 November 2019, the Extraordinary General Shareholders' Meeting No. 2/2019 passed a resolution to approve the increases registered capital amounting to Baht 15 million to serve stock dividend payment by issuance of newly issued 30 million ordinary shares at par value of Baht 0.50 per share from the existing shares capital of Baht 300 million to a new registered capital of Baht 315 million and the Company paid such stock dividend on 3 December 2019.

Section 51 of the Public Companies Act. B.E. 2535 requires companies to set aside share subscription money received in excess of the issued shares' par value to a reserve account (share premium). The share premium is not available for dividend distribution.

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30 Legal reserve

	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
At 1 January	8,636,100	7,262,746	8,636,100	7,262,746
Appropriation during the year	3,947,710	1,373,354	3,947,710	1,373,354
At 31 December	12,583,810	8,636,100	12,583,810	8,636,100

Under the Public Limited Company Act., B.E. 2535, the Company is required to set aside a legal reserve at least 5% of its net income for the year after accumulated deficits brought forward (if any) until the reserve is not less than 10% of the registered share capital. The legal reserve is not available for dividend distribution.

31 Dividend

On 29 April 2020, the Annual General Meeting of Shareholders for the year 2020 passed a resolution to approve the dividend payment of 2019 to be paid from unappropriated retained earnings as at 31 December 2019, including cash dividend payment at the rate of Baht 0.0037 per share amounting to Baht 2.33 million and stock dividend payment 42 million shares at par value of Baht 0.50 per share to the shareholders at the rate of 15 shares per 1 stock dividend amounting to Baht 21 million, equivalent to a dividend of Baht 0.0333 per share. The Company paid stock dividend and cash dividend to the shareholders on 28 May 2020.

On 25 September 2020, the Extraordinary Meeting of Shareholders No.1/2563 passed a resolution to approve the dividend payment to be paid from unappropriated retained earnings as at 30 June 2020, including cash dividend payment at the rate of Baht 0.0028 per share amounting to Baht 2.45 million and stock dividend payment 44.10 million shares at par value of Baht 0.50 per share to the shareholders at the rate of 20 shares per 1 stock dividend amounting to Baht 22.05 million, equivalent to a dividend of Baht 0.0250000 per share. The Company paid stock dividend and cash dividend to the shareholders on 21 October 2020.

On 30 April 2019, the Annual General Meeting of Shareholders of 2018 approved the dividends of 2018 at the rate of Baht 0.04 per share, totaling Baht 24 million. The Company paid these dividends to the shareholders on 10 May 2019.

On 8 November 2019, the Extraordinary General Shareholders' Meeting No. 2/2019 passed a resolution to approve the interim dividend payment of 2019 is paid from unappropriated retained earnings as at 31 December 2018, including cash dividend payment at the rate of Baht 0.0027778 per share amounting to Baht 1.67 million and stock dividend payment of million 30 shares at par value of Baht 0.50 per share to the shareholders at the rate of 20 shares per 1 stock dividend totaling to Baht 15 million, a dividend of Baht 0.025 per share and the Company paid stock dividend and cash dividend to the shareholders on 3 December 2019.

32 Interest income

	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
Interest income from loans to non-performing assets	417,248,392	231,867,085	10,221,442	89,252
Interest income from loan	7,547,271	1,777,522	-	-
Total	424,795,663	233,644,607	10,221,442	89,252

Chayo Group Public Company Limited
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33 Other income

	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
Interest income	1,503,416	1,902,433	1,170,667	1,308,118
Interest income from short-term loan to related parties (Note 38.3)	-	-	54,795,135	28,503,787
Management fee income from related parties (Note 38.3)	-	-	32,400,000	25,920,000
Dividend income from related party (Note 38.3)	-	-	62,780,000	-
Rental income	635,000	495,000	62,000	-
Rental income from related parties (Note 38.3)	-	-	2,340,000	2,340,000
Gain on disposal of property, plant and equipment	-	-	-	-
Gain on disposal of financial assets at fair value through profit or loss	379,360	-	379,360	-
Other income	1,506,111	804,657	199	2,320
Total	4,023,887	3,202,090	153,927,361	58,074,225

34 Expenses by nature

	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
Employee expenses	72,104,334	74,905,773	40,126,116	45,664,447
Debts collection expenses	64,254,208	54,760,355	841,628	138,563
Professional fees	6,515,541	8,190,597	4,220,471	6,550,597
Utility expenses	8,076,663	7,259,428	4,818,755	4,918,364
Depreciation and amortisation	6,466,124	5,501,661	3,437,302	2,683,250
Reversal on loss on impairment of investment	-	-	(2,000,000)	-
Costs of goods sold	1,664,352	-	-	-
Financial expenses	344,727	206,217	79,566	59,352
Insurance premium	273,223	264,604	122,244	131,607
Advertising expenses	4,526,380	1,698,521	1,814,213	1,697,821
Entertainment expenses	404,385	159,096	359,145	82,840
Expenses not deductible for tax purpose	470,721	578,627	35,148	18,907
Special business tax	7,549,950	7,463,173	-	-
Administrative expenses	995,000	626,000	890,000	626,000
Fee	3,802,881	2,336,456	2,134,063	746,629
Other expenses	7,861,549	4,834,886	4,033,155	2,441,137
Total	185,310,038	168,785,394	60,911,806	65,759,514

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35 Finance cost

	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
Interest and finance charges paid for lease liabilities (2019: Finance lease liabilities)				
Finance lease	164,806	114,519	113,008	-
Borrowings from financial institutions	3,320,746	1,851,870	-	-
Bills of exchange	7,528,499	3,397,808	7,528,499	3,397,808
Debentures	41,683,282	3,753,859	41,683,282	3,753,859
Short-term loans from related parties	4,275			
Total	52,701,608	9,118,056	49,324,789	7,151,667

36 Income tax

	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
Current tax:				
Current tax on profits for the year	9,308,174	28,870,457	2,727,767	6,901,674
Total current tax	9,308,174	28,870,457	2,727,767	6,901,674
Deferred tax:				
Origination and reversal of temporary differences (Note 25)	31,197,933	90,051	1,389,600	(202,625)
Total deferred tax	31,197,933	90,051	1,389,600	(202,625)
Total tax expense	40,506,107	28,960,508	4,117,367	6,699,049

The tax on the Group's and the Company's profit before tax is as follows:

	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
Profit before tax	195,310,935	140,007,330	83,071,563	34,166,131
Tax calculated at a tax rate of 20% and Less than 300,000 exempt, 300,000 - 3,000,000 15%, over 3,000,000 20%	52,195,593	28,255,188	16,614,313	6,833,226
Tax effect of:				
Income not subject to tax	(12,071,723)	-	(12,395,343)	-
Expenses additionally deductible for tax purpose	(405,077)	(330,894)	(144,702)	(265,203)
Non-tax deductible expenses	787,314	325,089	43,099	131,026
Revenue not recognised but subject to tax	-	711,125	-	-
Income tax expense	40,506,107	28,960,508	4,117,367	6,699,049

The weighted average applicable tax rate was 20.74% (2019: 20.68%).

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37 Earnings per share

Basic earnings per share is calculated by dividing the net profit attributable to shareholders of the parent company by the weighted average number of ordinary shares in issue during the year;

	Consolidated financial statements		Separate financial statements	
	2020	2019	2020	2019
Basic earnings per share				
Net profit attributable to ordinary shareholders of the parent Company (Baht)	155,353,886	111,427,406	78,954,196	27,467,082
Weighted average number of ordinary shares outstanding after share split (shares)	705,598,129	686,542,361	705,598,129	686,542,361
Basic earnings per share (Baht per share)	0.2202	0.1623	0.1119	0.0400
Diluted earnings per share				
Net profit attributable to ordinary shareholders of the parent Company (Baht)	155,353,886	111,427,406	78,954,196	27,467,082
Weighted average number of ordinary shares outstanding after share split (shares)	727,366,294	686,542,361	727,366,294	686,542,361
Diluted earnings per share (Baht per share)	0.2136	0.1623	0.1085	0.0400

On 25 September 2020, the Extraordinary General Meeting of Shareholders No. 1/2020 passed a resolution to approve the increases registered capital amounting to Baht 27,299,910.50 million by issuance of newly issued 54,599,821 million ordinary shares at par value of Baht 0.50 per share from the existing shares capital of Baht 440,998,811 million to a new registered capital of Baht 468,298,721.50 million to serve stock dividend payment and to adjust the rights of CHAYO-W1 warrant. The Company paid the stock dividend on 1 October 2020.

For the purpose of comparison, the number of ordinary shares that used for calculated earning per shares for the year ended 31 December 2019 will be adjusted with stock dividend payment rate for the year ended 31 December 2020.

38 Related party transactions

Enterprises and individuals that, directly or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with, the company, including holding companies, subsidiaries and fellow subsidiaries are related parties of the company. Associates and individuals owning, directly or indirectly, an interest in the voting power of the company that gives them significant influence over the enterprise, key management personnel, including directors and officers of the company and close members of the family of these individuals and companies associated with these individuals also constitute related parties.

In considering each possible related-party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

The Company's shares are held by Mr. Suksan Yasasin in proportion of 52.49% (2019: 52.49%) of total shares.

The related party transactions are made on trading norms and based on agreements.

	Relationship
Chayo Asset Management Company Limited	Subsidiary
Chayo Property and Service Co., Ltd.	Subsidiary
Chayo Capital Co., Ltd.	Subsidiary
Chayo Fast Cash Co., Ltd.	Having the common director
Chaya Law Firm Co., Ltd.	Having the common director
CC Alliance Co., Ltd.	Having the common director
Mr. Suksan Yasasin	Shareholder and Key management

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The following transactions were carried out with related parties:

38.1 Service income from debts collection

	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
Subsidiaries	-	-	6,125,495	7,853,853
	-	-	6,125,495	7,853,853

38.2 Costs of rendering services and managing non-performing assets

	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
Rental expense				
Key management	168,000	168,000	-	-
	168,000	168,000	-	-

38.3 Other income

	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
<u>Rental income</u>				
Subsidiaries	-	-	1,260,000	2,340,000
	-	-	1,260,000	2,340,000
<u>Management fee income</u>				
Subsidiaries	-	-	32,400,000	25,920,000
	-	-	32,400,000	25,920,000
<u>Dividend income</u>				
Subsidiary	-	-	62,780,000	-
	-	-	62,780,000	-
<u>Interest income</u>				
Subsidiaries	-	-	54,795,135	28,503,787
	-	-	54,795,135	28,503,787

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38.4 Outstanding balances arising from rendering /purchases of services and interest receivables

	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
<u>Receivables</u>				
Subsidiaries	-	-	7,246,896	177,434
Total amounts due from related parties (Note 14)	-	-	7,246,896	177,434
<u>Interest receivables</u>				
Subsidiaries	-	-	79,820,237	27,586,198
Total interest receivables from related parties (Note 14)	-	-	79,820,237	27,586,198
<u>Payables</u>				
Subsidiaries	-	-	202,223	190,992
Total amounts due to related parties (Note 26)	-	-	202,223	190,992
<u>Interest Payables</u>				
Individual	4,274	-	-	-
Total amounts due to related parties	4,274	-	-	-

38.5 Short-term loans to related parties

	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
At 1 January	-	-	688,200,100	346,200,100
Loan advanced during the year				
Subsidiaries	-	-	733,000,000	435,000,000
Loan repayments during the year				
Subsidiaries	-	-	(100,000,000)	(93,000,000)
At 31 December	-	-	1,321,200,100	688,200,100

As at 31 December 2020 and 2019, short-term loans to related parties is due for repayments at call. The short-term loans to related parties bears an interest rate of 6% per annum (2019: 6% per annum).

38.6 Short-term loans from related parties

	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
At 1 January	-	-	-	-
Loan advanced during the year				
Individuals	13,000,000	-	-	-
At 31 December	13,000,000	-	-	-

As at 31 December 2020, short-term loans from related parties is due for repayments at call and bears an interest rate of 6% per annum.

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38.7 Key management remunerations

For the years ended 31 December 2020 and 2019, benefits to key management personnel are as follows:

	Consolidated and Separate financial statements	
	2020 Baht	2019 Baht
Salaries and other short-term employee benefits	16,173,600	12,104,737
Post-employment benefits	270,299	346,408
Total	16,443,899	12,451,145

39 Commitments

The Group and the Company have commitments as follows:

39.1 Commitments under rental and service contracts

	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
Not later than 1 year	433,741	293,761	318,480	222,550
Later than 1 year but not later than 3 years	-	-	-	-
Total	433,741	293,761	318,480	222,550

39.2 Letter of guarantees

	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
Letter of guarantees	2,929,469	1,300,000	2,111,680	900,000
Total	2,929,469	1,300,000	2,111,680	900,000

Outstanding letters of guarantee issued by local banks to third parties on behalf of the Group and the Company in the normal course of business.

40 Event after reporting period

On 30 December 2020, at the Board of Directors' Meeting No.4/2563 passed a resolution to approve the following agenda:

Changed of the Company's name from "Chayo JV Company Limited" to "Chayo JV Asset Management Company Limited". The Company has registered the changes of name with the Ministry of Commerce on 15 January 2021.

Certification of Data Accuracy

The company has collected data within Annual Registration Statement year 2020 cautiously. The Company certifies that the above information is completely correct, true, and makes no mistake or no lack of data-informed within synopsis. Furthermore, the Company certifies that

- (1) Financial Statement as well as financial information are a part of the Annual Registration Statement year 2020, have displayed completely correct information within synopsis relate to financial status overall operation also company and its subsidiaries' cash flow.
- (2) The company has provided a good Data Disclosure System in order to assure that the company has revealed data synopsis of the company and its subsidiaries completely correct. Moreover, to supervise the performance follows the system above.
- (3) The Company has a good Internal Control System as well as supervises to perform as above system and I have informed Internal Control System assessment data within as of the 25th February 2021, to auditor also Company Audit Committee defect and important alteration of Internal Control System. In addition to malfeasance which will affect to Financial Report preparation of the company and its subsidiaries.
- (4) In this regard, as evidence relate to overall document are the same document sets which company has certified the date accuracy. The company has assigned Mr. Suksan Yasasin or Mr. Kitti Tungswong to countersign the document. In case of any document has no signature of Mr. Suksan Yasasin or Mr. Kitti Tungswong enclosed, the Company will be regarded as this is not a data which I certified accuracy of the data as above.

Authorized Signatory

Name	Position	Signature
Mr. Suksan Yasasin	President of the Executive Board and Chief Executive Officer	- Mr. Suksan Yasasin -
Mr. Seksan Rangsiyeranon	Executive Director	- Mr. Seksan Rangsiyeranon -
Ms. Pim Patamasingh Na Ayudhya	Committee and Executive Director	- Ms. Pim Pattamasing Na Ayuthaya -
Mr. Kitti Tungswong	Executive Director and Vice Chief Executive Officer	- Mr. Kitti Tungswong -

Attorney

Name	Position	Signature
Mr. Suksan Yasasin	President of the Executive Board and Chief Executive Officer	- Mr. Suksan Yasasin -
Mr. Kitti Tungswong	Deputy Chief Executive Officer	- Mr. Kitti Tungswong -

Attachment 1

Details of Directors, Management and Controlling Persons and Corporate Secretary

Detail of Directors as well as Executives of the company (as of the 1st February 2020)

Detail regarding to Directors

Name-Surname	Ages (Years)	Educational Background/Training History	Proportion of Shareholding (Percent)	Family Relationship among Executives	Work Experiences within the last 5 years		
					Period of Time	Positions	Company's Name Company's Department
1. Assistant Professor Wuttisak - Larbcharoensub - Chairman of the Board - Independent Director The Director's date of first appointment: November 5, 2015	71	- Master of Arts (Political Science), University of Chicago, USA. - Bachelor of Political Science (Honors), Chulalongkorn University Training - Course of Director Accreditation Program (DAP), Class of 80/2009, Thai Institute of Directors Association (IOD) - Course Director Certification Program (DCP), Class of 126/2009, Thai Institute of Directors Association (IOD)	None	None	2015 – present 2014 – present	<i>CHAYO Group</i> Chairman of the Board / Independent Director <i>Other Listed Company</i> Director <i>Others Non-Listed Company</i> - <i>Others Company with Conflict of Interest</i> - <i>Others Organization</i> Executive Director of Reinforcement National Honesty Project Acting Chancellor Chairman of Committee of the University Affairs Advocacy Member of National Legislative Assembly Commissioner of Constitution Drafting Committee Advisor to Minister Honorable Director Advisor Chairman of Committee Committee Committee Director of Dhanarak Asset Development Co., Ltd.	Chayo Group Public Company Limited Post Publishing Company Limited
					Oct, 2020 – present Sep, 2020 – present Jun, 2020 – present 2014 – 2019 2014 2013 2012 – 2014 2012 – 2014 2012 – 2014 2012 – 2016 2011 – 2014 2010 - 2011	The Reinforcement National Honesty Project Ramkhamhaeng University Ramkhamhaeng University National Legislative Assembly Constitution Drafting Committee Ministry of Social Development and Human Security Police Commission Sub-committee of Education and promote measures relate to projecting Monarchy Audit Committee and Improve the Code of Ethics of Political Official National Education Council The Consumer Protection Board, The Secretariat of the Prime Minister Ministry of Finance	

Name-Surname	Ages (Years)	Educational Background/Training History	Proportion of Shareholding (Percent)	Family Relationship among Executives	Work Experiences within the last 5 years		
					Period of Time	Positions	Company's Name Company's Department
2. Mr. Chanon Chotevijit - Director - Independent Director - Chairman of the Audit Committee - Nomination and Remuneration Committee The Director's date of first appointment: November 5, 2015	61	- Master of Economics Law, Chulalongkorn University - Master of Economics Program in Financial Economics, National Institute of Development Administration - Bachelor of Economics Program in International Economics (Second-Class Honors) Chulalongkorn University - Diploma, National Defence College (Class 51) Training - Diploma, National Defence (Class 51) - Advanced Certificate Course in Public Administration and Law for Executives (Class 3), King Prajadhipok's Institute - Director Accreditation Program (DAP), Class of 29/2004, Thai Institute of Directors Association (IOD) - Director Certification Program (DCP), Class of 55/2005, Thai Institute of Directors Executives (IOD) - Audit Committee Program (ACP), Class of 4/2005, Thai Institute of Directors Association (IOD) - Chief Executive Course, Capital Market Academy (CMA) Class 23 - Financial and Fiscal Management Program for Senior Executive, Class 2 - Thammasat Leadership Program (TLP) - The course on Administrative Justice for Executives	None	None	2015 - Present	<i>CHAYO Group</i> Chairman of the Audit Committee / Independent Director / Committee and Nomination and Numeration Committee <i>Other Listed Company</i> Chairman of the Audit Committee <i>Others Non-Listed Company</i> Chief Executive Officer Director <i>Others Company with Conflict of Interest</i> - <i>Others Organization</i> Advisor Honorable Director, Investment Subcommittee	Chayo Group Public Company Limited
					2006 - 2011	Chairman of the Audit Committee	M Link Asia Corporation Public Company Limited
					2012 - Present 2006 - 2011	Chief Executive Officer Director	Is Property Co., Ltd. Is Property Co., Ltd.
					2015 - Present 2015 - Present	Advisor Honorable Director, Investment Subcommittee	Thai Values Association Financial Institutions Development Fund, Ministry of Finance
					2012 - 2014	Committee and Subcommittee of a good Corporate Governance / Risk Management Committee	Expressway Authority of Thailand
					2011 - 2012	Chairman of the Audit Committee / Independent Director / Director and Executive Director	Government Saving Bank

Name-Surname	Ages (Years)	Educational Background/Training History	Proportion of Shareholding (Percent)	Family Relationship among Executives	Work Experiences within the last 5 years		
					Period of Time	Positions	Company's Name Company's Department
3. Air Chief Marshal Anon Jarayapun - Director - Independent Director - Audit Committee - Chairman of Nomination and Remuneration Committee The Director's date of first appointment: November 5, 2015	65	- Air War College, Class 38 - National Defence College, Class 51 - Air Command and General Staff College, Class 35 - Squadron Officer School, Class 58 - Royal Thai Air Force Academy, Class 22 Training - Advanced Certificate Course in Promotion of a Peaceful Society (King Prajadhipok's Institute), Class 2 - IOD DAP Class of 124/2016	None	None	2015 - Present	<i>CHAYO Group</i> Director/Chairman of Nomination and Remuneration Committee / Independent Director / Audit Committee <i>Other Listed Company</i> - <i>Others Non-Listed Company</i> - <i>Others Company with Conflict of Interest</i> - <i>Others Organization</i> Committee Member of National Legislative Assembly Club President Deputy Commander-in-Chief Chief of Executive Staff Committee to the commanders Deputy Chief of the Air Staff Commander-in-Chief of Security Forces Command Donnuang ATAF Base Commander	Chayo Group Public Company Limited Metropolitan Electricity Authority National Legislative Assembly Air Force Central F.C. Club Royal Thai Air Force Royal Thai Air Force Royal Thai Air Force Royal Thai Air Force Royal Thai Air Force

Name-Surname	Ages (Years)	Educational Background/Training History	Proportion of Shareholding (Percent)	Family Relationship among Executives	Work Experiences within the last 5 years		
					Period of Time	Positions	Company's Name Company's Department
4. Mr. Teeranut Thangsatapornpong - Director - Independent Director - Audit Committee - Chairman of Risk Management Committee - Chairman of a good Corporate Governance Committee - Nomination and Remuneration Committee The Director's date of first appointment: November 5, 2015	47	- Master of Economics, Thammasat University - Bachelor of Laws, Sukhothai Thammathirat Open University - Bachelor of Accountancy, Sukhothai Thammathirat Open University - Bachelor of Economics, Thammasat University Training - Course of Director Certification Program (DCP), Class of 161/2012, Thai Institute of Directors Association (IOD)	0.04	None	2015 – Present	CHAYO Group Director/Independent Director/Chairman of Risk/Management Committee/Chairman of a good Corporate Governance Committee/Audit Committee/Nomination and Remuneration Committee	Chayo Group Public Company Limited.
					2018 – Present	Director	Simat Technologies Public Co., Ltd.
					2017 – Present	Independent Director/Audit Committee	Filter Vision Public Company Limited.
					2015 – 2016	Assistant Managing Director	KTB Securities (Thailand) Public Company Limited.
					1999 – 2002	Fund Manager	BFIT Securities Co., Ltd.
					1996 – 1999	Stock Analyst	BFIT Securities Co., Ltd.
					<i>Others Non-Listed Company</i>		
					2019 – Present	Director	Hinsitu Precision (Thailand) Co., Ltd.
					2018 – Present	Director	Simat Label Co., Ltd.
					2018 – Present	Director/Chairman of Risk Management Committee/ Executive Director/Chief Accounting and Finance Officer	Hinsitu (Thailand) Co., Ltd.
					2015 – 2016	Assistant Managing Director	KTB Securities (Thailand)
					2011 – 2015	Chief Financial Officer	Globex Securities Company Limited.
					2010	Senior Director of Investment Banking	KT Zmico Securities Co., Ltd.
					2002 – 2010	Chief Investment Officer	Watana Choetchu Co., Ltd.
					<i>Others Company with Conflict of Interest</i>		
					<i>Others Organization</i>		

Name-Surname	Ages (Years)	Educational Background/Training History	Proportion of Shareholding (Percent)	Family Relationship among Executives	Work Experiences within the last 5 years		
					Period of Time	Positions	Company's Name Company's Department
5. Mr. Vitthaya Inala - Director The Director's date of first appointment: November 5, 2015	61	- Doctor of Philosophy Program in Organization Development and Transformation, CEBU DOCTORS' University, Philippines - Master of Public Administration Program, National Institute of Development Administration - Bachelor of Education Program in Chemistry, Mahasarakham University Training - Certificate of Leadership Program, University of California, Berkeley, USA - Chief Executive Course, Capital Market Academy (CMA), Class 13	0.03 (Spouse 0.55)	Husband of Mrs. Pimjai Inala	2015 - Present	Director <u>CHAYO Group</u>	Chayo Group Public Company Limited.
					2014 – 2016	Director	Chayo Asset Management Public Company Limited.
					1992 - Present	Chief Executive Officer <u>Other Listed Company</u>	Megachem (Thailand) Public Company Limited.
					2019 - Present	Managing Director <u>Others Non-Listed Company</u>	PRIME INDEX COMPANY LIMITED, Republic of the Union of Myanmar
					2018 - Present	Managing Director	Megachem (Myanmar) Limited, Republic of the Union of Myanmar
					2018 - Present	Chief Executive Officer <u>Others Company with Conflict of Interest</u>	Megachem Plus Ltd.
					2012 – 2013	1 st Vice Chairperson of the Committee on Economics, Commerce and Industrial	Senate
					2011	2 nd Vice Chairperson of the committee on Foreign Affairs	Senate
					2011	Chairman of the committee on Finance, Banking and Financial Institutions	Senate
						<u>Others Organization</u>	

Name-Surname	Ages (Years)	Educational Background/Training History	Proportion of Shareholding (Percent)	Family Relationship among Executives	Work Experiences within the last 5 years		
					Period of Time	Positions	Company's Name Company's Department
6. Mrs. Rosporn Sooksomporn - Director The Director's date of first appointment: November 5, 2015	65	- Bachelor of Laws, Thammasat University - Bachelor of Commerce, Thammasat University Training - Director Accreditation Program (DAP), Class of 124/2016, Thai Institute of Directors Association (IOD) - Financial and Fiscal Management Program for Senior Executive, Class 2 - Chief Information Office, Class 25 - The Programme for Senior Executives on Justice Administration, Class 14 - The Civil Service Executive Development Program : Visionary and Moral Leadership, Class 54 - Formation of the Internal Control System Workshop, Class 2	0.03	None	2011 – Present	Director <u>CHAYO Group</u> <u>Other Listed Company</u> <u>Others Non-Listed Company</u> <u>Others Company with Conflict of Interest</u> <u>Others Organization</u>	Chayo Group Public Company Limited
					2013 – 2015 2012 – 2013	Deputy Director Director of Debtor Rehabilitation Office	Legal Execution Department Legal Execution Department
					2008 – 2012	Enforcement of Bankruptcy specialist	Legal Execution Department
					2005 – 2008	Inspector of Legal Execution Department	Legal Execution Department
					2003 – 2005	Division Director	Legal Execution Department
					2015 – Present	Director/Risk Management Committee/Executive Director <u>CHAYO Group</u> <u>Other Listed Company</u> <u>Others Non-Listed Company</u>	Chayo Group Public Limited
7. Mr. Seksan Rangsiyeranon - Director - Authorized Director ^{1/} - Risk Management Committee - Executive Director The Director's date of first appointment: November 5, 2015	55	- Master of Political Science, Ramkhamhaeng University - Bachelor of Business Administration (Construction Management), Sukhothai Thammathirat Open University Training - RTAF&CEO Relationship Program, Class 14 - Course of Advanced Budgeting Administration, Class 6, Budget Bureau - Course of Advanced Certificate Course in Public Economic Management for Executives, Class 15, King Prajadhipok's Institute - Advance Security Management Program, Class 9, The Association of National Defence College	0.02	None	2020 – Present	Executive Director	Summer Solution Company Limited
					2005 – Present	General Director	Bangkok Water Pollution Service Company Limited.
					2004 – Present	Chief Executive Officer	Porniam Consultant and Service Co., Ltd.
					1990 – 2004	General Manager	Organo (Thailand) Company Limited.
					1986 – 1989	<u>Others Company with Conflict of Interest</u> <u>Others Organization</u> Department of Lands Official	Ministry of Interior

Name-Surname	Ages (Years)	Educational Background/Training History	Proportion of Shareholding (Percent)	Family Relationship among Executives	Work Experiences within the last 5 years		
					Period of Time	Positions	Company's Name Company's Department
8. Mr. Suksan Yasasin - Vice Chairman of the Board - Authorized Director - Risk Management Committee - Corporate Governance Committee - Nomination and Remuneration Committee - Chairman of Executive Committee - Chief Executive Officer The Director's date of first appointment: December 4, 1997	59	<ul style="list-style-type: none">- Master of Political Science, Ramkhamhaeng University- Bachelor of Laws, Sripatum University Training <ul style="list-style-type: none">- Role of the Chairman Program (RCP), Class 40/2017, Thai Institute of Director Association (IOD)- Financial Statements for Directors (FSD), Class 31/2016, Thai Institute of Director Association (IOD)- Course of Thailand Insurance Leadership Program, Class 6, Office of Insurance Commission- Director Certification Program (DCP), Class 224/2016, Thai Institute of Director Association (IOD)- Director Accreditation Program (DAP), Class 121/2015 Thai Institute of Director Association (IOD)- Financial and Fiscal Management Program for Senior Executive, Class 2, The Comptroller General's Department, Ministry of Finance- Institute of Security Psychology, National Defence Studies Institute, Course of Executive Relationship Development by Royal Thai Armed Forces, Class 5- Course of Pillar of The Kingdom, Political Chief Leadership follow royal projects by His majesty the King, Class 2- Intermediate Certificate course of Young Leadership in Democratic Governance, King Prajadhipok's Institute- Institute of Security Psychology, National Defence Course, Class 96- Air Command and General Staff College, course of Executive Relationship- Chief Executive Course, Capital Market Academy (CMA) Class 25	42.99	Brother of Mrs. Pim Pattamasing Na Ayuthaya	1997 – Present <		

Name-Surname	Ages (Years)	Educational Background/Training History	Proportion of Shareholding (Percent)	Family Relationship among Executives	Work Experiences within the last 5 years		
					Period of Time	Positions	Company's Name Company's Department
9. Mrs. Pim Patamasing Na Ayuthaya^{2/} <ul style="list-style-type: none"> - Director - Authorized Director^{1/} - Risk Management Committee - Corporate Governance Committee - Administrative Support Managing Director <p>The Director's date of first appointment: December 4, 2003</p>	49	<ul style="list-style-type: none"> - Master's Degree of Real Estate Business Program, Thammasat University - Bachelor of Accounting, Dhurakij Pundit University - Bachelor of Laws, Phranakhon Rajabhat University <p>Training</p> <ul style="list-style-type: none"> - Director Accreditation Program (DAP), Class 121/2015, Thai Institute of Director Association (IOD) - Graduate Diploma in Property Valuation, Thammasat University - Diploma from Institute of Security Psychology, Class 103 - RTAF&CEO Relationship, Class 007 	1.25	Sister of Mr. Suksan Yasasin	2003 – Present	CHAYO Group Director/Risk Management Committee/Good Corporate Governance Committee/ Executive Director/Administrative Support Managing Director <u>Other Listed Company</u> Executive Officer <u>Others Non-Listed Company</u> - <u>Others Company with Conflict of Interest</u> - <u>Others Organization</u> -	Chayo Group Public Company Limited.
					2003		Siam Cement Public Company Limited

NOTE:

^{1/} The Authorized Directors are Mr. Suksan Yasasin, Mrs. Pim Patamasing Na Ayuthaya, Mr. Seksan Rangsiyeranon and Mr. Kittit Tungsiwong by two Directors from four directors jointly signs altogether with company seal.

^{2/} One Director has changed title, name and surname is Mrs. Siriphan Juntip as Mrs. Pim Pattamasing Na Ayuthaya.

Detail relate to Executives

Name-Surname	Ages (Years)	Educational Background/ Training History	Proportion of Shareholding (Percent)	Family Relationship among Executives	Work Experiences within the last 5 years		
					Period of Time	Positions	Company's Name Company's Department
1. Mr. Nattapol Thipchatchawanwong - Executive Director - Chief Financial Officer ^{1/}	36	- Master of Commerce and Accountancy Management, Chulalongkorn University - Bachelor of Accountancy, Faculty of Commerce and Accountancy, Chulalongkorn University	0.06	None	2018 – Present	Director	Chayo Capital Company Limited
					2016 – Present	Executive Director/Chief Financial Officer	Chayo Group Public Company Limited
					2009 – 2016	Partnet <i>Others Organization</i>	PLP Auditing Office Company Limited.
2. Mr. Natee Limprasert - Managing Director of Asset Management Department	58	- Bachelor of Business Administration, Sukhothai Thammathirat Open University	0.08	None	2019 – Present	Managing Director of Asset Management Department	Chayo Group Public Company Limited
					2019 – Present	Director/Managing Director <i>Others Organization</i>	Chayo Asset Management Co., Ltd.
					1985 – 2018	Deputy Director of Department <i>Others Organization</i>	Kasikornbank Public Company Limited.
3. Ms. Narumol Toprapat - Acting Managing Director of Service Department, Chayo Property and Service Company Limited.	36	- Bachelor of Business Administration Program in Human Resources Management Rajamangala University of Technology Phra Nakhon, the Bangkok Commercial College	0.02	None	2019 – Present	Acting Managing Director of Service Department, Chayo Property and Service Company Limited	Chayo Property and Service Company Limited
					2005 – 2019	Acting Managing Director of Management Support Service <i>Others Organization</i>	Chayo Group Public Company Limited.
4. Ms. Waraporn Intanu - Acting Managing Director of Service Department, Chayo Group Public Company Limited.	41	- Bachelor of Science Program in Entomology	0.02	None	2019 – Present	Acting Managing Director of Service Department, Chayo Group Public Company Limited.	Chayo Group Public Company Limited
					2001 – 2019	Service Manager <i>Others Organization</i>	Chayo Group Public Company Limited
5. Ms. Naowarat Sangkrot - Executive Director - Finance Manager	40	- Bachelor of Accountancy, Dhurakij Pundit University	0.03	None	2004 – Present	Executive Director/Finance Manager <i>Others Organization</i>	Chayo Group Public Company Limited
					2020 – Present	Acting Accounting Manager <i>Others Organization</i>	Chayo Group Public Company Limited
6. Ms. Tasanee Peasri - Accounting Manager ^{2/}	40	- Bachelor of Accountancy, Dhurakij Pundit University	0.00	None	2020 – Present	Acting Accounting Manager <i>Others Organization</i>	Chayo Group Public Company Limited
					2017 – 2020 2007 – 2016	Accounting Officer Human Resources Officer <i>Others Organization</i>	Chayo Group Public Company Limited Chayo Group Public Company Limited Chayo Group Public Company Limited

Note: ^{1/} Chief Financial is the person who was assigned the accountability in Accounting and Finance.

^{2/} Accounting Manager is the person who was assigned to directly responsible for supervising book keeping. The company has appointed Ms. Tasanee Peasri to taking a position of Acting Accounting Manager instead of Ms. Nichapa Sungkitboon who resigned, effective date on November 1, 2020.

Detail of Company Secretary

Name-Surname	Ages (Years)	Educational Background/Training History	Proportion of Shareholding (Percent)	Family Relationship among Executives	Work Experiences within the last 5 years		
					Period of Time	Positions	Company's Name Company's Department
1. Mr. Kitti Tungsrirong - Company Secretary ^{1/}	51	<ul style="list-style-type: none"> - Master of Science (Real Estate Business) Thammasat University - Bachelor of Accounting (Cost Allocation), University of Thai Chamber of Commerce Training <ul style="list-style-type: none"> - Director Certification Program (DCP), Class 43/2004 Institute of Director Association (IOD) - Advanced Certificate of course in Public Economic Management for Executives, Class 9, King Prajadhipok's Institute - Debts Restructuring Program, Chulalongkorn University - Strategy CFO, Class 4/2018, The Stock Exchange of Thailand - Chief Executive Course, Capital Market Academy Class 28 (CMA) - mai Sustainability Strategy Program 2020, The Stock Exchange of Thailand 	0.94	None	2016 – Present	<u>CHAYO Group</u> Director/Risk Management Committee/Nomination and Remuneration Committee/ Executive Director/Deputy Chief Executive Officer/Company Secretary/Business Development Acting Managing Director <u>Other Listed Company</u> Director/Executive Director/ Accounting and Finance Managing Director/Business Development Managing Director Director/Executive Director/Chief Operating Officer/Chief Financial Officer <u>Others Non-Listed Company</u> Independent Director/Chairman of Audit Committee Senior Financial Consultant/ Financial Planner Business Senior Accounting Officer Accountant <u>Others Company with Conflict of Interest</u> <u>Others Organization</u> -	Chayo Group Public Company Limited
					2013 – 2015		Ferrum Public Company Limited
					2003 – 2556		Raimon Land Public Company Limited
					2020 – Present		Glory Forever Co., Ltd.
					1998 – 2002		Picewaterhouse Coopers ABAS Ltd.
					1994 – 1998		Picewaterhouse Coopers ABAS Ltd.
					1993 – 1994		Bangkok Feedstuff Co., Ltd. (Charoen Pokphand Group)

NOTE: ^{1/} The Board of Directors Meeting No. 3/2017, on the 8th May 2017, has voted for appointing Mr. Kitti Tungsrirong as a Company Secretary, effective date on the 1st April, 2017.

Details of Directors and Management in a Subsidiaries Company (as of December 31, 2020)

Name - Surname	CHAYO	Chayo AMC	Chayo Property & Service	Chayo Capital	555 Shopping	CHAYO JV
1. Mr. Wuttisak Larbcharoensub	C, ID	-	-	-	-	-
2. Mr. Suksan Yasasin	D, RC, CG, NRC, EXC, A ^{1/}	D, A ^{3/}	D, A ^{4/}	D, A ^{5/}	C, A ^{6/}	-
3. Mrs. Pim Pattamasing Na Ayuthaya	D, RC, CG, EXC, A ^{1/}	D, A ^{3/}	D, A ^{4/}	D, A ^{5/}	D, A ^{6/}	-
4. Mr. Seksan Rangsiyeranon	D, RC, EXC, A ^{1/}	-	-	-	-	-
5. Mr. Vitthaya Inala	D	-	-	-	-	-
6. Mrs. Rosporn Sooksomporn	D	-	-	-	-	-
7. Mr. Teeranut Thangsatapornpong	ID, AC, RC, CG, NRC	-	-	-	-	-
8. Mr. Chanon Chotevijit	ID, AC, NRC	-	-	-	-	-
9. Air Chief Marshal Arnon Jarayapun	ID, AC, NRC	-	-	-	-	-
10. Mr. Kittti Tungsiwong	D, RC, NRC, EXC, A ^{1/}	D, A ^{3/}	D, A ^{4/}	D, A ^{5/}	D, A ^{6/}	D, A ^{7/}
11. Mr. Nottapol Thipchatchawanwong	RC, EXC	-	-	D, A ^{5/}	-	-
12. Mr. Natee Limprasert ^{2/}	-	D, A ^{3/}	-	-	-	-
13. Ms. Naowarat Sangkrot	EXC	-	-	-	-	-
14. Mr. Nattawat Yasasin	-	-	-	-	-	D, A ^{7/}
15. Mr. Wongsak Chongpaisansakul	-	-	-	-	-	D, A ^{7/}
16. Mr. Somsak Theinwiwatnukul	-	-	-	-	-	-
17. Mrs. Suphin Mechuchep	-	-	-	-	-	-

C = Chairman of the Board
 RC = Risk Management Committee
 A = Authorized Director
 D = Director
 NRC = Nomination and Remuneration Committee
 ID = Independent Director
 CG = Good Corporate Governance Committee
 EXC = Executive Director
 AC = Audit Committee

NOTE: ^{1/} The authorized directors of Chayo Public Company Limited are Mr. Suksan Yasasin, Mrs. Pim Pattamasing Na Ayudhya, Mr. Seksan Rangsiyeranon and Mr. Kittti Tungsiwong, 2 Directors from 4 have jointly signed and affix the company's seal.

^{2/} Chayo Asset Management Company Limited's the Board of Directors meeting on the 2/2019, 22nd March, 2019, have voted the appointment of Mr. Natee Limprasert to take a position of Chayo Asset Management Company Limited's Director.

^{3/} Chayo AMC's committee, who has authorized to sign on behalf of the company, is Mr. Suksan Yasasin. The sign should be jointly with another committee and affix the company's seal.

^{4/} The committee of Chayo Property & Service (Former name was Chayo Call Center) who have authorized to sign on behalf of the company are 2 committees jointly sign along with affix the company's seal.

^{5/} The committee of Chayo Capital who has authorized to sign on behalf of the company is Mr. Suksan Yasasin, the sign should be jointly with another committee and affix the company's seal.

^{6/} The committee of 555 Shopping who have authorized to sign on behalf of the company are Mr. Suksan Yasasin, Mr. Kittti Tungsiwong and Mrs. Pim Pattamasing Na Ayudhya. 2 Committees from 3 are jointly sign and affix the company's seal of 555 shopping, which was established on 29th May, 2020. Furthermore, this company has been held 55% of shares by Chayo Group Public Company Limited.

^{7/} The committee of Chayo JV who have authorized to sign on behalf of the company are Mr. Kittti Tungsiwong, Mr. Wongsak Chongpaisansakul and Mr. Nattawat Yasasin. 2 Committees from 3 are jointly sign and affix the company's seal of CHAYO JV, which was established on 14th October, 2020. Furthermore, this company has been held 99.99% of shares by Chayo Group Public Company Limited.

Attachment 3

Details of Head of Internal Audit and Head of Compliance (as of December 31, 2020)

A company has appointed KPS Audit Company Limited (“KPS”) as an Internal Audit by having Mr. Wiwat Limnantasin, KPS Managing Director, as a chief of Internal Audit. The detail of an Internal Auditor as below;

Name-Surname	Ages (Years)	Educational Background/Training History	Proportion of Shareholding (Percent)	Family Relationship among Executives	Work Experiences within the last 5 years		
					Period of Time	Positions/Company's Name/Type of Business	Type of Business which was audited
1. Mr. Wiwat Linnantasin - Partner	50	<ul style="list-style-type: none"> - Bachelor of Business Administration Program in Accounting, Faculty of Business Administration, Ramkhamhaeng University - Certificated Professional Internal Auditors of Thailand – CPIAT (Class 12) - Member of the Institute of Internal Auditors of Thailand (IIAT) Training <ul style="list-style-type: none"> - CAE Chief Audit Executive Professional Leadership Program Class 1 - Value Creation and Enhancement for Listed Companies with the New COSO 2017 Enterprise Risk Management (ERM) – Strategy and Objective Setting using Balanced Scorecard (BSC) - Anti-Corruption: The Practical Guided/Thai Institute of Directors - Detecting and preventing corporate “Fraud” / The Asia Business Forum - Tools and Techniques for the audit manager - Assessing Business Risk: The Gateway to Value-Added Results - CIA Preparation Part 1 – 3 Training Course - Quality Management System Auditor / Lead Auditor Training Course - Certificate QMS ISO9001:2000/2008 / ISO/IEC27001:2005 Training Course - QMS Internal Audit Training Course - Setting Goals & Reviewing Results and Communicating for Leadership Success / DDI-Asia / Pacific International Ltd. - Effective Internal Control for Success IPO by The Stock Exchange of Thailand 	None	None	2015 - Present	Partner/KPS Audit Company Limited/ Internal Audit Services and Business Consultant	Transportation and Logistics Business/Finance Business/ Industrial Business/ Energy Business (Trading)/ Media and Publishing Business/Renewable Energy Business/ Construction Business/ Commercial Business/ Telecommunication Business
					2011 - 2015	Thaicom Public Company Limited / Telecommunication Business	Telecommunication Business
2. Mr. Nantachai Siripaan - Audit Manager in Information Technology	37	<ul style="list-style-type: none"> - Bachelor of Engineering Program in Computer Engineering, Kasetsart University - Master of Science Program in Information Technology, Information Technology and Management Department, King Mongkut's Institute of Technology Ladkrabang - CISA Training <ul style="list-style-type: none"> - Training in ISO / IEC 27001 - ISO Leadership ISO/IEC27001 - Network Security Training 	None	None	2016 - Present	Audit Manager in Information Technology and Communication/KPS Audit Company Limited/ Internal Audit Services and Business Consultant	Transportation and Logistics Business/Finance Business/ Industrial Business/ Construction Business/ Commercial Business/ Telecommunication Business

Furthermore, terms of reference of the internal as well as Audit Committees' opinion to the internal auditor's experiences of KPS, detail as follows;

Topics	Outsider Internal Auditor
Internal Auditor	Mr. Wiwat Limnantasin (The person who in charge of Internal Audit) KPS Audit Company Limited.
Internal Auditor's Experiences	Approximately 26 years
Audit Committees' opinion to the internal auditor's experiences	Mr. Wiwat Limnantasin has well knowledge as well as good experiences in operating the Company's Internal Audit.
Responsibilities	To audit the internal systems of Company as Audit Committees' specification or deem appropriate including offer annual Internal Audit Plan to Audit Committees' consideration along with report Audit Results also suggest adjustment and/or improvement guidelines to all committees in every quarter or up to the committees' determination.

Attachment 4

Details of Company Shareholding of the Committees and Executives (as of February 1, 2021)

No.	Name Lists	Common Stocks (Stocks) ^{1/} as of Feb 1, 2021	Proportion of Holding Company (Percent)
1	Assistant Professor Wuttisak Labcharoensub	-	-
2	Mr. Chanon Chotevijit	-	-
3	Air Chief Marshal Arnon Jarayapun	-	-
4	Mr. Teeranut Thangsatapornpong	294,000	0.04
5	Mr. Vitthaya Inala	4,109,121	0.58
6	Mrs. Rosporn Sooksomporn	235,200	0.03
7	Mr. Seksan Rangsiyeranon	117,600	0.02
8	Mr. Suksan Yasasin	303,353,822	42.99
9	Mrs. Pim Pattamasing Na Ayuthaya	8,786,759	1.25
10	Mr. Kittit Tungsiwong	6,600,000	0.94
11	Mr. Nottapol Thipchatchawanwong	411,600	0.06
12	Mr. Natee Limprasert	588,000	0.08
13	Ms. Narumol Toprapat	117,600	0.02
14	Ms. Waraporn Intanu	117,600	0.02
15	Ms. Naowarat Sangkrot	178,752	0.03
16	Ms. Tasanee Peasri	70	0.00

NOTE: ^{1/} Including Spouse as well as Minor

Attachment 5

Report of the Executive Board

The Executive Board of Chayo Group Public Company Limited comprised 6 executive directors;

1. Mr. Suksan	Yasasin	Chairman of the Executive Board
2. Mr. Seksan	Rangsiyeranon	Executive Director
3. Mr. Kittti	Tungsiwong	Executive Director
4. Mrs. Pim	Pattamasing Na Ayuthaya	Executive Director
5. Mr. Nottaphol	Thipchatchawannwong	Executive Director
6. Mrs. Naowarat	Sangkrot	Executive Director

All Directors have held the position in the Executive Boards throughout the 2020 year.

The Executive Boards convened 12 meetings throughout the Year 2020, on various matters in accordance with the duties and responsibilities mandated by the Charter of the Executive Board. All meeting results were reported to the Board of Directors, which in summary include:

1. Screening strategic plan, annual business plan, capital expenditure budget, business goals and every project plan before processing to the Boards of Directors in order to approval.
2. Controlling operation according to the law also manage company's business to attain to the goal, vision, mission, strategy and Board of Directors' Policy according to the law, condition, regulation also rule of both company and related supervision institute.
3. Operations relate to Company's general business for approval and tracking operations which defined in Executive Boards' regulations for instance; investment with a large amount of money, launching a new product, joint venture, money lending or guarantee apart from Company's business as usual.
4. Consider also remark to the Board of Directors relate to Company's Dividend Payment.
5. Review Consideration and approve of investment also acquiring and distributing properties which are under approval authority of management division, according to acquisition or distribution announcement about registered company properties.
6. Supervision also management Company's investment fund effectively for Shareholders Primacy.
7. Consider as well as consent to everything which, have been approved by the Board of Directors, except any activities which the Boards of Directors have assigned any subcommittee to operate.
8. Report any important performance to the Board of Directors regularly including every main point, which the Board of Directors should acknowledge.
9. Self-evaluation performance annually.
10. During performing duty, the Executive Boards would ask for opinion from Independent Advisor when considerate necessity and suitability. The company will undertake expenses.
11. Review and improve the charter of Executive Boards constantly as well as offer to the Board of Directors in order to consideration for approval.
12. Perform other jobs which were assigned from the Board of Directors.

- Mr. Suksan Yasasin -

(Mr. Suksan Yasasin)

Chairman of Executive Board

16 December, 2020

Attachment 6

Report of Risk Management Committee

The Risk Management Committee of Chayo Group Public Company Limited comprising of 6 members as follows;

1.	Mr. Teeranut	Thangsatapornpong	Chairman of Risk Management Committee
2.	Mr. Suksan	Yasasin	Risk Management Committee
3.	Mr. Seksan	Rangsiyeranon	Risk Management Committee
4.	Mr. Kittti	Tungsiwong	Risk Management Committee
5.	Mrs. Pim	Pattamasing Na Ayuthaya	Risk Management Committee
6.	Mr. Nottaphol	Thipchatchawanwong	Risk Management Committee

In 2020, Risk Management Committees convened 1 meeting on various matters in accordance with the duties and responsibilities mandated by the Charter of the Risk Management Committee. All meeting results were reported to the Board of Directors, in which the activities in each meeting are summarized as follows;

1. Specify the policy in order to propose to the Board of Directors to considering about overall Risk Management which must be control all important risks.
2. Specify strategies which conform to overall Risk Management Policy of the 2020 year, evaluation, tracking also care for Quantitative Risk in proper level.
3. Reconsider the adequacy of policy, Risk Management System, the effective of system and perform as defined policy along with controlling also supervising the perspective of Business Group of the Company.
4. Controlling, tracking and verifying the Risk Management important report together with giving advice also opinion in risk assessment, Risk Management measure and remaining Risk Management plan of company in order to assure the effective of Risk Management also suitable for running business of the company. Moreover, capable of Risk Management Administration in acceptable level, conform to Risk Management Policy.
5. Specify and review Risk Management Charter accord with Risk Management Policy for effective and adequate conforms to changing situation.
6. Supporting the Risk Management development and other tools for supporting Risk Management in every levels throughout the company consecutively also effectively including promote and support the improvement as well as develop the Risk Management system within the Company continuously and regularly.
7. Report the important Risk Management result in 2020 year to the board of Directors' acknowledge in case of factors or situations which will affect the company significantly.
8. Communicate and share data as well as coordinate about risk also internal control with Audit Committees constantly.
9. In performing duty, Risk Management Committee would ask for opinion from Independent Director when necessity and suitability. The company will undertake expenses.
10. Review and improve the charter of Risk Management Committees constantly as well as offer to the Board of Directors in order to consideration for approval including perform other jobs which was assigned from the Board of Directors.

- **Mr. Teeranut Thangsatapornpong** -
(Mr. Teeranut Thangsatapornpong)
Chairman of Risk Management Committee
28 December, 2020

Attachment 7

Report of the Audit Committee

The Audit Committee of Chayo Public Company Limited comprising of 3 members as follows;

- | | | |
|---------------------------|------------------|---------------------------------|
| 1. Mr. Chanon | Chotevijit | Chairman of the Audit Committee |
| 2. Air Chief Marshal Aron | Jarayapun | Audit Committee |
| 3. Mr. Teeranut | Thangsatapompong | Audit Committee |

In 2020, the Audit Committee convened 4 meeting. All committees have taken position of member of Audit Committees throughout the year 2020 as well as performed the duty follow the terms of reference which defined in the charter of Audit Committees and report the result of a meeting to the Board of Directors, can be summarized as follows;

1. Verification the company's financial report correctly and reveal sufficiently by coordinating with External Auditor also Executives who responsible for providing financial report both quarter and annual. By considering financial budget also financial report relate to principle of according, accounting practice method, practice follows accounting standard of going concern, changing in important accounting policy including the reason of management division relate to defining accounting policy before presenting to the Boards of Directors in order to distribute to shareholders and general investors.
2. Set the process also verify for company to have effectively and efficiently of Internal Control System also Internal Audit System by verifying with External Auditor as well as Internal Auditor. Moreover, review the annual Audit Plan of the company and evaluate the result with Auditor and Internal Auditor about problem or limitation which cause from financial audit. Planning to control Electronics data processing and data security in order to prevent corruption or misuse of the computer by employees or unauthorized people also considerate the independence of Internal audit sector along with approving in appointment consideration, laying off the Internal audit head or other departments which responsible for Internal audit.
3. Verification the company's operation follows the law relating to property also stock exchange, stock exchange regulation or law relating to company's business. Furthermore, in charge of and responsible for regulation also rule of the Securities and Exchange Commission Thailand, including stock Exchange of Thailand.
4. Consider the selection and offer appointment also lay off person who owns independent to perform as Company's Auditor including propose the auditor's compensation regarding to trust worthiness, sufficiency of resources also the quantity of Audit's job by Audit's office. Moreover, the experiences of assigned personnel to audit the company's accounting including attend to the auditor's meeting without the department which organize the meeting at least once a year.
5. Consent consideration Related Parties Transaction and/or acquiring or distributing assets of the company or subsidiaries including consider revealing company's data. In case of Related Parties Transaction or transaction which conflict of interest to have accuracy also completeness. Furthermore, consider the transaction above to propose to committee's meeting and/or shareholders meeting in order to follow related law provision also assure that the transaction above are reasonable and get the most out of company.
6. Preparing Audit Committees' Activities report by reveal within annual report as follows;
 - Opinion of correctness, entirety also reliability of the company financial report.
 - Opinion of the company internal audit system adequacy.
 - Opinion of performing follow securities and exchange laws, the stock exchange's regulations or laws relate to company's business.
 - Opinion of the Auditor's propriety.
 - Opinion of the transaction which might conflict of Interest.

- The amount of Audit Committees' meeting as well as Audit Committees' attendance each.
 - Opinion or overall observation which Audit Committee has received from performs in the duty follow charter.
 - Other reports which Shareholders also Investors should acknowledge below the terms of reference also responsibilities which were assigned from the Board of Directors and/or according to the laws.
7. Reporting the Audit Committees' activities or other duties which were assigned from the Board of Directors to the Board of Directors as follows;
 - Any transaction which will cause the conflict of interest.
 - Question or assume that will cause any corruption or abnormality or important impairment within the Internal Control System.
 - Questioning about infraction or any regulation of the Securities and Exchange Commission Thailand and/or Stock Exchange or laws which relate to company's business other reports which the Board of Directors should acknowledge.
 - In case of the Audit Committees have reported to the Board of Directors about the matter which will effect significantly to financial status also overall operation and conferring with the Board of Directors as well as Executives about operating any improvement within defined due date. If the Audit Committees have found any neglect of improvement process as above without appropriate reason, any Audit committee could report the above matter to the Securities and Exchange of Thailand also Stock Exchange, and/or Stock Exchange of Thailand.
 8. After the Audit Committees have been informed from Auditor, in case of the Auditor has found suspicious performance of the committee, manager or any person who responsible for company's operation, commit and offence which relate to obligation also duty according to The Securities and Exchange Act, Section 281/2 paragraph 2, section 305, section 306, section 308, section 309, section 310, section 311, section, 312 or section 313. The Audit Committees would proceed audit as well as report the primary audit result to the Securities and Exchange of Thailand also Stock Exchange and auditor within 30 days, since the auditor informed.
 9. The Audit Committees have authority to ask for independent opinion from other professional advisors when necessary for company's expense.
 10. Invite the Executives or other related person to give an opinion attend to the meeting, or give related information, or request for information from other sectors of the company fir further consideration in other matters.
 11. Review and improve Audit Committees Charter also propose to the Board of Directors in order to consideration for approval.
 12. Other Process which the Board of Directors has assigned, and/or gets approval from Audit Committees for instance; reviewing the policies about financial management also risk management, reviewing the performance follows Business Ethics of Executives. Furthermore, reviewing with Company's Executives relate to any important report, which must be proposed to the public according to the laws for example; Executive Report and Analysis. Moreover, the authority of the audit Committees above will not include the authority, which Audit Committees or attorney from Audit Committees are capable to vote for giving the opinion in the transaction, which Audit Committees or attorney from Audit Committees or person with conflict as the announcement from the Securities and Exchange of Thailand also Stock Exchange, and/or the Stock Exchange interested or conflict of interest with company, and/or its subsidiaries, and/or related company.

In 2020, the Audit Committees have arranged the meetings between Non-Executive Director also meeting with Auditor (without Executives) 1 time on November 11, 2020.

- **Mr. Chanon Chotevijit** -
 (Mr. Chanon Chotevijit)
 Chairman of the Audit Committee
 November 11, 2020

Attachment 8

Report of Nomination and Remuneration Committees

Nomination and Remuneration Committee of Chayo Group Public Company Limited comprising of 5 members as follows;

1.	Air Chief Marshal Arnon Jarayapun	Chairman of Nomination and Remuneration Committees
2.	Mr. Chanon Chotevijit	Nomination and Remuneration Committees
3.	Mr. Teeranut Thangsatapompong	Nomination and Remuneration Committees
4.	Mr. Suksan Yasasin	Nomination and Remuneration Committees
5.	Mr. Kittit Tungsiwong	Nomination and Remuneration Committees

In 2020, the Nomination and Remuneration Committees convened 2 meetings. All committees have attended to the meeting also performed the duty as follow the terms of reference which defined in the charter of Nomination and Remuneration Committees and report the result of the meetings to the Board of Directors, can be summarized as follows;

1. Defining rule and policy in considering committees, Executive Directors as well as sub-committees, as it may deem appropriate.
2. Considering structures, sizes, also compositions of the Board of Directors as well as sub-committees, property with company strategies and changing situations.
3. Considering the qualification determination of a person who will take a position of committee by considering the diversity of knowledge, expertise, skill as well as experience which are beneficial to business operation and time devotion.
4. Considering qualification of a person who would take a position of Independent Director, to be suitable with the company's characteristics. The minimum qualification should follow the principle, which is defined by the Securities and Exchange Commission Thailand.
5. Recruitment also suggests the person with proper qualification in taking positions of Committee, President/General Manager to the Board of Directors.
6. Considering the Board of Directors selection with proper qualification for being a committee in the sub-committee in order to propose to the Board of Directors. Consideration for appropriate appointment and/or when vacancy is available.
7. Consider and review the Chief Executive officer's succession planning along with lists of suitable person for succession planning consideration consecutively also propose to the Board of Directors to consider the appointment, when vacancy is available.
8. Considering policy and process of the Nomination and Remuneration including money also non-cash for committees, Executive Directors and Chief Executive Officer to conform to the overall operation of the company by comparing with the other company's compensation, within the similar industry, in order to propose to the Board of Directors, and/or at the shareholders' meeting of the company.
9. Considering the Nomination also Remuneration of the company's Executives, from managing director or above, including defining both principle and policy in recruiting as well as appointing company's Executives.
10. Considering the remuneration of committees, annual raise salary of the Chief Executive, bonus as well as other rewards.
11. Report the performance to the Board of Directors' acknowledgement at least 1 time per year.
12. Review and improve the Charter of Nomination and Remuneration consecutively as well as propose to the Board of Directors and other performances which were assigned from the Board of Directors.

- Air Chief Marshal Arnon Jarayapun -

(Air Chief Marshal Arnon Jarayapun)

Chairman of Nomination and Remuneration Committee

November 11, 2020

Attachment 9

Report of Good Corporate Governance Committee

Good Corporate Governance Committee of Chayo Group Public Company Limited comprise of 3 members as follows;

- | | | |
|-----------------|-------------------------|----------------------------------------------|
| 1. Mr. Teeranut | Thangsatapornpong | Chief of Good Corporate Governance Committee |
| 2. Mr. Suksan | Yasasin | Good Corporate Governance Committee |
| 3. Mrs. Pim | Pattamasing Na Ayuthaya | Good Corporate Governance Committee |

In 2020, the Good Corporate Governance Committee convened 1 meeting. All members have taken position of member of good corporate governance committees throughout the 2020 year as well as perform the duty follow the terms of reference which defined in the charter of Good Corporate Governance Committees and report the result of a meeting to the Board of Directors, can be summarized as follows;

1. Specify the effective policy also regulation in Good Corporate Governance as well as transparency and accountability. This would build confidence to all related departments.
2. Supervise the operation of committees and Executives as Good Corporate Governance policy ethically and conform to The Securities Exchange of Thailand.
3. Collaboration with compliance abides by the principles of Listed Companies 2017, Good Corporate Governance, or amendment issue as defined by the Securities Exchange of Thailand.
4. Review and improve Corporate Governance Policy of the company as well as review regulation related to Approval Authority in order to conform to International Standard Regulation.
5. Report to the Board of Directors relate to Good Corporate Governance of the company including giving opinion about regulation as well as recommendation, in order to improve appropriately.
6. Corporate Governance Committees should arrange the meeting as a necessity and also sustainability, by having at least 1 meeting per year. Furthermore, report the meeting result to the Board of Director acknowledgement.
7. Preparing summary performance report as well as Corporate Governance of Corporate Governance Committees, which indicate in the annual report of the Company.
8. Support the Culture Distribution in Good Corporate Governance for Executives also all employees understanding and effective in practicing within the company and its subsidiaries.
9. Support and give advice to the company about receiving and evaluation or ranking in Corporate Governance in order to improve and enhance the Corporate Governance Standard of the company consecutively.
10. Review and improve the Charter progressively as well as propose to the Board of Directors.
11. Other performances which were assigned from the Board of Directors.

- Mr. Teeranut Thangsatapornpong -

(Mr. Teeranut Thangsatapornpong)

Chief of Good Corporate Governance Committee

February 25, 2021

Summary of Specified Items per Annual Report (Form 56-2)

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3. Nature of Business	Page 14 to 22
4. Risk Factors	Page 23 to 29
5. Shareholders	Page 30
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7. Management Structure	Page 32 to 51
8. Corporate Governance	Page 52 to 75
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10. Internal Control and Risk Management	Page 84 to 85
11. Related Party Transactions	Page 86 to 89
12. Management Discussion and Analysis	Page 90 to 101
13. Financial Information	Page 102 to 179

Remark: Investors can study further information from the Company's 56-1 Form, which appears on www.sec.or.th or the Company website (www.chayo555.com).



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