

Our Service Mind Is Your Satisfaction



One Report 2023

English version

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Financial Highlights (on a consolidated basis)

Baht in thousand

	2023	2022	2021
Assets			
Total Assets	4,982,215.44	4,442,160.68	4,849,385.47
Hire Purchase Receivable	4,695,506.92	4,084,366.75	4,303,783.44
Temporary Investment		0.00	0.00
Loans and Sale with Right of Redemption Agreement Receivables	6,997.54	0.00	0.00
Short-term Loans to Joint Venture	0.00	97,500.00	225,500.00
Investment in Joint Venture	65,864.17	59,913.64	70,008.17
Long-term Loans to Joint Venture	0.00	0.00	0.00
Other Non-Current Financial Asset (Other long-term investment)	0.00	0.00	0.00
Asset Right-of-Use	32,101.94	36,620.87	27,096.16
Deferred Tax Assets	74,011.97	57,320.26	69,411.60
Liabilities and Shareholders' Equity			
Total Liabilities	3,089,812.31	2,569,553.00	3,017,211.43
Bank Overdrafts and Loans	2,939,698.29	2,426,496.45	2,891,063.10
Lease Liabilities	34,406.52	38,833.70	29,096.80
Deferred Tax Liabilities	20,868.00	10,381.59	10,548.68
Total Shareholders' Equity	1,892,402.13	1,872,607.68	1,832,174.04
Operating Results			
Total Revenue	653,987.93	615,651.95	684,155.14
Net Revenue Realized under Hire Purchase Agreement	468,272.18	450,011.76	513,784.17
Revenue under Sale with Right of Redemption Agreement	159.25	0.00	0.00
Operating Expenses	309,918.06	255,823.31	334,336.83
Share of Gain (Loss) on Investment in Joint Venture	5,950.53	7,905.47	6,572.78
Expected Credit Losses	86,577.38	36,776.06	22,850.66
Bad debt and Doubtful Accounts	0.00	0.00	0.00
Net comprehensive income (loss) after tax	108,204.26	184,566.42	194,013.39
Profitability Ratio			
Interest Income (%)	10.66%	10.73%	10.68%
Interest Expense (%)	4.75%	3.79%	3.84%
Net Interest Income (%)	5.91%	6.94%	6.84%
Net Income (Loss) (%)	16.55%	29.98%	28.36%
Net Income per Share	0.0976	0.1664	0.175
Return on Equity (%)	5.75%	9.96%	10.83%
Operating Efficiency Ratio			
Return on Total Asset (%)	1.56%	2.61%	3.59%
Total Asset Turnover (Times)	0.09	0.09	0.13
Book Value per Share	1.71	1.69	1.65

Financial Policy Ratio Analysis			
Total Liabilities to Equity (Times)	1.63	1.37	1.65
Loan to Borrowing (Times)	1.62	1.56	1.37
Dividend Payout Ratio (%)	35.13	45.72	28.78
Asset Quality Ratio			
Provision for Doubtful Debt over Total Receivables (%)	5.46%	5.39%	6.03%
Bad Debts over Total Receivables (%)	0.96%	1.86%	3.52%
Non-Accrued Receivables over Total Receivables (%)	6.75%	6.17%	7.10%

Year 2020 – Dividend suspended

On 14 May 2021 dividends was declared at Baht 16.63 million from operating results 2014 at Baht 0.015/share

On 14 May 2021 dividend was declared at Baht 22.18 million from operating results 2015 at Baht 0.020/share

On 14 May 2021 dividend was declared at Baht 22.18 million from operating results 2016 at Baht 0.020/share

On 14 May 2021 dividend was declared at Baht 49.90 million from operating results 2017 at Baht 0.045/share

Year 2021 – On May 13, 2022, a dividend was declared for operating results 2021 at the rate of Baht 0.08 per share, as the amount was Baht 88.71 million.

Year 2022 – On September 9, 2022, a dividend was declared for operating results for 6 months (Jan.–Jun. 22) at the rate of Baht 0.05 per share, as the amount is Baht 55.44 million.

On May 12, 2023, a dividend was declared for operating results for the year 2022 at the rate of Baht 0.05/share.

Year 2023 – On September 8, 2023, a dividend was declared for operating results for 6 months (Jan–Jun 23) at the rate of Baht 0.03 per share, as the amount is Baht 33.26 million.

Revenue structure per ECL's consolidated financial statements for the year 2021,2022, and 2023

Revenue	2023		2022		2021	
	Baht Million	Per cent	Baht Million	Per cent	Baht Million	Per cent
1. Hire Purchase Income realized	468.27	71.61	450.01	73.10	518.78	75.10
2. Income from Sale w/Right of Redemption*	0.16	0.02	0.00	0.00	0.00	0.00
Revenue from Credit Extension	468.43	71.63	450.01	73.10	513.78	75.10
3. Interest Income	5.62	0.86	12.72	2.07	15.57	2.27
4. Other Revenue						
- Fees and Service	40.60	6.21	36.55	5.94	57.41	8.39
- Default Penalty Income	8.72	1.33	9.88	1.60	12.84	1.88
- Insurance Commission	43.77	6.69	25.38	4.12	19.02	2.78
- Other Income	86.85	13.28	81.11	13.17	65.54	9.58
Other Revenue Total	179.94	27.51	152.92	24.83	154.81	22.63
Total Revenue	653.99	100.00	615.65	100.00	684.16	100.00

Note: * Interest according to the lending contract is interest from loans under supervision that are registered as collateral (C4C) and loans under supervision that are not registered as collateral (Solar Rooftop).

Message from the Chairman

To Shareholders

The year 2023, the company generated revenue of Baht 653.99 million, Baht 38.34 million increase from prior year or 6.23% with net profit of Baht 108.20 million, Baht 76.37 million decrease from prior year or 41.38% as a result of the economic recovery began to take effect after the Covid19 situation, increasing overdue in the receivable portfolio including debtors who were assisted by the company through debt restructuring, and repayment suspension which have not returned to normalcy. Other factors have been the rising financial institution lending interest rate, the corresponding rise in financial costs, and the government support incentives for the replacement of electric vehicles for internal combustion vehicles or fossil fuel consumption rendering decline in used motor vehicle market prices, and losses incurred from repossessed vehicle disposal. Nonetheless the company has increased credit extension from that of prior year continuingly with caution, and collection follow-up, and managing receivables objectively.

For the year 2024, the company has modified its strategy emphasizing credit extension with caution and reduction in hire purchase receivable amount per client, adding other supplemental products as the company is in the midst of transition and adapted to used electric vehicle credit which has become the change in future trend. The year 2024 shall be another year where the company shall have to increase its potential for the company's resource management including investment in technology which shall support achievement of operating results against target within the continuing volatile economic, political, social, and pandemic environment.

As the Chairman of the Board, I would like to express my gratitude toward the Board of Directors, the management including all employees who have dedicated and performed their duties with their utmost capabilities all along, and my thanks to the shareholders, customers, trade alliances, financial institutions including all stakeholders who have provided supports, been confident in the company's vision enabling the company achieving profitable operating results over the past 20 years, with potential, dedication, and intent. The company shall modify and adapt itself to the changing economy, society, and the environments, engage in business within the good governance principles, recognize the importance of sustainable developments. The company is therefore confident that the year 2024 shall be another year with a sound and sustainable step forward, and hopefully to continue to have everyone's support.



Mr. Wichai Maithong

The Chairman of the Board

SECTION 1
BUSINESS ENGAGEMENT
AND OPERATING RESULTS

1. Group Structure and Business Engagement

1.1 Policies and Overview of Business Engagement

The company is engaged in providing used motor vehicle hire purchase finance, renewal services for vehicle insurance as well as third party liability insurance. The company has commenced its business undertaking since 1984 and become a registered entity in the securities exchange on 1 March 2004. During the year 2023, the company has added personal credit product business under the supervision of the Ministry of Finance classified as credit extension secured by vehicle registration, and credit extension not classified as secured by vehicle registration.

The Group companies comprise 1. ECL Asset Co., Ltd., held 60% shares, engages in loan credit extension under mortgage, and sales with right of redemption of real estates as collateral, 2. Mighty Broker Co., Ltd., held 100% shares, engages in insurance brokerage business etc., 3. Premium Service Thailand, Co., Ltd., held 15% shares, engages in vehicle repair and maintenance services, and warranty business.

The company provides vehicle registration, vehicle insurance, vehicle third party liability insurance, and life insurance renewal services which render customer conveniences and enable the company to earn supplementary income, and concurrently prevent possible risks against vehicles and hire purchasers' life. which are collateral for the company's credit extension.

During the year 2023, the company extended hire purchase credit emphasizing used passenger vehicles, big bikes, trucks and others comprising approximately 58, 24, and 18 percents of the total credit extension respectively. Most of the customers reside in the Bangkok metropolitan area, and the Eastern provinces. During the year 2023, the economic environment recovered with greater number of consumers demanded vehicle usages. The company has therefore expanded credit extension for trucks, vehicles for commercial and agricultural purposes to support the Thai economic recovery. Furthermore, the company has expanded its market more through locating trade partners, and trade alliances engaging in the B-to-B business.

1.1.1 Vision, Objective, Target, and Strategy

Vision

To be an expert in the used vehicle hire purchase finance, a fair-trading partner, to provide excellent services, and to add long term value for the stakeholders

Commitment

- To create utmost potential for services to maintain competitive edge, perseverance through quality employee, state of the art technology, and uphold good governance principle in response to the highest customer satisfaction, and optimum return to all stakeholders with fairness and responsibility toward the society
- To be an expert in the used vehicle hire purchase finance, with over 35 years of continuing business engagement.
- To treat customers with fairness regarding merchandize and services without bias.
- To engage in business with morality and dedication toward excellences

Slogan

- Our service mind is your satisfaction
- Speed Car Speed Money
- ECL Auto Cash

Business Target

Credit extension during the year 2023 amounted to Baht 2,709.61 million consisting of passenger vehicles, motorcycles, trucks, and others accounting for 58, 24, and 18 percent respectively. Comparing to 2022, credit extension for individual passenger vehicles increased Baht 485.72 million or 44.59%, motorcycles increased Baht 117.57 million or 22.19% through financing of big bike and motorcycles with engine sizes 220 to 650 CC, and average credit extension of Baht 240,000 per vehicle. As for vehicles related to logistic services and other, credit extension increased by Baht 210.68 million or 76.22%.

Regarding hire purchase business target for the year 2024, as a matter of government policies to open up the country, stimulate the economy and emphasize a sustainable development which is anticipated to be a favorable factor for the company, the company has established an overall credit extension goal increased to approximately Baht 3,000 million credit extension, Baht 250 million on a monthly average basis, with proportionate adjustment emphasized increasing Big Bike, and motorcycles market expansion as well as reemphasizing expansion of certain motor vehicle makes. Furthermore, with management approval to increase online potential applying technology to increase customer access, credit extension shall be processed with convenience and speedily. To maintain level of NPL in compliance with bank covenant, the company shall emphasize increasing receivable quality, and work process restructuring pertaining to demanding payment, accelerated collection with greater efficiency, reduction of costs of litigation, and monitoring debtor prosecution more closely including sales of part of receivables under litigation in which the company has exhausted all attempt to contact customers. The company shall put all expenses under control to enable enhancing company profitability.

During the year 2023, the company has been granted licensing for personal loan credit extension business with vehicle registration as collateral, and credit extension without vehicle registration as collateral. The company has established business engagement on a product line basis namely 1) Loan credit extension secured by vehicle registration (car for cash), 2) Solar cell installation loan credit (solar roof top) for the purpose of reduction in electricity consumption 3) Insurance premium loan credit. During the year 2023, all 3 products are in process of system installation and personnel preparation which was the initial stage of credit business, and therefore with minimal business activities. Credit business for this group is anticipated to rise during the year 2024.

Company's objective and business direction over the next 5 years (2020 – 2024)

The company has planned strategic management modification annually in its business engagement over the past years to be appropriate with the economic environment. Because of the increasing competition, the company has applied technology to assist in the communication process, and adapted in exploring new products coupled with company's credit extension to further business expansion, and searching joint venture participation

to further business development. The company has prepared business plan over the next 5 years (2020 – 2024) as follows:

1. To locate more funding sources which shall provide long term fund, and at the fixed interests rates to reduce costs of credit extension, and correspond with customer ability to repay.
2. To expand customer base to up-country provinces nationwide for ECL to be better known, to enable more credit extension. The company has established targets for credit extension for big bike and motorcycles increasingly, including additionally, to reemphasize motor vehicles of certain makes, The company shall expand its client base in the Bangkok metropolitan area and the Easter provinces.
3. The development of portfolio quality emphasizing credit quality analysis, applying credit scoring tool, risk assessment, compilation of various risks – age, sex, professions, income and customer marketing channel, statistical data for scoring, more refined customer risk level classification: If the company is able to control receivable portfolio quality, high NPL problem shall decrease. Loss and costs of credit extension, costs of monitoring and follow-up shall decrease.
4. To engage in insurance brokerage business as the company has achieved substantial amount of insurance sales and increasing every year, over the past years. The company has therefore established a subsidiary to engage in insurance brokerage businesses for casualty, and life insurances to further business and enhance earnings to the company. Furthermore, casualty or life insurance policies bought by company's credit applicants help mitigate NPL risks in the company's credit portfolio.
5. To locate joint venture engaging in electric vehicle business in the Thai market to enable the company to provide electric vehicle financing.
6. To search for alliance to enter into an MOU arrangement with company who engages in business emphasizing supporting energy saving and being environmentally friendly for a sustainable development.
7. To adopt and implement technology in the development of company's work process continuingly namely the API system for linkage with the Execution Department's individual bankruptcy data base, digital individual identification services (National Digital ID – NDID), mobile application for hire purchase contract system, debt collection system, statistic computational system for doubtful debt provisioning per new standards, operational control system and risks verification system in the area of private information protection for example.

Progress from the established 5-Year Target (2019-2023) is as follows:

1. Premium Co., Ltd. (major shareholder) requested for loan credit from Sumitomo Mitsui Banking Corporation (SMBC) for ECL in which SMBC has approved loan credit limit amounting to Baht 600 million for one year from 1 June 2023 to 31 May 2024 at the rate increasing from 1.65% to 2.90-2.95% p.a. (floating rate variable per BOT announcement) under corporate guarantee from Premium Co., Ltd. with guarantee fees amounting to Baht 5.10 million at the rate reducing from 0.95% to 0.85% p.a. on the loan credit limit of Baht 600 million.

Borrowing costs totaled 3.75% p.a. which was lower than borrowing from other banks and beneficial to the company (BOD 3/2023, dated 11 May 2023).

2. The company has expanded market through new channel of credit extension emphasizing online platform namely Union Auction PCL, and Omakase Co., Ltd. for vehicle auction, and used vehicle sale website for example to enable the company to extend market into other regions referencing credit extension of those companies.

3. The company recognizes the importance of NPL control in accordance with covenants of lending banks. From 2019-2023 NPL ratios were 5.9%, 9.5%, 6.9%, 5.5% and 6.76% with material increase in ratio as a result of the newly recovered economic environment from Covid pandemic, unemployment problem, logistic truck customers who have not fully recovered including the downward adjustment of the used vehicle market prices. The company has long term strategic plan from 2019-2023 for NPL level control activities, with management coordinating with all relevant departments for customer repayment discussion, flexible operating system appropriate with current environment resulting in the continuing decline in the NPL ratios.

4. Pursuant to the establishment of Mighty Broker Co., Ltd. to engage in insurance brokerage business for business supplement and increase in earnings, it was found that Mighty Broker has achieved growing operating results and profit for the years 2021, 2022, and 2023 reporting profit of Baht 3.64, 5.17, and 7.56 million respectively. For the year 2023, Might Broker has introduced new products under cooperative alliance with the country's leading insurance companies to enhance sales.

5. During the year 2022 to 2024 the company has been in process of introducing technology to be applied with the company's operational development namely National Digital ID – NDID digital identification service, debt payment demand system, statistical computation system, and applications for customers, and employees for convenience, speed, service support for efficiency with full cycle services.

1.1.2 Important Changes and Development

16 November 2016	- The formation of Eastern Premium Services Co., Ltd. (EPS) as a joint venture company between ECL with Premium Group Co., Ltd. with the objective of engaging in full services motor vehicle repair and maintenance center.
27 March 2018	- Formation of ECL Asset Co., Ltd. as a joint venture between ECL with Global Best Real Estate Loan Co., Ltd. at the holding proportion of 60:40 with the objective to engage in land for cash business namely to extend loan secured by land mortgage or land under sales with the right of redemption,
18 October 2019	- The company has been granted certification for the renewal of membership at the Collective Action Against Corruption or CAC for a period of 3 years (expiring on 18 October 2022)
20 November 2019	- The company established a subsidiary, Mighty Broker Co., Ltd. in which ECL invested 100% of its capital with the objective of engaging in the business of casualty insurance brokerage

14 May 2020	- Implementation of the policy guideline in accordance with the personal data protection Act 2019
5 October 2020	- Due date for the debenture redemption in which investors have been repaid in full.
5 February 2021	- On this last established date for the exercise of right under warrant ECL-W3, there were holders of 1,758 units of warrant who exercised their right in acquiring 1,758 ordinary shares (conversion ratio 1 right to 1 share at the price of Baht 1.85 per share) receiving increase in paid up capital of Baht 1,758.
16 February 2021	- The company underwent registration of increase in paid-up capital from Baht 1,108,857,244 to Baht 1,108,859,002
3 February 2022	- Permit granted for personal credit extension business under regulation of the Ministry of Finance classified as 'credit extension secured by vehicle registration'.
24 February 2022	- Announcement and implementation of the Governance Policy, and Business Ethics for the Year 2022 and Policy Against Fraud and Corruption Practices, and Practice Guidance in accordance with policy against fraud and corruption for the year 2022.
30 June 2022	- EGM 1/2565 with resolution authorizing the issuance and offer for sales of Warrant for acquisition of ordinary shares ECL-W4 for 369,619,667 units and registered capital increase from Baht 1,108,859,002 to Baht 1,478,478,669 by issuance of new ordinary shares totaling 369,619,667 shares with Baht 1/ share par in preparation for company capital increase in ordinary shares over the next 2 years.
12 July 2022	- The company appropriated warrant ECL-W4 for existing shareholders with no cost at the ratio of 3 ordinary shares for 1 unit of warrant. The result was for the company to issue 369,583,135 units of warrant against the request for 369,619,667 units, 36,532 units less as a result of rounding and certain other limitation.
21 July 2022	- The issuance date of ECL-W4 which shall have a 2-year life until maturity. The date 20 July 2023 shall be the first, and 20 July 2024 shall be the last dates for the exercise of right under warrant for the acquisition of ordinary share at the ratio of 1 unit for 1 share at the exercise price of Baht 2 (two)/ share (subject to change in the event of right modification)

Important Changes for the Year 2023

20 March 2023	- Permit granted to engage in the regulated credit extension business without having vehicle registration as collateral.
October 2023	- The company achieved corporate governance scoring for the year 2023 with the rating of 'very good' on participating in the Thai listed company governance survey-Corporate Governance Report of Thai Listed Company: CGR organized by the Institute of Directors.

1.1.3 Utilization of Fund Mobilized in accordance with Objective indicated in the Prospectus for Equity or Debt Instrument Offering for Sales

Equity Instrument

Company's capital increase through the issuance of warrant ECL-W3 (during 7 February 2019 - 5 February 2021) failed to mobilize funding per objective as a result of the Covid-19 situation adversely affected the economic environment during the period 2020-2021. Nonetheless the increased capital of Baht 1,758 has been utilized as working capital within the company. Therefore, on 21 July 2022, the company has issued warrant ECL-W4 with 2-year maturity to existing shareholders (presented under 1.1.2 'important changes and development' on 21 July 2022').

Debt Instrument

On 5 October 2018 the company issued a 2-year debenture amounting to Baht 600 million which was fully redeemed on 5 October 2020. The whole amount of fund has been utilized for credit expansion and working capital per objective. During the period 2020 - 2023, the company has issued no new debenture whatsoever.

1.1.4 Company Commitment in the Prospectus for the Offering for Sales of Equity and/or Debt Instrument or Condition for Approval of the SEC and/or Listing Condition of the SET.

- None -

1.1.5 Name and Head Office Location Address

Company Name:	Eastern Commercial Leasing PLC
Abbreviation:	ECL
HO Location	976/1 Soi Rama IX Hospital, Rim Klong Samsen Road Bangkapi Sub-District, Huay Kwang District, Bangkok 10310 Telephone 02 641 5252
Facsimile	02 641 5994, 02 641 5995
Homepage	http://www.ecl.co.th
Type of Business	Engaging in vehicle hire purchase finance
Company Registration	Registration number 0107546000288
Registered Capital and	
Type of Shares	Registered Capital: Baht 1,478,478,669 Ordinary Shares 1,478,478,669 shares at Baht 1 par Paid up capital Baht 1,108,859,002 (Information on 28 December 2023)

1.2 Nature of Business Engagement

1.2.1 Revenue Structure

Revenue structure per company's consolidated financial reports for the years 2021, 2022, and 2023:

Revenue	2023		2022		2021	
	Baht Million	Per cent	Baht Million	Per cent	Baht Million	Per cent
1. Hire Purchase Income realized	468.27	71.61	450.01	73.10	513.78	75.10
2. Income from Loan Agreement*	0.16	0.02	0.00	0.00	0.00	0.00
Revenue from Credit Extension	468.43	71.63	450.01	73.10	513.78	75.10
3. Interest Income**	5.62	0.86	12.72	2.07	15.57	2.27
4. Other Revenue						
- Fees and Service	40.60	6.21	36.55	5.94	57.41	8.39
- Default penalty income	8.72	1.33	9.88	1.60	12.84	1.88
- Insurance commission	43.77	6.69	25.38	4.12	19.02	2.78
- Other income	86.85	13.28	81.11	13.17	65.54	9.58
Other Revenue Total	179.94	27.51	152.92	24.83	154.81	22.63
Total Revenue	653.99	100.00	615.65	100.00	684.16	100.00

* Interest per loan agreement i.e. interest earned from Car for Cash and Solar Roof Top credit

** other interest income in 2023 was from joint venture amounted to Baht 5.62 million

1.2.2 Product Information

(1) Nature of Product and Service

The company engages primarily in hire purchase finance, insurance policy, and third party liability insurance renewal services, loan credit secured by vehicle registration i.e. car for cash credit, and loan credit without vehicle registration as collateral. The latter has been loan credit for solar cell panel installation finance.

In vehicle hire purchasing finance namely for passenger vehicles, motorcycles, trucks and others, upon agreement to purchase vehicles from dealers, customers shall pay in the amount of down payment to vehicle dealers, with the balance being financed under hire purchase contract with the company. Customers are required to pay in monthly installments to the company. Most customers typically request for a 48-60-month contract. Customers are in possession of and utilize the vehicles under hire purchase, with responsibility for maintenance including purchasing of a first-class insurance coverage assigning the company as beneficiary. Ownership title shall be transferred to the customer upon complete repayment of installments. In the event the customer is unable to repay installment for 3 consecutive installments or more, the company shall be entitled to cancel the contract prior to maturity and the customers are required to return the vehicle to the company.

On hire purchase credit application procedure, company's credit officer shall process request at various vehicle dealerships both in Bangkok and metropolitan area. Credit officer shall assess applicant preliminary appropriateness and undergo credit approval procedures considering various factors e.g. quoted market price of the used vehicle market, vehicle usable condition, verification of vehicle registration document, financial position of applicant, and assess risk. Nonetheless the company and vehicle dealer do not maintain exclusive dealing with the applicant. Buyer may freely enquire for comparison purpose, interest rate, services, and accordingly select

any other creditor lender. The establishment of rate of interest, minimum down payment, and installment period, depend on various factors for example status and financial position of each applicant, type, make, model including condition, and useful lives of vehicles.

Normally the company will finance used vehicles that have been used no more than 18 years with installment terms 12-72 months, minimum financing amounts of Baht 50,000. Popular Japanese and European makes require down payment of 10% where as other makes require 15-20%. Furthermore, the company may have special conditions for certain vehicle makes and models for example off road or sports vehicles which may require a higher down payment rate, or certain vehicle make and model which the company will not provide financing in all cases. These are vehicles unpopular in the market, few service centers, scarcity of part supply in the market, high costs of repair and maintenance, declining trend of resale price for example.

During the year 2022, and 2023, value of passenger vehicle, sporty motorcycle (big bike) and commercial vehicles (van, pickup truck, bus, truck, and others) within the company's hire purchase credit portfolio accounted for approximately 57, 28, and 15% for 2022, against 58, 24, 18% for 2023 respectively. In comparison of proportion of vehicle hire purchase for the year 2022 and 2023, it was found that proportion of the three types of credit increased, and by value rose 44.59%, 22.19%, and 76.22% respectively, and portfolio overall rose 42.94%. The 5 most popular makes were Yamaha, Toyota, Honda, BMW, and Isuzu accounted for 19, 16, 15, 7, and 6% respectively with installment terms mostly at around 60 months, and most customers residing in Bangkok and metropolitan area, and eastern provinces. During the year 2023, the company extended hire purchasing credit amounted to Baht 2,709.61 million accounted for 99.73% of all credit extension.

Exhibit below depicted credit extension amount breakdown into types of vehicles and installment terms*

	2023		2022		2021	
	Baht million	Percent	Baht million	Percent	Baht million	Percent
Vehicle Hire Purchase *						
- Passenger Vehicles	1,575.11	58.13	1,089.39	57.47	737.62	53.14
- Motorcycles	647.40	23.89	529.83	27.95	431.91	31.11
- Van, Pickup Trucks, Others**	487.10	17.98	276.42	14.58	218.67	15.75
รวม	2,709.61	100.00	1,895.64	100.00	1,388.20	100.00
Installment Terms						
- 12 months	3.95	0.14	3.75	0.20	3.87	0.28
- 24 months	40.07	1.48	43.15	2.28	37.99	2.73
- 36 months	158.79	5.86	128.28	6.77	139.63	10.06
- 48 months	732.09	27.02	610.24	32.19	505.83	36.44
- 60 months	1,212.32	44.74	830.53	43.81	630.13	45.39
- 72 months	553.49	20.43	275.79	14.55	70.75	5.10
- 84 months	8.90	0.33	3.90	0.20		
Total	2,709.61	100.00	1,895.64	100.00	1,388.20	100.00

Remarks: * excluding interest and value added tax

** for the year 2021 including bus of Baht 8.04 million, and truck of Baht 146.27 million

** for the year 2022 including bus of Baht 9.38 million, and truck of Baht 104.87 million

** for the year 2023 including bus of Baht 10.93 million, and truck of Baht 162.86 million

Year 2023			Year 2022			Year 2021		
Ranking	Makes	Proportion%	Ranking	Makes	Proportion%	Ranking	Makes	Proportion%
1	Yamaha	18.86	1	Honda	16.40	1	Honda	19.13
2	Toyota	15.87	2	Toyota	14.41	2	Toyota	11.99
3	Honda	15.43	3	Yamaha	12.79	3	BMW	10.36
4	BMW	6.55	4	BMW	7.82	4	Kawasaki	8.44
5	Isuzu	5.90	5	Harley	6.03	5	Triumph	7.19
6	Nissan	4.78	6	Nissan	4.74	6	Nissan	4.89
7	Others	32.61	7	Others	37.81	7	Others	38.00
	Total	100.00		Total	100.00		Total	100.00

Remarks: Based on number of vehicles under HP finance each year

Credit extension procedures for credit secured by vehicle registration, and regulated credit without vehicle registration as collateral, customers shall contact via various channels which the company publicizes through website, and other agents arranged by the company to support the transactions. There shall be value assessment for the vehicle collateral. Subsequently there shall be loan agreement signing with monthly installments between 6-24 months. For the year 2023, the product is in process of implementation.

(2) Marketing and Competition

Nature of Customers and Target Group

Nature of customer and company's target group are primarily individual retail customers who need hire purchase finance credit for used vehicles purchase through used vehicle dealers, auctioned vehicle, or direct contact with the company. Target groups of the company are divided by functionality of vehicles namely passenger vehicle, motorcycle, pickup truck, and van. As at 31 December 2022, proportion of customers were passenger vehicles, motorcycles, and pickup truck, van, and others in the ratios of 58:24:18 respectively.

Competition Strategy

The company does not have policy to compete on the basis of price or reduction of interest rates but shall compete on other competition strategy to expand portfolio, and increase customer base as the credit market for used vehicle has not been saturated. Buyers will continue to be in demand of products and financing. The company's competition strategy comprises:

1. **To nurture good relationship with vehicle or used vehicle dealerships or auction houses.**

Normally, vehicle dealerships refer finance companies to customers who need hire purchase finance. The nurturing good relationship with vehicle dealership contributes to the expanding customer base including increasing market share. Presently the company has engaged in vehicle dealership quality assessment, and increased caution in credit extension, and has cooperative business relationship with approximately 800 dealerships, at Head Office, and the 4 branch offices. The company therefore needs to maintain and in search of opportunities to expand new dealership relationship continually including dealership agency for used vehicles online via website. The company has also expanded the used vehicle trading market of the individual owner type,

in which the individual wishes to sell the vehicle, by having company marketing staff contacted the vehicle owner to provide offer of service and condition to arrange for interested buyer directly. Furthermore, the company recognizes the importance of the alliance with the auction houses, and creates mutual marketing opportunities for repossessed vehicle sales.

2. To emphasize speedily services with careful credit control

The company emphasizes document verification, and speedy credit approval within careful control and good risk prevention. The company verifies through customer database within the company, the National Credit Bureau, and other reliable information sources, and in accordance with the customer identity verification principle (KYC & CDD) as such procedures are essential to dealership decision making, and customer utilizing credit facility with the company. Nonetheless the company shall require time for credit approval the fastest within 2 business days. Furthermore, the company recognizes the importance of paying used vehicle dealership a referral fees upon successful completion of financing arrangement with customer speedily and timely.

3. To facilitate vehicle dealership and customers for their business transactions

The company has provided various conveniences to vehicle dealers and customers for example taking credit application off-site and with punctuality for conveniences in document verification and vehicle condition inspection at the branch location without having to drive to the HO. This includes issuing power of attorney delegating branch managers enabling them to consider credit approval as appropriate and within credit limit established by company policy. Furthermore, the company has assigned credit officials stationed at vehicle or used vehicle dealerships daily for conveniences including providing good and reliable advice to customers. The company enhances customer conveniences through repayment of installments via various channels e.g. bank system or ATM, internet, service counter at 7-11, dispatching messenger to collect payment check at home, or customer's office including a good and complete after sale service for example registration, vehicle tax payment, and vehicle insurance renewal services. The company has arranged with commercial banks for customer payment of insurance premium via credit cards, as well as short term insurance premium monthly installment payment with the company without interest charge.

4. To increase credit products responsive to the variety of customer needs

The company foresees growth derived from customer needs and hence proceeded with the followings: On 3 February 2022, the company has been granted permit from the Bank of Thailand 'permit to engage in personal credit under regulation classified as credit secured by vehicle registration'. At the initial stage the company shall launch the personal credit business with vehicle registration as collateral commencing with more than 20,000 existing and current customers, and gradually expanding into new customers in general. On 20 March 2023 the company has been granted permit to engage in 'credit extension classified as credit without vehicle registration as collateral'. Foreseeing economy for the year 2024, it is anticipated that the trend toward greater needs for fund in business undertaking via personal loan credit will continue to grow with good opportunity for the company to launch its credit product.

5. To create customer satisfaction

The company assesses customer satisfaction by arranging for input channel for customer opinion and customer satisfaction rating for its various services including company official receiving customer complaint, follow-up and helping resolving customer problem speedily and utilizing for operational process improvement to increase efficiency with emphasis on customer satisfaction toward the company at the good rating level continuously. This is an important aspect in helping contribute toward the company's revenue generation over the long term by the company's marketing team (details per item 3.4.2.3, operational results on the customer responsibility aspect, section 3 consideration for role of stakeholders – treatment with customers). Other than credit extension, the company also acts as advisor providing advice, vehicle engine check, and providing information regarding credibility of dealerships prior to customer decision on purchasing. Furthermore, the company provides insurance brokerage services – introduction about casualty insurance, and life insurance for appropriate customers, coordination with insurance company for customers. The company recognizes that good and quality services shall contribute toward existing customer base retention, and through further referral by existing to other interested customers contribute toward good networking for future customer base expansion.

6. To create good reputation and sound business conduct

The company engages in used vehicle hire purchase finance business for more than 35 years, and has been well known to customers, vehicle distributor, or used vehicle dealerships. The company's reputation, soundness, and efficiency in business engagement over the years, creates credibility toward customers. In this regard, the company upholds the business conduct of honesty, truthful, with ethics toward all relevant parties, not demanding, not receiving any benefits from customers and in the event, customers will not be able to comply with condition of the agreement, the company as a matter of policy shall assist with the aim for problem resolution jointly and preventing from incurring damage, and still maintaining company's good reputation. For the year 2002 the company has been selected as business entity who upholds consumers' right for a fair contract toward consumer from the Office of the Consumer Protection Board. The company recognizes the importance of business engagement under the good governance principle continuingly for sound growth, and creates stakeholder confidence. During the years 2020 to 2022 the company scored a 5-star rating or 'Excellent' from the listed company governance survey project undertaken by the Thai Institute of Directors.

7. To recognize the importance and timely of a reliable information system

The speedy available of information and good customer verification system are an important aspect in credit extension services. The company has developed working system that may access information and various data efficiently, and modern information retention in the computer system allowing fast information retrieval. Furthermore, the company has been a member of the Thai Hire Purchase Association, and member of the National Credit Bureau and membership of the verification system for high risk individuals related to money laundering (the Anti-Money Laundering Office sanction list) for the benefit of news and information, exchanging views among members including the opportunities in professional development continuingly into the future.

Pricing Strategy

The company does not maintain competition policy on the basis of interest rate but shall establish rate of interest appropriately and acceptable to customers earning profit to the company and being competitive in the market. The company shall consider various factors, competitors' interest rates in formulating customer deposit or down payment requirement, and installment amounts which the customer shall continue to pay. These factors are:

1. Company's finance costs
2. Company's operating expense
3. Type, makes, and models of vehicle, year manufactured, condition, life of the vehicle, and market population.
4. Risks from debtor characteristics, and guarantor specifically in the event customer with residency outside Bangkok and metropolitan area or customers with residency outside office district with upcountry branch office location which may be at risk on debt follow-up. The company shall charge a higher rate for these types of customers.

Channel of Distribution

Customer may apply for credit from the company in two ways namely:

1) Contact used vehicle distributors who are company trade partners presently consisting of around 1,500 dealerships all of whom are located in Bangkok, and metropolitan area, and 3 more eastern branches namely Chonburi, Chantaburi, and Pataya, and more than 50% of the used vehicle dealerships have referred customers to the company regularly which normally the company dispatches credit officers to provide services at dealership sites for customer convenience or where no such officer available, the dealership shall contact the company for dispatch of officer to the dealership site. Presently the company has hired agents to handle customers in addition to branch operations.

2) Contact the company direct based on advice learned from existing customers of the company as per company website including Facebook and Line, including information from other advertising media.

Over the years, the company has provided services through the first channel up to 90% without relying on any specific dealership by more than 30% of the credit extension.

As for the used vehicle dealership selection criteria for company's trade partner in the hire purchase business, the company shall consider reliability, financial position, and soundness of business including used vehicle quality.

Competition

In vehicle hire purchase business, there are various groups of companies involved for example bank group, manufacturer subsidiaries, hire purchase and leasing companies, and vehicle dealerships – the non-bank group.

Banks and vehicle manufacturers emphasize credit extension for vehicle hire purchase to generate revenue from interest differential. At present, many institutions have modified their strategy and expanded hire purchase into both new and used vehicles. As these companies have competitive edge through existing customer base, low-cost funding, they are able to compete on interest rate reduction resulted in hire purchase rates of

interest for used vehicles fixed between 4-8.5% p.a. which has been consistent within the range announced by the Consumer Protection Board as pertinent to contract. Furthermore, depending on vehicle life, installment terms, and hirer residency, down payment rates have declined from the former rates of 25-30% of market price to 0-10% including promotional campaign responding to market condition to entice customer application for hire purchase finance. Presently a number of companies emphasize development of a digital platform – Facebook, You Tube, and website to facilitate credit application including approval consideration. Web posting sales have somewhat declined in popularity but remain active e.g. Kaidee, One2Car, Taladrod which shall require increasing adaptation, and development for online sales format.

Industry Trend

Reasoning for the growth in used vehicle market

1) Necessity in the utilization of used vehicles

Pursuant to the decline in Covid infection in Thailand, resulted in an improved economy, the general public have returned to their normal lives and work which shall require vehicle transport for travel and for business to earn income. This may have resulted in decision to purchase used vehicles which are much easier to acquire instead of new vehicles thus stimulating used vehicle market.

2) The Conveniences of the On-line Channel

Presently consumer behavior regarding information gathering, and purchasing used vehicles have changed considerably. Consumers have increasing confidence in used vehicle selection via digital platform on-line or via social media. The used vehicle industry and on-line channel have provided speedy, convenient information, and creating consumer confidence substantially.

3) Positive Environment and Contributing Factors

3.1 Shortage of motor vehicle parts resulted in delay in the manufacturing and delivery of new motor vehicle.

3.2 Competition in the credit market among financial institutions – banks and non-banks reflects the continuing credit support for used vehicle finance even though the year 2023 indicated an increasing role of electric vehicles (EV).

3.3 The widespread availability of used vehicles over all regions of the country provides consumers with convenience and speed in the purchasing and sales transactions.

Above information indicated that growth of the company's credit extension corresponds with the growth of used vehicle industry with credit growth during 2023 of 42.94%

New vehicle sales statistics for 2023 are as follow:

New domestic vehicle sales statistics:

number of vehicles

Passenger Vehicle Sales	2017	2018	2019	2020	2021	2022	2023
1) Passenger vehicle	459,243	544,920	533,631	387,914	353,757	414,628	467,362
2) Commercial vehicles	385,319	467,577	450,888	380,525	353,213	403,537	284,970
Total	844,562	1,012,497	984,519	768,439	706,970	818,165	752,332
Rate of changes	14.07%	19.88%	(2.76%)	(21.95%)	(8.00%)	15.73%	(8.05%)

Source: The Bank of Thailand; *BOT revision on 31 January 2024

New vehicle sales for the years 2022, and 2023 totaled 818,165, and 752,332 vehicles, a decrease of 8.05%. Overall, current outlook for new vehicle sales indicates decline resulted from a number of factors e.g. rising unemployment rate, and the beginning economic recovery post Covid -19. At the same time the growing electric vehicle market was another factor delayed consumer purchase pending electric vehicle stability review, and the remaining uncertain government support for EV.

New Electric Vehicle Registration Information for BEV, HEV, and PHEV as at 29 January 2024

- January – December 2023, there were 11,187 newly registered electric vehicles (BEV), cumulative number of new registrations of 100,214 vehicles, an increase of 381.77%
- January – December 2023, there were 5,509 newly registered electric vehicles (HEV), cumulative number of new registrations of 85,069 vehicles, an increase of 32.85%
- January – December 2023, there were 535 newly registered electric vehicles (PHEV), cumulative number of new registrations of 11,703 vehicles, an increase of 3.28%

(Sources: Federation of Thai Industry, 29 January 2024.)

Nevertheless, for the year 2023 electric vehicles of the BEV and HEV types, started to impact on used vehicles which has had rather high fuel consumption, an important factor the used vehicle entrepreneurs need to modify their credit strategy in response to the rapid decline in used vehicle prices, and rising substantially the number of used vehicle dealerships. In the event the new electric vehicles have increasing volume and become accepted in the market, it will impact on the used internal combustion engine vehicle demand in the future. Nonetheless, EV remains uncertain regarding vehicle life, spare parts, rate of battery depreciation which may become factors contribute to the maintenance of used vehicle demand.

Industry Trend

- **New Vehicle Industry**

From Bank of Ayudhaya analyst perspective in particular the EVs, it is assessed that growth will rise as They provide solutions to fuel cost savings including government measures to support domestic vehicle manufacturers resulted in a number of makes gradually start introducing new EV models for sales. Furthermore, the reason for the reduction in EV price has been a result of government support that helps consumers access to the EV with an affordable price.

- **Used Vehicle Industry**

From Bank of Ayudhaya analyst perspective used vehicle sales have a growing trend corresponding with the recovered economy. It is anticipated that used vehicle prices may rise somewhat as used vehicle supplies reduce part of which a result of certain consumers extend vehicle life in light of the uncertainty in the economy. It is anticipated also that there will be more new dealerships enter the market in accordance with the expanding business of multinational companies and vehicle manufacturer affiliates resulted in intense competition. On market behavior regarding used vehicle trading, it has increasingly changed into online including startup platform for motor vehicle trading. Applying technology development, and verification system enable consumers to compare

prices by themselves along with establishment of vehicle quality standards, should become important basis for increasing number of participants in the used vehicle platform in the future.

As for rate of interest for used vehicle finance for the year 2024, it was found that the trend remained the same as that of 2023 with averaged interest rates of 4.00 – 8.50% p.a. depending on vehicle lives, terms of installment, and hirer residency. Nonetheless, the company has no policy for competition on the basis of price or interest rate reduction. The company applies flexible policy, good quality and speedy customer services. The company is flexible with acquired long time experiences in the business, maintaining good relationship with vehicle dealers who have referred customers for credit application as well as existing customers who have applied for additional credit and introduction of new customers.

(3) Acquisition of Products and Services

Sources of funding

Sources of funding of the company as at 31 December 2021, 2022, and 2023 comprised:

Unit in Baht million

	2023		2022		2021	
	Amount	Proportion %	Amount	Proportion %	Amount	Proportion %
Short term loan*	1,560.73	32.30	1,655.49	38.51	1,928.03	40.82
Long term loan	1,378.96	28.54	771.00	17.93	963.03	20.39
Total borrowings	2,939.69	60.84	2,426.49	56.44	2,891.06	61.21
Shareholders' Equity	1,892.40	39.16	1,872.61	43.56	1,832.17	38.79
Total	4,832.09	100.00%	4,299.10	100.00%	4,723.23	100.00%

*Remarks: Short term loan for the years 2021, 2022, and 2023 included current portion of long-term debt amounted to Baht 1,399.45, 852.19, and 817.49 million respectively, and included O/D, other short-term loans.

Sources of funding for the year 2023 was accounted for by shareholders' equity 39.16% of total, and 60.84% borrowings. Loans were from commercial banks secured by land and property mortgage, assignment of receivables for part of hire purchase contracts, and loan from related parties via issuance of bill of exchange, and debenture as well.

Issuance of bill of exchange for the whole year 2023 from 5 January 2023 to 17 October 2023 comprised specific short-term bill of exchanges with below details:

Rank	# of BE	Baht million	Issued date	Maturity	Tenor days	Rate of interest
1	1	25	5 Jan 2023	4 Jul 2023	180	3.40 %
2	1	35	6 Jan 2023	5 Jul 2023	180	3.40 %
3	1	45	9 Feb 2023	8 Aug 2023	180	3.60 %
4	1	50	15 Mar 2023	14 Sep 2023	183	3.60 %
5	1	40	18 Apr 2023	17 Oct 2023	182	3.75 %
6	1	*45	8 Aug 2023	7 Feb 2024*	183	4.15 %
7	1	*15	14 Sep 2023	15 Mar 2024*	181	4.15 %
8	1	*40	17 Oct 2023	18 Apr 2024*	184	4.40 %
Total		295				

Remarks: approved by BOD 5/2023 Dated 13 November 2023

* As at 31 December 2023, 3 BEs remained outstanding amounting to Baht 100 million

Debenture Issuance

As at 31 December 2023, the company has no obligation under debenture.

Credit Extension

The company engages in hire purchase finance, the main business which generates revenue, creates growth and soundness to the shareholders' equity. The company has credit policy emphasizing customer quality considering the ability to repay coupled with creditability of guarantor. Issues being considered comprise source and soundness of the professional income, residency or customer office location, reviewing of customer and guarantor detailed background, including official supervision on each step with care (details per section for product and service)

Sourcing of Fund or Borrowing via Related Parties to Executives or Major Shareholders

The company borrows to increase liquidity through issuance of specific short-term bill of exchange via related individuals to executives and major shareholders on 31 December 2023 amounting to Baht 100 million, as reported to the Securities Exchange Commission (SEC) and the Securities Exchange of Thailand (SET) regarding support received from stakeholders (details per source of funding section, item 12. Related parties (2) borrowings).

Issuance of BE and offering for sale to major shareholders on 31 December 2023 comprised Baht 100 million with below details:

Rank	BE #	Baht million	Issued date	Maturity	Tenor days	Rate of interest
1	173	45	8 Aug 2023	7 Feb 2024	183	4.15%
2	174	15	14 Sep 2023	13 Mar 2024	181	4.15%
3	175	40	17 Oct 2023	18 Apr 2024	184	4.40 %
Total		100				

Investment

Apart from the 15% equity holding in Premium Service (Thailand) Co., Ltd., an affiliate within the Group, the company has no other investment holding.

(4) Assets Deployed in the Business Engagement

Assets deployed in the business engagement comprise receivables, repossessed vehicles pending disposal, land and building, and office equipment at HO, office building space, and equipment under lease contracts etc.

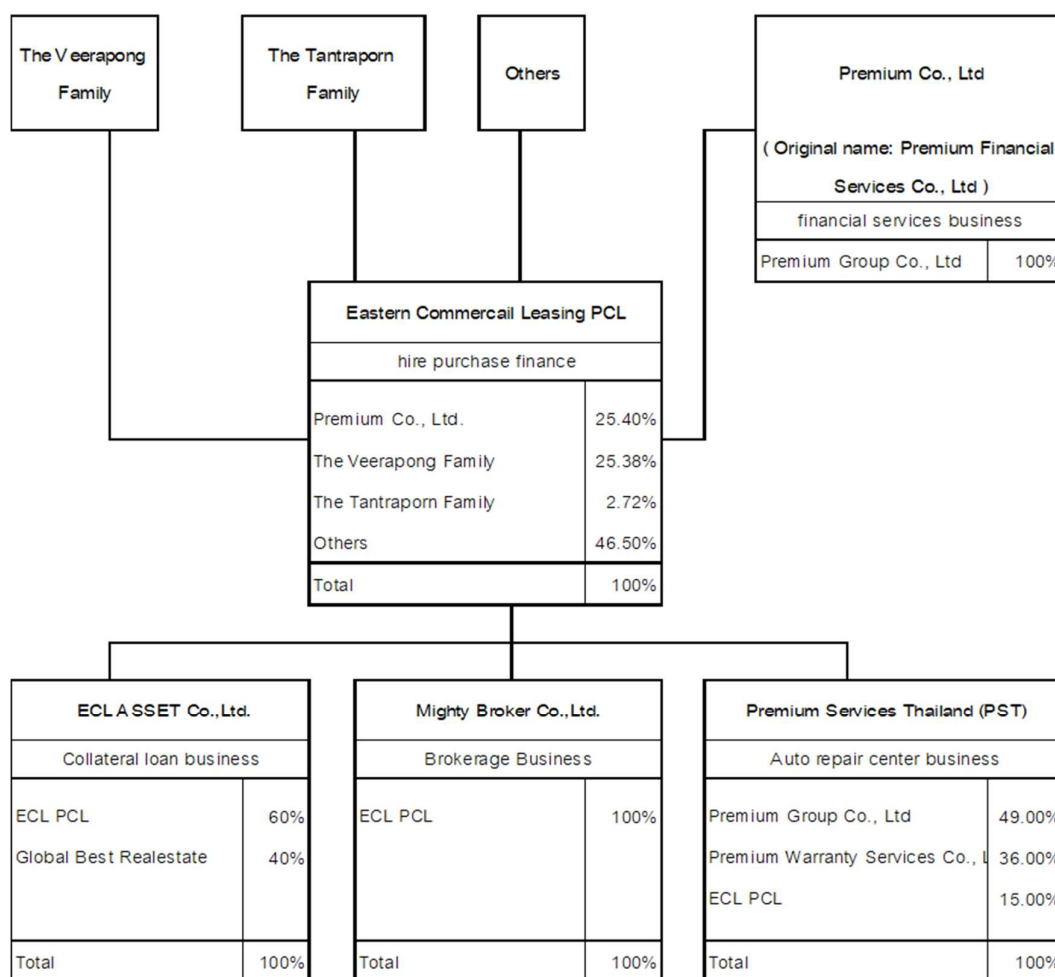
Details as presented per attachment 4, Assets deployed in the business.

(5) Works Pending Delivery for Specific Project or item of High Value or Time Consuming for Delivery

- None –

1.3 Group company shareholding structure

1.3.1 Group company shareholding structure

Business group structure

Eastern Commercial Leasing PLC was founded in 1982 (ECL) to engage in used vehicle hire purchase finance. Business has grown over the past 20 years and on 15 September 2003, the company has been registered as a public company with main shareholders consisting of the Veerapong, and the Tantraporn, and subsequently become a listed entity in the securities exchange on 1 March 2004.

On 11 May 2016, Premium Financial Services Co., Ltd. (Japan) (PFS), a company engages in vehicle credit finance and used vehicle spare part warranty, has acquired ECL's ordinary shares accounting for 25.5% of ECL's total paid up capital. ECL's registered capital rose to Baht 1,095,745,395 with paid up capital amounting to Baht 798,358,500.

On 31 December 2023, with business grown over the past 40 years, the company's registered capital amounted to Baht 1,478,478,669, and paid-up capital Baht 1,108,859,002. ECL has expanded into the insurance brokerage business by setting up an insurance brokerage subsidiary, a sale agent for all types of insurance coverage including the regulated personal credit products.

ECL held investments in three companies namely:

1.3.1.1 ECL Asset Co., Ltd. is engaged in 'the land for cash' business, essentially loan extension secured by land collateral under either registered mortgage or land sales with the right for redemption, with land title deed retained at ECL. The company was formed on 27 March 2018 as a joint venture between two holding companies namely ECL, and Global Best Real Estate Loan Co., Ltd. (GB), currently renamed Global Best Real Estate Land Co. Ltd. (GBL) under joint venture agreement with joint voting right, appointment of authorized directors, management and profit (loss) sharing from operating results pro-rata to shareholding of 60: 40 respectively.

On 31 December 2023, ECL Asset Co., Ltd. has had registered capital of Baht 80 million, Baht 60 million of which was paid-up, with ECL holding 60% of the company's equity amounting to Baht 36 million. Consolidated financial statements reported investment amounted to Baht 65.86 million, Baht 29.86 million in excess of investment amount, as a result of pro-rata profit sharing recognized on an equity method (part of the details reported under section 8.1.3 Subsidiaries and Affiliate Oversight)

1.3.1.2 Mighty Broker Co., Ltd. is an ECL held 100% subsidiary, engaged in insurance brokerage business, founded on 20 November 2019 with registered and paid-up capital of Baht 5 million.

Mighty Broker has been granted casualty insurance brokerage permit on 28 August 2020, and life insurance brokerage permits on 16 December 2020, and commenced operation in the month of November 2020. The separate financial statement as of 31 December 2023 presented "Investment in subsidiaries" value of Baht 5.0 million. On 31 December 2023 Mighty Broker reported operating profit of Baht 7.56 million (details per part of section 8.1.3 subsidiary and affiliate oversight).

1.3.1.3 Premium Service (Thailand) Co., Ltd. (PST) is engaged in the repair and maintenance service center for motor vehicles founded on 16 November 2016. During the year 2019, ECL has reduced its investment holding to 15% with status changed to 'investment in joint venture', and recorded under the caption 'Other Non-Current Financial Assets'. As at 31 December 2023, investment value was '0' (zero).

Locations of legal entities held by the company from 10% or higher of their issued and subscribed shares

1. ECL Asset Co., Ltd.

Number 89 AIA Building, Floor 12A, Room 1205, Ratchadapisek Road,
Din Daeng Sub-District, Din Daeng District, Bangkok 10310
Phone: 02-641-5252

Type of Business: 'Land for cash' loan credit secured by land mortgage and sales with right of Redemption

Company registration number: 0105561056335

Capital and type of shares:

Registered capital: Baht 80,000,000

Ordinary shares 800,000 shares with Baht 100 par / share

Paid up capital: Baht 60,000,000

2. Mighty Broker Co., Ltd.

Number 976 Fifth Floor, Soi Rama IX Hospital, Rim Klong Samsen Road, Bangkapi Sub-District,
Huay Kwang District, Bangkok 10310

Phone: 02-096-4426

Type of Business: insurance brokerage agent

Company registration number: 0105562196220

Capital and type of shares:

Registered capital: Baht 5,000,000

Ordinary shares 50,000 shares with Baht 100 par / share

Paid up capital: Baht 5,000,000

3. Premium Service (Thailand) Co., Ltd.

Number 89 AIA Building, Floor 12A, Room 1205, Ratchadapisek Road, Din Daeng Sub-District,
Din Daeng District, Bangkok 10310

Phone: 02-050-8862, Facimile: 02-050-8861

Type of Business: motor vehicle repair and maintenance center, and spare part warranty business

Company registration number: 0105559180172

Capital and type of shares:

Registered capital: Baht 32,912,000

Ordinary shares 598,400 shares with Baht 55 par / share

Paid up capital: Baht 32,912,000

1.3.2 Individual who may have conflicting interest, holding shares in subsidiaries or affiliates in aggregate in excess of 10% of the company's voting shares

- None -

1.3.3 Relationship of Major Shareholders with the Group Companies

By nature of the company's core business engagement, the company has not been in competition with the major shareholders, no business relationship with or involved in material business operations of the major shareholders.

1.3.4 Shareholders

(1) List of Major Shareholders

List of the 10 largest major shareholders as at the close of company's registry on 11 January 2024

Rank	Name List	Number of Shares Held	percent
1	The Veerapong Family	327,527,755	29.54
2	Premium Financial Services Co. Ltd.	281,646,350	25.40
3	Mr. Chailaksana Kanan	47,799,200	4.31

4	The Tantraporn Family	30,532,900	2.75
5	Korat Industry Co., Ltd.	13,725,000	1.24
6	Mr. Nopadon Anulakchaivith	11,579,700	1.04
7	Mr. Yongyuth Satiernrakul	11,535,692	1.04
8	Mr. Pongsak Tiptawachvongsa	9,206,300	0.83
9	Thai NVDR Co., Ltd	8,254,668	0.75
10	Mr. Nivet Jirawichitchai	7,143,600	0.64
11	Others	359,907,837	32.46
Total		1,108,859,002	100.00
Par value at Baht 1/share			

On 11 January 2024, the Veerapong Family shareholder list comprised:

Shareholders	Number of shares	Percent
1. Mr. Precha Veerapong and spouse	99,965,875	9.02
2. Miss Bangornsiri Veerapong and spouse	74,515,000	6.72
3. Mr. Prapakorn Veerapong and spouse	52,838,480	4.77
4. Mr. Danucha Veerapong	43,200,000	3.90
5. Miss Patnarin Veerapong	1,707,000	0.15
6. Mr. Tanavin Veerapong	201,400	0.02
7. Miss Uraiwan Veerapong	100,000	0.01
8. * Prasartporn Junior Co., Ltd. Ltd.	55,000,000	4.96
Total	327,527,755	29.54

On 11 January 2024, the Tantraporn Family shareholder list comprised:

Shareholders	Number of shares	Percent
1. Mr. Vitaya Tantraporn	21,000,000	1.89
2. Miss Nawan Tantraporn	7,500,000	0.68
3. Mr. Banlue Tantraporn	1,858,000	0.17
4. Miss Yajai Tantraporn	163,100	0.01
5. Mr. Natiya Tantraporn	11,800	0.00
Total	30,532,900	2.75

Remarks:

* Prasartporn Junior Co., Ltd. is engaged in residential property rental business with shareholders consisting of

Mr. Preecha Veerapong holding 3,600 shares accounting for 30%,

Mr. Prapakorn Veerapong holding 3,600 shares or 30%, and

Mr. Danucha Veerapong holding 990 shares or 8.25%.

1.4 Registered and paid-up capital

1.4.1 Ordinary Shares

As at 31 December 2023, the company's registered capital amounted to Baht 1,478,478,669 comprising ordinary shares of 1,478,478,669 shares with par value of Baht 1 per share, and paid-up capital of Baht 1,108,859,002

The company has compiled name list of shareholders as at 11 January 2024 and found minority shareholders (free float) 6,618 accounting for 42.31% of total shares issued and paid up.

1.4.2 Other Type of Shares with right and condition different from Ordinary Shares

- None –

1.4.3 Company's Shares or Convertible held as referencing security instrument for the issuance of unit investment fund for the account of foreigner investors

- None -

1.5 Issuance of Other Securities

1.5.1 Convertible securities

The company has proceeded to issue Warrant with the right to acquire ordinary shares, 4th ECL-W4 for 369,583,135 units at the proportional right of 1 unit warrant for 1 ordinary share, and the exercise price of Baht 2 per share.

The Warrant has maturity of 2 years from the date of issuance and offer for sale on 21 July 2022. The holders of Warrant may exercise their right under Warrant to acquire ordinary shares at the company's office on working day within the month at each anniversary date (throughout the 2-Year period) between 9:00 – 15:00 O' Clock, which shall be twice, the first of which shall be on 20 July 2023, and the last upon maturity of the 2-year period on 20 July 2024 ('the last exercise date'), and in the event the exercise date is on the company's public holiday, to move the exercise date forward to the last working day prior to the public holiday. There is no such event requiring moving the date forward so that holders are required to exercise their right prior to the exercise date.

On 20 July 2023 which was the first exercise date, there was no interested shareholders to exercise their right aforementioned.

1.5.2 Debenture securities

- None –

1.6 Dividend Payout Policy

Eastern Commercial Leasing PLC Dividend Payout Policy

The company has policy for dividend payout approximately 50% of net profit after corporate income tax, and provisioning for legal reserve each year. Depending on necessity and other future appropriateness for example the requirement to maintain debt to equity ratio in accordance with financial institution covenants. Approval for dividend declared depends on resolution passed at the shareholders' meeting. As for interim dividend declared, the Board of Directors is authorized to pass resolution for such dividend declared if the Board

is of the opinion that the company has sufficient profit for such purpose, and subsequently reports to the shareholders for acknowledgement at the next meeting.

Record of dividend payment for the past 3 years (separate financial reports):

Description	*2023	2022	2021	2020
Net Profit after Corporate Income Tax (Baht million)	66.99	192.64	183.80	51.30
Appropriation for Legal Reserve (Baht million)	(3.35)	(9.63)	(9.19)	(2.56)
Net Profit after Corporate Income Tax and Legal Reserve (Baht million)	63.64	183.01	174.61	48.74
Number of Shares Issued and Paid Up (million shares)	1,108.86	1,108.86	1,108.86	1,108.86
Dividend Declared from Operating Results (Baht / Share)	0.03	0.10	0.08	0
Dividend Declared from Retained Earnings (Baht / Share)	0	0	0	0.10
Dividend Paid (Baht million)	33.26	110.88	88.71	110.88
Dividend Paid / Net Profit After Corporate Income Tax and Appropriation of Legal Reserve %	52.26 %	60.59 %	50.80 %	-

* Year 2023, interim dividend declared from operating results for the period 1 January to 30 June 2023.

Remark: Dividend declared for the first half of the year 2022, per BOD 3/2022 on 11 August 2022 resolved to authorize interim dividend declared from operating results January – June 2022, Net profit Baht 97.39 million at the rate of Baht 0.05/share to shareholders for 1,108,859,002 shares amounting to Baht 55,442,950.10, paid on 9 September 2022.

Dividend declared for the year 2022 – per AGM 2566 on 24 April 2023 resolved to authorize dividend declared from net profit for the year 2022, at the rate of Baht 0.05 per share to shareholders totaling 1,108,859,002 shares amounting to Baht 55,442,950.10. Dividend from operating results were Baht 0.10 per share for the whole year 2022, at the dividend payout ratio of 60.59% (Dividend/Net Profit After Tax and Legal Reserve), paid on 12 May 2023.

As for dividend declared from operating results for the first half of 2023 – per BOD 4/2023 dated 10 August 2023 resolved to authorized interim dividend for the period 1 January – 30 June 2023 to shareholders totaling 1,108,859,002 shares at the rate of Bhat 0.03 per share amounting to Baht 33.26 million, and paid on 8 September 2023.

Dividend payout policy of subsidiaries

Subsidiary dividend payout policy shall be considered by each subsidiary from available cash flow, cash fund balance in comparison with investment budget of each subsidiary. If cash flow is available in sufficient amount, and legal provisioning has been provided for, that subsidiary shall consider dividend declared on a case-by-case basis.

RISK MANAGEMENT

2. RISK MANAGEMENT

2.1 Risk Management Policy and Plan

Current business engagement, there exists various factors important to that business and fast changing. Such factors – positive or negative, may impact on the organization. The company recognizes good risk management becomes an important foundation for a sustainable business engagement that creates confidence, enables achievement of objective under the changing environment and society, enhances business opportunity and maintains entity's future competitive potential.

Eastern Commercial Leasing PLC and subsidiaries maintain policy and plan for risk management covering all relevant risks. The company considers the Board of Directors, management, and all employees owner of risks, having duties and responsibilities for studying, analyzing, assessing opportunities and level of severity of impact which may affect company's business operations, seeking measures in preventing, containing, and preparing flexible risk controlling plan corresponding with the constantly changing risk factors, and managing risks efficiently. During the year 2023, the Board of Directors authorized the appointment of a Risk Management Committee comprising one independent director with knowledge and competence and a working committee tasked with performing the duties and be responsible for the company's risk management with the application of the risk management manual as an instrument in creating knowledge, and guideline in the preparation of risk management plan including report on the results of internal control assessment, and risk on a quarterly and annual basis to the Audit Committee and the Board of Directors. During the year 2023, there was various risk event review systematically corresponding with business plan and implemented in the activities and actual operational environment of the company to mitigate risks consistently.

2.2 Risk Factors Against Business Engagement

2.2.1 Risks against the company or group of companies' business operations present or future

(1) Risk related to the declining trend of used motor vehicle prices

Used motor vehicle finance, even though providing a higher return on interest than new motor vehicle, has a higher risk profile relating to used vehicle price decline resulted in hire purchasing company incurring loss upon disposal of repossessed vehicles.

At present, consumers with low purchasing power have better opportunities in purchasing used vehicles because of flexibility in credit extension by competitors in the market. EV and hybrid EV (HEV) become alternatives in light of their not too high prices being close to used vehicles and with lower down payment, rendering declining popularity for used vehicles and declining trend for their market value continuingly. Risk exposure for hire purchasing companies involves hirers returning vehicle under finance, or increasing losses incurred from repossessed vehicle disposal.

Company's Risk Management

During the year 2021 – 2023 the company attempted to mitigate or prevent this risk through stringent credit review on application considering popularity of vehicle makes, long vehicle useful lives, and high liquidity, source of income, and customer's profession for preliminary customer credit quality analysis. Subsequently the

company goes through used vehicle dealership selection based on integrity, honesty, vehicle on sales meeting standard requirement at an appropriate price corresponding with vehicle condition. This should enhance customer confidence relating to vehicle quality coupled with company's marketing team that possesses quality and expertise for vehicle value appraisal, and credit policy which shall finance with amount below vehicle's market price to mitigate risks.

Furthermore, the company increases speed on collection without vehicle repossession and negotiate suspension of payment, with debt restructuring intermittently.

(2) Marketing risks and competition

Competition in the used vehicle hire purchase finance emphasized reduction of interest rate resulted in the continuing declining market hire purchase rate or rising rate less than the increasing lending rates of financial institutions. In particular, for vehicle manufacturer leasing subsidiaries who emphasize hire purchase finance for their new vehicle sale, including commercial bank or financial institution hire purchase subsidiaries or affiliates who have changed their strategy toward financing used vehicles including big bikes to achieve higher interest rate than new vehicles, as well as new entry into the hire purchase market. The company has had increasingly high risks regarding used vehicle hire purchase business competition. This resulted in the declining trend of minimum rate of interests in the used vehicle finance at a minimum on average at 3.50, 3.00, and 2.79% for the year 2021, 2022, and 2023 respectively.

Company's Risk Management

As a result of such competitive environment, the company adjusted its strategy on used vehicle credit regarding interest rate and down payment considering conditions relating to years of service, make, model of vehicle including credit policy divided by sectors, risk group, and risk area requiring down payment increase by 20-30% on average or high-risk group e.g. air travel group with down payment as high as 50% or certain other high risk group slowdown or suspension of credit extension. The company increases customer selection of the potential with good history of payment group, in which low down-payment may be offered for example, for flexibility corresponding with the present competition, and considering of rate of return to the company. The company has also expanded into commercial vehicle finance e.g. new truck, tow truck, and commencing target group expansion into the increasingly specific professional group, providing quality services, and maintaining existing customer base. The company continues to apply its expertise and acquired long service business experiences for good and speedy services to customers, maintenance of alliance, and good return to vehicle dealers, the expanding relationship with used vehicle dealers – tents and online, and expanding credit extension policy to other types of credit e.g. personal credit, and financial services for environmentally friendly products.

(3) Operational risks resulted from non-performing credit risks

As the economic recovery has begun to be felt while most hirer financial position has not improved and household debt remaining at an increasing rate, the company may be exposed to the increasing likelihood that hirer customers will be unable to comply with contract conditions, and the risks of credit quality impairment and non-performing.

Company's Risk Management

To reduce such risk the company has implemented stringent credit measure at each step, with quality marketing team capable of customer and guarantor assessment, and down payment required at an appropriate level, arranging for vehicle credit of high liquidity and popular make. In the event of repossession, the company should be able to dispose of such vehicle speedily. The company has available good credit approval system that shall verify customer credit, accelerated collection follow-up including customer assistance for repayment suspension, debt restructuring and efficient follow-up speedily which shall reduce non-performing credit.

During the years 2022, and 2023, A/R overdue more than 90 days, and under litigation amounted to Baht 266.57 million and 335.88 million accounting for 6.27%, and 6.83% of total receivables respectively.

During the years 2022, and 2023, the company maintained policy for customer assistant, through debtor suspension of payment and restructuring, resulted in decrease of overdue customers from prior year. Nonetheless the company recognizes the risks in such matter and has implemented accelerated measures in all forms to return the overdue A/R to income as much and as quickly as possible through outside contract hiring for collection, repossession of vehicle, and litigation as well.

(4) Risk from repossessed vehicle disposal

During the years 2021 the company repossessed and disposed of 1,495 vehicles with total costing amount of Baht 361.47 million, accounting for 6.57% of all vehicle under hire purchase contract with the company. For the year 2022, there were 651 vehicles repossessed and disposed of with costing amounts of Baht 152.22 million accounting for 3.24% of all vehicle under hire purchase contract with the company. For 2023 there were 481 vehicles repossess and disposed of with costing amounts of Baht 133.59 million accounting for 2.42% of all vehicle under hire purchase contract with the company. Losses from disposal amounted to Baht 157.84, 58.31, and 53.01 million for the years 2021, 2022, and 2023 respectively (*repossessed vehicle value = A/R balance - unearned interest + repossession cost). Loss for the year 2023 amounted to Baht 53.01 million accounted for 39.68% of cost in whole as a result of vehicle condition, and market demand for used vehicle under the economic environment in which the company shall undertake stringent credit control to mitigate the impact.

Company's Risk Management

Repossessed vehicles are disposed of through public auction in which price depends on quality, vehicle lives, market popularity, and demand at the time. If sale proceed is insufficient to repay outstanding debt, it will adversely affect company's financial position and operating results. The company has established measures for stringent credit approval including system of accelerated collection. The company has provided for impairment provisioning for vehicle pending disposal which is estimated to be adequate including arranging for auction house engaging in vehicle disposal through auction to reduce reliance on vehicle dealership. At present the company delivers repossessed vehicles for auction at least at 3 external auction houses which should provide greater variety of auction buyers.

Nonetheless during the year 2023, it was found that the volume of repossessed vehicles per month 40 as a result of improved credit quality, speedy collection process, and OA services are also utilized to facilitate tracking processes.

(5) Risk Arising from the Volatility of Interest Rate

Hire purchase business generates revenue from fixed interest rate throughout the life of the hire purchase contract while cost of fund is derived from borrowings both fixed and floating interest rates. Changes in the prevailing lending interest rate have a direct impact on cost of fund, and profit of the company. If interest on borrowings increased, the company shall have greater interest burden thus resulted in decline in profitability. With the current floating rate debt amounting to Baht 2,308.72 million, in the event of increase in floating interest rate by 1.30% will result in an incremental increase in interest expense by Baht 30 million.

Company's Risk Management

The Company as a matter of policy shall mitigate risk arising from interest rate volatility by sourcing fixed rate funding with low rate of interest that will achieve a profitable interest margin, and concurrently with loan tenor close to the average life of the outstanding credit portfolio.

The proportion of fixed rate and floating rate loan of the Company as at 31 December 2021, 2022, and 2023 is as follows:

Type of Interest Rate	31 December 2023		31 December 2022		31 December 2021	
	Baht Million	Percent	Baht Million	Percent	Baht Million	Percent
- Fixed Rate*	630.97	21.46	947.01	39.03	1,346.85	46.59
- Floating Rate**	2,308.72	78.54	1,479.48	60.97	1,544.21	53.41
Total	2,939.69	100.00	2,426.49	100.00	2,891.06	100.00

Notes: * Fixed Rate loans consist of part of long-term loan, bill of exchange and debenture issued (if any)

** Floating Rate loans consist of bank overdraft, other short term borrowing, and part of long term loan and promissory notes

(6) Liquidity Risks

The company's source of fund comprises shareholders' equity, borrowings from 6 financial institutions, and without debenture issuance as at the end of 31 December 2022, and 2023 in the following proportion:

	2023		2022	
	Baht million	Percent	Baht million	Percent
Shareholders' Equity	1,892.40	39.16	1,872.61	43.56
Borrowing				
- Short Term Loan*	1,560.73	32.30	1,655.49	38.51
- Long Term Loan	1,378.96	28.54	771.00	17.93
Total Borrowing	2,939.69	60.84	2,426.49	56.44
Grand Total	4,832.09	100.00	4,299.10	100.00

Note: *Short Term Loan consists of overdraft, other short-term borrowings, current portion of long-term loan, promissory notes and bill of exchange

The company relied on commercial bank funding accounting for 60.84% of the company's working capital. In the event financial institutions demand repayment of the short-term borrowings, the company may have risks for inability to repay its debt and commitment at maturity. The company may be at risk also for inability to source adequate funding against demand in a timely manner or able to source funding but at a cost beyond acceptable level which may affect company's earnings.

Company's Risk Management

As a matter of policy, the Company mitigates this risk by utilizing long term credit facilities with repayment term corresponding to the cash flow receipt from customer installment payment. The Company also controls receivable collection efficiently to mitigate risk of the disparity between source and use of fund. As at 31 December 2022, total liabilities due within one year (including overdraft and short-term loan) amounted to Baht 1,560.73 million, comparing with portfolio installment receivable due within 1 year amounted to Baht 1,816.62 million, which was more than Baht 255.89 million, the company should be able to arrange for repayment funding. As for the liabilities due over one year and up to two years amounted to Baht 703.90 million, comparing with installment due for collection within one year and up to two years of Baht 1,546.76 million, which amounted to more than Baht 842.86 million, the Company has adequate funding sources to meet its debt obligation during the said periods (Details of the relationship between the source and application of fund appears on section 3, item 4.1, Analysis and Explanation of Management).

(7) Risks of Potential Increasing Future Debt Obligation

During the year 2023, the company extended credit amounted to Baht 2,709.62 million or Baht 225.80 million averaged on a monthly basis. As at 31 December 2023, total liabilities stood at Baht 2,939.69 million, shareholders' equity Baht 1,892.40 million, debt to equity ratio of 1.63, increased from prior year of 1.37. For the year 2024, credit target shall be Baht 200-250 million per month, for business growth corresponding with the economic environment, and company's current liquidity position. The target is greater than the year 2023 by 10.50%. The company may be in need of additional borrowings in the future. The company has been granted approval from 5 commercial banks to maintain its DE ratio covenant at 3 and 4 (the ratio of liabilities to equity). There are still risks of maintaining the ratio not to exceed the 3-4 range or to stringently comply with lending conditions and covenants of all lenders. If the company is not able to comply with the lending conditions, creditors may slowdown on credit extension support, and the company may encounter liquidity problem.

Company's Risk Management

Apart from reliance on financial institutions for loan support, the company has policy to seek funding alternatives from other sources appropriate to the business undertaking for example low-cost loan, liquidity support fund, issuance of debenture including planning and cash flow estimate for borrowing to maintain liquidity in relation to hire purchase credit extension, and administration of the shareholders' equity for sound capital fund and profit growth for an appropriate proportion (debt to equity) for financial institution credit extension for the best interest of the company and shareholders as a whole.

(8) Risk on reliance on individuals with special expertise

Because used vehicle credit extension relies on individuals with expertise in marketing credit who are well knowledgeable and experience in appraising and market valuation of the used vehicles both motor vehicles and big bike motorcycles. This includes maintenance of good relationship with used vehicle dealerships and experience and skillful personnel in the collection and vehicle repossession business. Currently competition includes bank, non-bank, and increasing number of private entities who engage in used vehicle sales who are ready to provide credit support in the form of websites access. There is increasing demand for personnel in sales, and collection, who have potential and therefore without qualified individuals with appropriate qualification for replacement, may have impact on company's operations and business opportunities.

Company's Risk Management

The company has individuals responsible for credit marketing totaling 82 individuals and collection totaling 41 individuals, and outsourcing for payment demand, follow-up, and accelerated collection, which are appropriate and sufficient for current portfolio administration. Nonetheless the company recognizes the importance of human resources retention providing with incentive measures to those personnel to remain with the company for the long term to mitigate risks of personnel departure, with the clear career path structured internally including appropriate compensation commensurate with level of performance, knowledge and skill of each individual and in comparison with other companies in the same industry, promoting training for knowledge and potential enhancement, and maintaining good relationship to enable employee participation and having ownership in the company including support for practices in accordance with human right principle in the office locations.

(9) Risks on information technology and cyber security protection

At present the various operating systems communicate electronically utilizing computers and internet network to enter the digital organization which has become the primary factor to drive business speedily corresponding with the current work from home working environment. Such form of work may be subject to cyber attack e.g. company and customer information theft, disabling operating system and subject to ransom or information leakage, illegal replicating information of both the company, and customers the latter of which required protection. Thai companies must comply with relevant rules, regulation, and law e.g. computer crime law, cyber security law, and The Personal Data Protection Act. If the company fails to control risks on information protection adequately, it may result in damages rendering company liable, negatively impact on company's financial standing, reputation, and creditability or penalty for law non-compliance.

Company's Risk Management

The company recognizes cyber threat which at present existing in various forms in order to reduce impact and likelihood that the operating system may have been threatened or attacked by ill intended parties. The company has prepared policy and guideline on information technology security to maintain good internal control on system of information technology, security, accuracy, and reliability enabling continuing operations and protection of information which is confidential both customer and other private individual information, The

company maintains strict security control for example firewall, access right within time limit, modification of frequency of information backup, designing information recovery from malfunction or unexpected incidents, along with detection of unauthorized network access. Furthermore, the company encourages recognition regarding application of information technology for employees continually via internal communication channels to enable all employees understanding and knowledgeable in the application of technology properly and safely from cyber threat.

(10) Risks from changing law and government policy

The company is engaged in used vehicle hire purchase finance, and insurance businesses with adherence to honesty, transparency, and ethical conduct in accordance with good governance principle in compliance with the law, and government policy, and other relevant regulatory authorities for example debt collection act BE 2558, Anti-Money Laundering Act BE 2542 (Revision), Personal Data Protection Act, notification of the credit information committee, Office of the Consumer Protection Board notification, Ministry of Interior notification regarding fees rate or any expenses incurred as a result of debt collection, Announcement by the Committee regarding hire purchasing contract for motor vehicles and motorcycles BE 2565. Compliance with law and government policy may affect return and company's operating results or in certain cases non-compliance or error may result in customer complaint against the company or authority audit which may result in defamation or subject to penalty.

For the year 2023, the Consumer Protection Board promulgated law taking effect on 10 January 2023. In essence, motor vehicle and motorcycle hire purchases are classified as business with contract control etc. and with established rates of interest of motor vehicle or motorcycle hire purchasing in accordance with market mechanism with effective yield computation per annum (declining balance principal and interest) as follows: in the event of new vehicle at the rate no more than 10% p.a., used vehicle no more than 15% p.a., and for motorcycles at the rate no more than 23% p.a.

Furthermore, there are established discount rate for early account close control rule which are required to be provided to hirers which have been changed from the original rule at the rate of 50% of unearned interest to the new scalable rates in accordance with time periods of debt services with discount no less than 60%, 70%, and the entire 100% of unearned interests.

Company's Risk Management

The company has formed a sub-committee of Compliance on company's operations to perform the duties of follow-up closely and reporting on changes in government policy, law, rule, and regulation working with internal audit function and the law to be prepared and with business plan modification corresponding with such changes appropriately. Furthermore, the company is a member of the Thai hire purchasing business association in order to participate in the listening, expressing opinion as a member toward the policy and the law being implemented. The company has arranged for training, communication, and testing of knowledge and understanding among employees at all levels to enable all employee conduct in accordance with regulation and rules with understanding, accurately, and timely.

Presently, the sub-committee for Personal Data Protection, and Data Protection Officer (Personal Data Protection Act: PDPA) appointed since 2020 has supervised, and establishing practice guideline regarding management of personal information corresponding with the Personal Data Protection Act BE 2562 to ensure owner of information confident in the information securities through various measures such as communication, knowledge training, and advisory to all employees in the organization, preparation of document forms in accordance with the Act, information technology development, various operating procedures in the management of personal information with increasing efficiency including corrective actions as recommended by advisory firm.

2.2.2 Risk to investor for the investment securities

Risk as a result of major investors holding shares in excess of 25% of ordinary shares issued and subscribed

The company has major shareholders consisting of the Veerapong family, the Tantraporn family, and the Premium Group Co., Ltd. (formerly Premium Financial Service Co., Ltd. - PFS) the latter of whom holding 25.50% shares through capital increase by issuing of new shares during the year 2016, and as at 11 January 2024, the proportion of shares stood at 25.40%. In aggregate the three major shareholders hold more than 50% of the company's equity which have almost complete controlling votes at the shareholders' meeting except for matter required by law or articles to be at least 3 quarters of the vote at the shareholders' meeting. Other shareholders may not be able to compile enough votes to call for an audit, or counter balance the major shareholders' agenda.

Company's Risk Management

The company maintains an equal treatment policy against all shareholders, with fairness, and for the best interest of the company, and shareholders as a whole in accordance with the good governance principle which the company has strictly adhered to. The company recognizes the importance of minority shareholders' right to participate in the meeting. The company has provided opportunities and encourages shareholders to exercise their right to express opinion, propose director candidates or submit enquiry about company's operations fully, and participate in voting for all agenda equally. Within the invitation documents, objectives and reasoning have been clearly presented, along with Board of Directors' opinion sufficiently and appropriately to enable shareholders utilizing such information as basis for decision making. Furthermore, in the event the company proposes related party transactions of the size requires approval at the shareholders' meeting, parties with vested interests as related parties in accordance with announcement of the regulatory authority, shall have no right to vote in such matter, in the aforementioned agenda.

2.2.3 Risks in the investment in foreign securities

- None -

Business Driven Toward Sustainability

3. Business Driven Toward Sustainability

3.1 Policy and Objective on Sustainability Management

Sustainable Development Policy

The company adheres to business undertaking with recognition of the importance of the entity's sustainable development under the good governance principle corresponding with the entity's vision, and commitment "being an expert in the used vehicle hire purchase finance market, being a fair-trading partner providing excellent services, and creating long term value add for stakeholders". This shall be the entity's guiding principle in its operations covering all dimensions comprising corporate governance, economics, social, and environmental in considering effects against all stakeholder groups in the company's value chain. This shall be for the long-term value add, and entity sustainable development. The company has established the sustainable development policy as guiding framework for the sustainable management as follows:

Corporate Governance and Economics

1. Business engagement in accordance with the good governance principle, with integrity, transparency, fairness, with adherence to law, regulations supporting fight against fraud and corruption practices, risk management, and prevention of exploitative conduct and impropriety.
2. Work process improvement and development emphasizing quality and service standard, encouragement of innovation and new technology in response to needs and satisfaction for customers, trading partners to enhance competitive capability.
3. In search of funding sources, and new trade alliance for the creation of growth in business continuingly.
4. Encourage and support business alliances to engage in businesses with trading partners, and customers including other stakeholders in the business chain, with business conduct in accordance with the sustainable development guideline.
5. To maintain cyber security and protection of personal information.

Social Dimension

1. Undertake business adhering to human right principle, equality, and fairness toward all groups of stakeholders, refrain from and not involve in various abusive acts.
2. Promote skill development, human potential, arrange for welfare, appropriate and equitable compensation.
3. Recognize the importance of attentive and quality service, safety, occupational health and working environment of employees, trading partners, visitors, and customers.
4. Encourage conscientiousness regarding entity sustainable development as a corporate culture.
5. Participate in social responsibility, encourage and promote to become a part of life quality development, job creation, economy, community, and education.

Environmental Dimension

1. Undertake business with due consideration for community, society, and environments in the vicinity and the public without causing negative impact. This includes cooperation and support for greenhouse gases reduction to zero project, in order to jointly participate in global climate change crisis resolution.
2. Promote provisioning of knowledge, creating conscientiousness for directors, executives, and employees at all level for understanding and preservation of environment, and a worthwhile and efficient resource utilization for example electricity, water, paper, refuse, fossil fuel energy, greenhouse gas release.
3. Promote and campaign for utilization of various environmentally friendly products and equipment.

3.2 Impact Management toward Stakeholders in the Company's Value Chain

3.2.1 Business Value Chain

The company is engaged in financial service business through the used vehicle hire purchase finance business, and insurance policy renewal service, environmentally friendly credit product. Primary activities comprise:

(1) Inbound logistic management, credit and insurance product design and development appropriate with the company and consumer objective, considering sourcing of fund and borrowings, entities engaging in vehicle trade, and insurance companies.

(2) Operations to provide up to standard, convenient, speedy, and fair financial services namely vehicle hire purchase finance, loan credit, insurance policy renewal, including annual registration renewal, to trade partners, and customers in accordance with relevant rules including system and technology development to ensure security in financial services.

(3) Outbound logistic management to provide customer services via company's head office, branches, and vehicle service center or vehicle dealership where customers apply for credit.

(4) Marketing and sales to provide complete and clear product service and information, useful and sufficiently for customer decision making.

(5) Customer Services after sales with provisioning of payment receipt information, payment status report, debt balance inquiry via phone or company application, listening to suggestion, opinion, and product and service complaint, and customer private information protection.

Supporting activities to enable achievement of the above objectives consist of all department entity structure administration including credit analysis, accounting, finance, law and collection, procurement, information technology, business development, human resources, through recruitment, selection of quality human resources appropriate to the job position, with growth potential. This includes also system and technology development to support functioning, and enhancing competitive potential, and business development to compile, assess, analyze information for product development, and business expansion with all business components operating under the company strategy and objective to enable achievement of objective with efficiency.

3.2.2 Stakeholder analysis within the business value chain

Relationship between the organization and stakeholders

Exhibit depicts relationship between the organization and stakeholders

Stakeholder	Channel of Communication	Need/Expectation Examples	Company Response Guideline to Stakeholder Example
Shareholders/ Investors	<ul style="list-style-type: none"> - Shareholders' meeting - Various Information disclosure per regulatory requirement - Investor meeting through participation in certain activities - Information dissemination via investor relation/ Chairperson of the Executive Committee - Analyst meeting/ investor meeting - Company Secretary, and investor relation unit, contact channel establishment via company website. - information, lead, and complaint submission 	<ul style="list-style-type: none"> - Trusting company administration, providing funding support through capital increase for sustainable business growth - Financial return (dividend and share value) good operating results, and steady dividend payment - Receiving information accurately, complete and timely - Business engagement and administration with fairness, transparency in accordance governance principle 	<ul style="list-style-type: none"> - Administration through ethical conduct, and good governance principle - Business engagement with due care for the sustainable growth for the best interest and impact of all stakeholders. - Equal treatment toward shareholders, and monitoring shareholders' right responsibly by the Board of Directors - Investor relation unit has the duty of information and news disclosure, accurately, complete, pervasive, and performing duties with due care - Comprehensive risk management with regular risk factor ID and modification
Creditor	<ul style="list-style-type: none"> - Agree to execute loan agreement - Creditor meeting 	<ul style="list-style-type: none"> - Compliance with terms and condition of the agreement - Proceeding with repayment strictly with term and punctual - Maintenance of honesty, transparency, professionally in business engagement 	<ul style="list-style-type: none"> - Strictly compliance with terms of agreement and timely - Establish and conduct in accordance with financial liquidity management plan with efficiency. - In the event company policy changes, the unit directly responsible shall be assigned the task of forwarding letter / arranging for meeting to clarify/ create understanding for such matter with creditor in compliance with company policy

Stakeholder	Channel of Communication	Need/Expectation Examples	Company Response Guideline to Stakeholder Example
Trade partner	<ul style="list-style-type: none"> - Disclose clearly company standard policy and practice guideline for treatment with trade partner - Agree to execute agreement - Trade partner visit - Lead, complaint, and suggestion submission channel - Management meeting with trade partner to nurture a good and sustainable relationship to listen to problem and find improvement resolution with trade partner 	<ul style="list-style-type: none"> - Maintain good relationship - Fair return on business - Maintenance of honesty, transparency, professionally in business engagement - Strict compliance with trade terms and condition for vehicle and expense payment punctually 	<ul style="list-style-type: none"> - Maintain policy and procedure for the selection of trade partner, agent, various service providers with fairness and clarity, and in accordance with trade terms. - Establish appropriate rate of return on trade in line with industry practice. - Discussion and negotiation with trade partner to enable achieving a mutually satisfactory cooperative agreement - Implement internal audit function performing audit and control to ensure compliance with policy against fraud and corruption practices - Intent on creating good relationship with trade partner, as means to maintain market position, and best interest of both without contradiction with moral value or tarnishing company' s reputation
Customer	<ul style="list-style-type: none"> - Customer satisfaction survey - Complaint and suggestion submission channel - Customer visit by Management or its representative to nurture a good and sustainable relationship - Providing credit service through marketing staff and branch office 	<ul style="list-style-type: none"> - A fair hire purchase contract - Compliance with terms and condition of the agreement - A standard and quality service - To provide complete and true product information - Speedy product delivery - To maintain customer satisfaction - To protect private personal information - To assist customer upon facing problem 	<ul style="list-style-type: none"> - To provide advice regarding vehicle purchase and application for hire purchase credit finance - To provide convenience and speed - To arrange for customer purchase of insurance coverage with a sound insurance company - The company arranges for hire purchase contract with terms and conditions appropriately and fair to customer. - Upon customer reported unfair treatment, the company shall consider compensation for damage as appropriate. - To respect customer's right to take possession of and use of vehicle, and receipt of hire purchase vehicle registration - To develop product and service with responsibility and appropriate for customer - To comply with the debt collection act, money laundering act, and other relevant laws. - To protect private personal information, and maintain cyber security

Stakeholder	Channel of Communication	Need/Expectation Examples	Company Response Guideline to Stakeholder Example
Employee	<ul style="list-style-type: none"> - Employee satisfaction survey - Complaint and suggestion submission channel - To arrange for training and development for knowledge, potential enhancement, and operational skill - To arrange for various labor relation activities - Entity governance, and ethics manual, and employee manual - To communicate announcement, order, various public relation news through activity board, group line, or email. - Occupational Health and Safety Committee meeting 	<ul style="list-style-type: none"> - A good, appropriate, and fair compensation and fringe benefits - There is safety and good working environment - There is training and development for employee potential - There is job security and advancement - To participate in development planning in accordance with the individual position level and responsibility - To attend to complaint and respect for human right - Management of complaint issues, and protection of providers of lead fairly. 	<ul style="list-style-type: none"> - There is improvement in employee fringe benefit regularly to be appropriate to the present environment for example low interest rate employee loan - The appointment of an employee welfare committee with tenor of 2 years to act as employee representative - Development and improvement in the administration of occupational safety, health, and work environment - There is policy encouraging management and employee participation in training/ seminar, enhancing essential knowledge and skill as appropriate to individual function. - Arrange for performance assessment (KPI) - Arrange for position succession plan for employee professional advancement - Employee rotation plan to enable employee who wishes to transfer, or learn other work function, to move to department of their desire with approval from relevant departments - To establish fair compensation commensurate to result of performance appraisal.
Competitor	<ul style="list-style-type: none"> - To participate in Thai hire purchase business association meeting - To conduct business with ethics, professionalism, without distortion, false accusation or harassment on competitor. 	<ul style="list-style-type: none"> - To engage in business with ethics and professionalism - to refrain from misinformation or false accusation 	<ul style="list-style-type: none"> - To engage in business and compete with transparency, fair, without misinformation to discredit, false accusation or harassment of competitor - To arrange for regulation, and marketing staff and related, training to conduct their duties with ethics without conflict of interest with the business of the company - To create cooperation among employees to enhance development in the industry

Stakeholder	Channel of Communication	Need/Expectation Examples	Company Response Guideline Example
Community, society, and environment	<ul style="list-style-type: none"> - Complaint and suggestion submission channel from stakeholders - Public charitable activities, community development, and various campaigns - Public relation, information and news distribution for understanding 	<ul style="list-style-type: none"> - Business engagement with concern for community, society and the environment nearby and at large without negative impact on them. - To care, develop, and promote continuingly quality of life in the community and society - To participate with the community and society with openness listening to idea and suggestion. 	<ul style="list-style-type: none"> - To engage in business under the policy of responsibility toward society and the environment with regular appropriateness review - To organize activities for the community, society, and environment, with employee participation to access nearby community creating exchange of understanding - To create conscientious toward promoting organizational culture that values responsibility, recognizing various impacts on the community, the society, and the environment. - Encourage and promote projects of the types that conserve energy, and mitigate impact on environment continuingly. - The support community product and service to create income for the community
Authorities/ relevant organization	<ul style="list-style-type: none"> - to participate in meeting, training, seminar, exchange of knowledge and information, sharing of skill and experiences - Activities and social networking per agenda and opportunities to strengthen relationship - to contact, coordinate via responsible authorities - Information, lead, and complaint submission 	<ul style="list-style-type: none"> - compliance with relevant law, rules, and regulation - To engage in business with fairness, ethics, and responsibilities toward the community, society, and the environment - To cooperate and support in various aspects 	<ul style="list-style-type: none"> - To engage in business in accordance with the governance principle, and strict compliance with laws, rules and regulation of the authorities - To monitor the changing relevant law and requirement, regular company policy and regulation review to correspond completely and accurately with the law and regulation - To report information completely and in accordance with requirement of laws. - To cooperate to be part of the assistance for development of the economy, the community, the society, and the environment. - To participate in the coalition of the Thai private sector against fraud and corruption (CAC) pending.

3.3 Sustainability Management in the Environmental Dimension

3.3.1 Policy and Practice Guide for the Environment

To provide guidance in the business engagement toward the sustainable growth within the recognition of the importance of natural resource consumption including the impact arising directly and indirectly toward the environment, the company has prepared the social and environmental responsibility policy.

For the year 2022-2023, the company undertakes to increase the importance of the environmental management and care with the following objectives:

Environmental Management	Short term target (1-2 years)	Operating Plan
Energy Management	To reduce electricity energy consumption by 1-2% in comparison with base year	<ul style="list-style-type: none"> - Campaign for using stairs instead of elevator. Turn off air-condition 30 minutes prior the closing hour everyday - Prepare electricity consumption as necessary project; prepare PR media for electricity consumption information - Purchase energy saving electric appliances replacing broken down appliances - Create conscientious for appliances care with respect to turning them off after use. - Regular maintenance and inspection of the functioning of electric appliances - Retention of proper electricity consumption information, inspection of branch electricity consumption
Water Management	To reduce water consumption by 1-2% in comparison with base year	<ul style="list-style-type: none"> - Campaign for electricity consumption as necessary only, take good care of equipment - PR to provide knowledge about water saving guideline, and economical and efficient water consumption - Retention of proper water consumption information, verifiable for all branches
Refuse, waste, and pollution Management	To reduce waste by 1-2% in comparison with base year	<ul style="list-style-type: none"> - Campaign for recycle of used paper, with sorting of document for reuse without infringement on private personal information protection law - Develop system with emphasis on electronic transactions - Prepare issuing and consumption of paper report for each department on a quarterly basis, posted to company group line media - PR to provide knowledge regarding saving paper guideline with efficiency and disposal of hazardous waste - Retention of proper paper consumption information, verifiable of each department/ branch
Greenhouse gas management	To reduce greenhouse gas release by 1-2% in comparison with base year	<ul style="list-style-type: none"> - Purchase energy saving electric equipment to replace broken down equipment - Procure equipment produced from environmentally friendly resources - Campaign for useful activities regarding greenhouse gas release for example use of cloth bag instead of plastic bag - Retention of information about material that releases greenhouse gas within the company for verification and reporting of all branches, enrolled in the project 3 Companions - Green, SCG, and SET for Carbon Reduction

3.3.2 Result of activities regarding environment

The company recognizes that its business engagement may be partly responsible for an indirect impact on the environment for example business component related to used vehicles trade in which their quality may be inferior to new vehicle, and would create pollution from vehicle exhaust upon resource consumption which may damage the environment. The company therefore encourages and advises customer, trade partner for self-inspection of vehicle regularly including vehicle maintenance per timing and distance schedule because abnormality may be detected and corrected promptly rather than having a serious problem subsequently. Regular vehicle checkup shall help maintain vehicle in the ready to use status, saving fuel consumption, extending vehicle life, enabling safety driving, and compliance with law including optimum efficiency and useful to vehicle users. The company has open vehicle repair and service centers applying high technology from Japan to create confidence for customers for vehicle maintenance and without creating pollution for the environment with regular promotion to entice customer entering services. Furthermore, the company provides vehicle warranty product for customers as support in the maintenance of customer vehicle to be in the good working condition, and may reduce customer maintenance expense burden.

The company creates employee conscientious regarding utilization of office equipment, reduce elevator usage and natural resources – tap water, electricity, telephone, air-conditioner, printing paper efficiently, economical, and worth their value, reduction of usage of chemical solution, and certain chemical which create pollution, electrical equipment inspection, cleaning of air-conditioner, and drink water dispenser at least annually. Employees are to improve on their dressing, or uniforms appropriate with the global warming situation, easily launderable with no requirement for ironing by using products which are environmentally friendly, and utilization of uniform for at least 2 years. Current employee uniform usage has been in the 3rd year entering the 4th year as a result of uniform order in accordance with the number of employees 2 year ago. But as the Covid-19 pandemic resulted in reduction of employees, the stock of the original employee uniform has been in surplus and available for additional distribution to employees for the year 2022, and 2023. This shall become expense saving and reduction of production hence help reduce indirectly the global warming effect.

Report of Consumption of Electricity, Water, Paper, and the Greenhouse Gas Emission

During the year 2021-2023 the company has retained information partially on consumption of electricity, water, refuse as a result of missing document problem on certain branches. Therefore, the company shall process on the basis of available partial information with noted remarks on each case. The company has not processed the greenhouse gas emission value assessment which the company shall develop on the measurement of the quantity of future greenhouse gas emission. During the year 2023 the company shall arrange for document registry regarding consumption of electricity, tap water, and paper with relevant authorities to achieve complete document retention.

Exhibit for Electricity Consumption for the Year 2021, 2022, and 2023

Annual Electricity Consumption	Electricity Bill Payment	Quantity of Electricity Consumed (Kw)
* 2021	650,900.94	138,519
* 2022	1,502,094.36	313,893
* 2023	1,856,910.16	380,817

Remarks: * For 2021, information was compiled from 2 branches consisting of HO 1 building, and Pataya Branch with average electricity rate of Baht 4.70 per month

* For 2022, information was compiled from all branches consisting of HO 2 buildings, branches on Kanchanapisek, in Pataya, Choburi, and Chantaburi. For the year 2022 average electricity rate was Baht 4.79 per KW, higher than in 2021 which upon monthly comparison, it was found that electricity consumption has risen.

* For 2023, information was compiled from all branches from January – November 2023 with average electricity consumption rate of Baht 4.88/KW comparing with 2022, increased by Baht 354,815.80 or 23.62%
Electricity expense comprised electric energy, monthly service, and FT value excluding value added tax

On the basis of prior year electricity consumption in the above exhibit, the company needs to modify its strategy and campaign on reduction of electricity consumption targeting at 2% p.a. organizing project or energy saving activities for example budgeting for energy saving equipment purchase, public relation communication for continuing, and regular energy saving procedure e.g. unplug electric equipment after use.

Exhibit for Water Consumption for the Year 2022 and 2023

Annual Water Consumption	Tap Water Bill Payment	Quantity of Water Consumed (Litre)
* 2022	32,649.87	1,142,000
* 2023	32,186.31	1,116,600

Remarks: * For 2022, information was compiled from all branches consisting of HO 2 buildings, Kanchanapisek, Pataya, Choburi, and Chantaburi branches. For 2022, average tap water rate was Baht 0.03 per litre.

* For 2023 all branch information compiled, there was slight decline in water consumption.

For 2024, the company maintains reduction in water consumption policy, continuing compilation of information including initiation of activities which shall help save water consumption efficiently.

Report on paper consumption and plastic refuse.

The company recognizes the importance of environmental conservation e.g. campaigning for reduction of paper use. For the year 2023 it was found that 1,688,496 pages of paper were consumed or 153,500 pages per month as the company modified and improved on various document forms for accuracy, complete in accordance with laws such as PDPA, personal credit which is company's new product. Nonetheless, the company is in process of preparing applications for employees and customers for convenience, speed, and reduction of paper consumption target reduction by 5% p.a. including arranging for Board meeting with E-Document as another means of reducing paper consumption.

There has been campaign for segregation of paper and plastic water bottle from trash with 2023 activities as follows:

1. Reuse of paper that has no private personal information on it, within the company. After usage on both sides of the paper, the paper shall be destroyed through shredder. Used paper with private personal information shall not be reused, but shall be shredded immediately upon complete usage.
2. Collection of plastic glass, spoon and fork for donation with authority or organization who shall make use of plastics e.g. plastic glass donation to upcountry temple for the temple ground sand fill activities.

Report on participation to reduce global warming

1. During 2023, the company participated in the 'Care the Bear Change the Climate Change' project organized by the SET, in which it aims to reduce global warming through reduction of greenhouse gas release by entity initiated activities onsite or online based on the 6 cares principles. These are 1. Travel by electric train, public transport or carpool or bicycles, 2. Reduce paper and plastic consumption, 3. Select decoration materials that can be reused, 4. Reduce energy consumption via electric appliances, 5. Refrain from use of foam material, 6. Reduce creation of waste through scooping only as needed and leaving no waste, with the intent on changing consumer behavior to contribute toward reduction in global warming consistent with the sustainable development goals (SDGs) item 13 'climate action'.

During the year 2023, the company proceeded to reduce greenhouse gas emissions from various activities as follows:

- 1) Arranged for Board of Directors' meeting utilizing supporting documents in electronic form (E-Document)
- 2) Arranged for assistance project for disable people at the Bangkok Disable People Association, with all participants travelled in one vehicle.
- 3) Arranged for team building activities in the province of Samut Songkram, with participants travelled by company arranged transport instead of private vehicles
- 4) Travelled in the same vehicle, for participation in the Korat Bike Fest project,

Such activities combined resulted in a reduction of greenhouse gas emissions by 2,227 Kg of carbon di oxide (KgCo2e) equivalent to planting 247 10-year old trees. For the year 2024 the company intends to proceed with various activities for more reduction of greenhouse gas emissions becoming part of the resolution for global climate change crisis.

2. During 2023, the company worked with company engaging in solar cell business by providing financing for hire purchase or general customers who would like to install solar cell panels which are clean solar energy creating no pollution. Solar cell panel changes solar energy directly into electricity energy without creating CO2, unlike electricity generation from fossil fuel such as coal, the cause of greenhouse effect resulted in global warming. Solar cell energy is considered clean technology without causing pollution inside or outside the house. The company attempts to engage in business in support of the sustainable clean energy production for the benefit of the society, the environment, and the reduction of global warming.

3.4 Sustainability Management in the Social Dimension

3.4.1 Policy and Practice Guideline regarding the Social aspect

3.4.1.1 Human Right Policy

The company recognizes the practice with regard to the respect for human right stringently and supports the exercise of right as a good citizen in accordance with the Constitution and law. The company establishes practice guide for employees in their behavior with co-workers, and other relevant parties with honor and mutual respect, with social mannerism having spirit, and being good mutual example. Furthermore, the company treats employs of all levels equally without discrimination regardless of residential originality, nationality, race, ethnics, color, sex, age, religion, language, physical status, health, marital status, or any social status including the respect for privacy, personal information, the independence in performing any activities within the eligible right in accordance with duties, the law and human right with practice guides below:

- Support and respect the protection of human rights in which the company has no policy, not engaged in, and not involved in such infringement e.g. not engaging in nor support the unlawful force labor or child labor.
- Treatment with employees, related individuals, in the surrounding community and the society with respect for human value, recognition of equal human right, taking care of living condition, helping each other when in distress.
- The company shall not obstruct the expression of political view and the exercise of political right under the provision of laws for all employees at all levels.
- The company has policy for the prevention of sexual harassment, various acts considered to be sexual harassment e.g. verbal expression, criticism related to others' sexual preferences, or undesirable physical sexual expression, hostile expression, threatening in office, or any acts deemed to be sexually undesirable, humorous representation of pornography in office, announcement, distribution, dissemination of information, substance or photograph demonstrating sexual harassment. The company has established penalty for individuals in breach of such matter which shall go through investigative, protection, and penalty consideration procedures.

3.4.1.2 Fair Treatment with the Labor Force

The company is intent on treating labor force or employees fairly by engaging in business in compliance with labor law, human right and ethics principle, recognizing the basic right of the labor force including compensation and fringe benefit for employees appropriately. The company emphasizes occupational safety, health care, and work environment throughout.

- The company provides opportunities for employees at all levels learning, development, enhancing potential, and promotion when opportunities arise appropriately and equally, assessing work procedures, and appraisal regularly, not dismiss or terminate employment based solely on management decision or decision on the basis of discrimination.
- The company provides fairness on consideration for appointment, transfer with due consideration on the basis of individual employees' knowledge, skills, and appropriateness.

- The company hires employees on fair terms. Employees shall receive appropriate compensation in accordance with their potential, compensation, overtime, reasonably with weekly leave, and annual vacation, including pregnancy leave, with employees able to perform to the full potential, and concurrently having time for their family.
- The company shall not encourage force labor, force overtime work in exchange for not being punished or pay deduction.
- The company arranges for channel of communication to listen to opinion, or complaint or providing lead by employees anonymously through drop-box within the company or by email or post to the Audit Committee or the internal auditor or company secretary at the company's address and email address as indicated in the announcement and website.
- The company provides important information to employees to be aware of the company's operating results, status, plan and strategy at the weekly departmental meetings, company monthly meeting, and annual employee meeting.
- The company undertakes and is responsible for process to handle employee complaint, activities which may be in breach of company policy, regulation, articles and law. The Executive Committee shall appoint or assign working committee with the task of compiling factual matters which the individual employee or as a group has engaged in relevant to violation or ignorance to perform in accordance with articles aforementioned. Upon completion of the report, the Executive Committee shall consider order and be responsible to alleviate damage to the parties affected considering damage to the whole as well.
- The company permits independence in expressing opinion, accepts and acknowledges welfare board established by employees through election with terms of 2 years, in accordance with objective for mutual negotiation between the company and employees on every aspect both regarding compensation, and career progress in the department the employees belong. Furthermore, the company shall inform and distribute important information to employees and their representatives results of operations, and actual status of the entity including appropriate information within reasonable time upon changes within the entity.
- The company operates in compliance with law and regulation relating to employee welfare stringently, and facilitates taking care of employees to be entitled to their rights fairly, and equally. Welfare organized for employees are for example annual health check, social securities, provident fund, health insurance, life and accidental insurance, multi-purpose loan, employee uniforms for example including activities to promote harmony, visiting employees taking leave for illness in hospital, new year party, color game, and CSR activities for all employee participation.
- The company recognizes the importance of enhancing good physical and mental health care for employees. The company promotes and supports both physical exercise, and health care activities strengthen mental and physical health e.g. funding support, and uniform for the soccer activities with trade partners, and the participation in training, and sermon listening for example.
- The company supports and provides knowledge for financial investment, tax administration, employee

savings for the future by inviting financial institution representative to provide lecture regarding interesting fund investment in particular investment that provides tax benefit such as the Retirement Mutual Fund.

- The company organizes incentive award to express appreciation in various forms to employees performing duties well or have been with the company for long period of service tenor e.g. board admiration announcement, annual excellent employee award.

- The company arranges for the setup of a safety, health and hygiene, and environment commission for occupational health in business offices, in order to prepare proposed consideration regarding safety, health and hygienic guideline, and environment conducive to work by having safety unit in work or professional official of the company responsible for analysis or search for basic risks which may arise and arranging for the risk assessment of the company to be reviewed annually. The professional safety official and the safety commission shall perform the duties of alleviating danger to health, and promote occupational safety as follows:

- Provide orientation training for new hires prior to commencement of work.
- In the event of employee resignation, there is information retention, employee opinion, suggestion compiled for organizational assessment for the purpose of process improvement within the organization.
- Provide training drill for firefighting, and fire evacuation for no less than 40% of the employee population, and for employee evacuation drill annually.
- Provide knowledge for first aids
- Measure work environment quality annually
- Announce and distribute safety regulation, occupational health, and work environments of the office which have been improved and modified for employees throughout adequately.
- As a result of the gradual recovery from the Covid-19 Pandemic, the Company announced the modification of conference both in physical form and VDO conference with purchase of software and essential equipment, internet network improvement to enable visual and sound presentation with clarity and efficiency.

Safety, Occupational Health, and Work Environment Policy

The company recognizes the importance of health, hygiene, and safety for employees at all levels. The company has arranged and promoted for various activities for example annual health check including sport and exercise activities, with promotion of color sport activities, trade partner sport competition. Furthermore, the company has safety, occupational health and work environment policy with below details:

1. The company strictly complies with requirement of law related to occupational health and safety including other company applicable rules
2. The company cooperates with and provides resources support in the areas of personnel, time, budget including sufficient and appropriate raining to enable development of safety, occupational health, and environment continuingly.
3. The company intends to create employee participation within the organizational control in the undertaking of safety, occupational health and work environment.

4. The company develops human resources within the organization to be knowledgeable, and recognize safety, occupational health, and work environment.
5. The company supports and promotes the improvement of the environment and safe operating procedures including inspection of equipment and tall building safety system as appropriate including the maintenance of good employee health and hygiene.
6. The company considers employees to be company's valuable human resources and therefore safety, occupational health and work environment are considered important company policy.

Over the past, the company recognizes the importance of safety, occupational health, and working environment continually. The company arranged to send employees from various departments to participate in essential training courses e.g. executive level security officer of the Safety and Health at Work Promotion Association (Thailand). Furthermore, the company also participates at the authority organized activities for example SX Sustainability Expo 2023, the ASEAN largest sustainable festival under the definition 'Sufficiency for Sustainability'. The project was participated by world experts, leading entities domestic and foreign to provide knowledge, guidance and interesting innovation through various successful projects from the past until present which shall enable company practical adaption, and changes that will reduce impact on the environment over the long terms under the concept 'Good Balance, Better World'.

Human Resources Development Policy

The company recognizes the importance of potential development for employees at all levels where upon joining the organization, the company intends on creating a corporate culture with commitment and good relationship for the employees in order for all employees to work happily, with unity within the unit or between units. The company promotes and supports employees to participate in training in various courses to enhance knowledge, work efficiency, and service quality corresponding with the changing business demand including business ethics to prepare for higher future duties and responsibility. Management arranges for preparation of rules, procedures of each department, with emphasis on important role for superior in training, caring, and developing employees closely, including promoting and developing of knowledge and potential by engaging with external training institute appropriately with the duties and responsibility of employee at each level and functions for example marketing and services for branch employees, law, accounting, credit analysis, and collection.

3.4.1.3 Responsibilities toward Consumers Policy

- The company recognizes the responsibility toward consumers, operates within policies regarding customer treatment and product quality stringently i.e. to engage in business with honesty, and under ethical conducts.

- The credit extension and after sale service have been intended to maximize customer benefit and satisfaction, speedy and efficient customer services. The company has improved its work process to expedite the credit approval process having plan to provide the one stop service concept including branch expansion into upcountry area.

- In the disposal of company vehicle, price is set reasonably with information provided regarding characteristics and quality of vehicle truthfully and complete to purchaser sufficiently for decision making without bias or omission of important information which may have caused customer misunderstanding regarding quality or other conditions of the vehicles or registration.

- The company preserves customer confidentiality without exploiting customer information for personal gain or for the benefit of others unless with customer consent or lawful disclosure or under authority instruction. During the year 2019, the Company has arranged for the signing of the confidentiality agreement, for acknowledgement and compliance by directors, management, and all employees, including intent announcement regarding safeguarding of confidentiality with all agents and trading partners for practice compliance as well. During the year 2022, the company is in process of preparing policy and practice guideline in accordance with the Personal Data Protection Act BE 2562 along with various relevant documentary forms for employees, trade partners, customers, and stakeholders acknowledgement and compliance.

- The company cooperates and support government measures in the prevention and suppression of money laundering and the funding support for terrorism with company established policies for such purposes for management and employees at all levels to control, monitor and adhere to strictly on a daily basis failing which may expose the company to the risk of being penalized e.g. the preparation of customer identity information, the verification and retention of information for a period of at least 5 years, the risk assessment and rating as pertinent to money laundering of customer prior to engaging in contract or providing credit, the regular review of risk level information, and the monitoring of the customer trading activities, the reporting dubious transactions found within a period 3 working days for example. The company shall proceed to improve on policy regarding prevention of money laundering corresponding with, and correctly in accordance with the implemented law.

- The company has complied with rules, and regulations announced by the relevant government authorities e.g. the consumer protection commission regarding requirement for hire purchasing of motor vehicles, and motorcycles to be the type of business with contract control effective from 10 January 2023, supplementary announcement from government authority regarding debt collection act including compliance with the regulations issued by the Bank of Thailand e.g. the administration of the servicing of customers fairly (Market Conduct). The company has prepared policies, manual, and procedures to create customer confidence equally without taking advantage of them.

- The company arranges channel for customer opinion, suggestion, lead, and complaint regarding credit consideration, product quality and services by contacting the company via post to the audit committee member, internal auditor, or company secretary at the company address or by facsimile 02-641-5995 and company website.

3.4.1.4 Participation in community and social development policy

The company recognizes the importance toward social responsibility for the society, community and the environment by preparing the policy for social responsibility toward the society and the public at large, as

practice guidance for executive and all employees to be conscientious for joint responsibility and becoming part of the society, adherence to local culture and tradition where the company is located. Furthermore, the company has plan to expand branch network to various locations in the country which shall help create jobs and earnings for local community. The company also support joint constructive activities beneficial to the community regularly to improve quality of lives. The company shall refrain from and not support any unlawful acts which may have caused damage to the community and the society, in order to achieve sustainable coexistence.

Innovation and distribution of innovation acquired through responsible operations toward society, environment, and the stakeholders.

The company recognizes the dedication toward social innovation development which may create service standard or works by establishing vision to become expert in the used vehicle market with excellent services and commitment to create the highest potential in services to maintain competitive edge with quality employee dedication for modern technology upholding principle of good governance in response for maximum customer satisfaction and returning the highest benefit to stakeholders with fairness and social responsibility.

The engagement in motor vehicle hire purchase finance of the company relates to economic and social development in enhancing opportunities in the acquisition of used vehicles of consumers with restriction or demand for use in different circumstances both for personal and professional engagement e.g. motor vehicle, big bike motorcycle, trucks.

The company cooperates with vehicle insurance companies who are trade partners, supporting customers under hire purchase for vehicle insurance to protect vehicle, and reduce customer burden for vehicle repairs and/or financial compensation when accidents occur. The company also works with life insurance companies who are trade partners supporting all hirers to purchase life insurance to protect against vehicle hire purchase in which insurance company shall take over the hire purchase debt balance outstanding in the event hirer becomes incapacitated or loss of life. The company started special price health insurance program for company customers in which the life insurance company provides support for health care cost for sickness upon customers meeting medical doctors occasionally, including in-patient costs at hospital as well.

Furthermore, at present the company has developed application to speed up credit approval, and electronic payment conveniently, and promptly within systematic service standard efficiently and safely for the electronic transactions to achieve utmost customer satisfaction. The new improved system enables reduction of working procedures of each department resulted in employee working flexibility. The company has improved customer file retention by document scanned and stored within computer instead of photocopies thus reducing paper consumption and ease of document search in future transactions. The company has improved the communication system from the parallel system into the IP PHONE 3CX, supporting quantity calls, reduction of phone bill substantially, and be able to record conversation in supporting the new collection act.

For the year 2023, the company has added new credit product to provide solar cell panel installation financing which is the utilization of solar energy in place of electricity energy for the general public. The company is in-process of application software development for employees and customers. The company has

applied for the individual digital identification service system or NDID in which the company has coordinated with the Department of Provincial Administration for free NDID service, to support sales growth which resulted in quantity of works both in documents and customer information, credit analysis, and monitoring and collection rising substantially in leaps and bounds. The Audit Committee including Company's internal auditor were of the opinion that the company should change or modify its various application software systems in its operation to be connected for speedy and correspondingly appropriate with the Company's growth. They believe the company should enter into consultancy contract with expert who possessed skill and experiences in the administration of technology appropriately with the credit and relevant businesses. This should enable technology investment decision appropriately and with utmost efficiency.

The company intends to transform good idea into positive reality and intends to create an environment and situation conducive to the continuing development until it becomes the company's standard operating procedures which is the innovation enhancing quality service efficiency, valuable toward the society and providing value-add to the company.

3.4.2 Results from Social Engagement Activities

3.4.2.1 Results from Engagement in Human Right Activities

- The company assesses risks which may arise from human right infringement as part of the risk management report audited and verified regularly. During the 4th quarter of 2023, the joint meeting of management with the sub-committee for risk management intended to improve company risk assessment in the following topics regarding human right risk:

Risk issue on human right	Affected group	Risks	Measure and risk management
1. Operations	Marketing personnel	Employees are required to service customers, trade partners or government authorities daily which may affect physical and mental health.	<ul style="list-style-type: none"> - Supervisor and employee jointly plan division of customers appropriately. - Arrange for seminar to create relaxation, enhancing work knowledge at least once a year. - Arrange for an appropriate KPI
2. Operations	Asset pending disposal personnel	Employees are required to verify vehicle condition to assess vehicle perfection which may affect individual health.	<ul style="list-style-type: none"> - Support through provisioning of work equipment to protect against pollution e. g. health mask - Annual health check to protect against various diseases.

- The company encourages and provides opportunities for all groups of stakeholders internal and external, all employees, shareholders, community, society participation in expressing idea when there is company or personnel activities which may infringe upon human right, for the benefit of reflecting on problem and search for joint resolution by open up channel of communication for idea, suggestion or complaint at the company's address indicated on the company website.

- The company provides job hiring opportunities including handicap equally. As for handicap hiring, the company has complied with requirement to provide for employer contribution to the Persons with Disabilities Fund all along. During the year 2023 there has been no handicap hiring since the position requires special skill and expertise and there were no handicap individuals with the same qualification apply for the job. In the future when the company is ready to provide training for special skill for example collection skill, the company may start up training course for such subject for interested handicap to provide opportunities for learning and increasing special work skill and more job hiring opportunities.

3.4.2.2 Results for Fair Labor Treatment

Employee

Hiring

The company has hiring policy emphasizing equality without restriction or obstruction on the basis of sex, status, race, religion, and culture. During the year 2023, the company has 262 employees with age group, sex, level of education, and various natures of operations.

Number of new hires and termination

Type of employees	Type of hiring	Number of individuals		
		2023	2022	2021
New hires	Permanent	25	10	2
	On contract	45	10	19
Total		70	20	21
Termination	Permanent	23	20	18
	On contract	29	5	-
Total		42	25	18

Proportion of employees classified by sex

	2023		2022	
	Number of Employees	Percents (%)	Number of Employees	Percents (%)
Male employees	129	49.24	109	46.58
Female employees	133	50.76	125	53.42

Proportion of employees classified by age

	2023		2022	
	Number of Employees	Percents (%)	Number of Employees	Percents (%)
Between 20 – 30 Years	62	23.66	62	26.50
Between 31 - 40 Years	103	39.31	85	36.32
Between 41 – 50 Years	68	25.95	62	26.50
Over 50 Years	29	11.07	25	10.68

Proportion of employees classified by years of services

	2023		2022	
	Number of Employees	Percents (%)	Number of Employees	Percents (%)
Less than 2Y	87	33.21	47	20.01
2Y – 5Y	64	24.43	70	29.91
5Y – 10Y	53	20.23	58	24.79
More than 10 Y	58	22.13	59	25.29

Rate of basic compensation for male and female employees

During the year 2023, rate of compensation for male employees accounted for 56% and female 44% (Based on all employee basic compensation both permanent, and on contract)

Rate of employees remaining with the company after pregnancy leave

During the year 2023, there were 133 female employees, 5 took pregnancy leave, 3 of whom resumed working for the company (60%).

Work stoppage as a result of injury

During the year 2023, there were no accidents at work. Report has been submitted to the Department of Labor Protection and Welfare on a quarterly basis. Furthermore, the company supports development of employees at all levels to enhance their knowledge, and capability.

Sickness and Leave as a result of Covid-19 Infection

During the year 2023, there were 20 employees infected with Covid-19 all of whom have been cured and returned to work normally. The company establishes appropriate rules in the event employee Covid-19 infection is found, employees in the section/department are to stay home under medical care or until fully recovered. The whole office building shall be subject to disinfectant spray. For this year, to encourage better self-care Covid-19 infected employees will be subjected to deduction on sick leave but unaffected on salary or regular pay. The company has appropriate rules in the event Covid-19 infection is found, to inform the HR Department.

Employee Development

During the year 2023, the company has arranged for internal and external training totaling 22 courses with total training hours of 824 hours which may be converted into average employee training hours of 3.15 hour/employee/year. Employees and executives may participate in the internally arranged courses, including new employees. For new hire, the company arranges for orientation coursed for 3 hours to enhance knowledge, company background, nature of business, labor and welfare information, occupational safety and health, work environment, good governance principle and anti-corruption policy. Furthermore, the company arranges for employee training regularly annually to increase skill and expertise in courses related to the responsible function on average for at least 12 hours annually. Course content emphasizes work skill and communication including regulation, laws relevant to company and customers, new accounting system for public company for example.

1. Management Level

During the year 2023, internal training courses are Practice Guidance for the Marketing Department Year 2023, and acknowledgement of Policies and Practice Guidance for Marketing Department Year 2023.

External training courses were EV Credit Administration Technique, Litigation and Execution of HP Cases, and FI, the implementation of HP Credit System online, class 5, updated 2023, Update 2023 for Prevention and Suppression of Money Laundering Act, KYC/CDD relevant laws, risk management related to money laundering for entities responsible to report per article 16 (3) for entities engaging in HP business and vehicle trade, THPA Dinner Talk 2023 on 'In-depth consumer behavior, vehicle trend, and Thai EV 2024 post Thai election, and world financial crisis', Effective internal organizational communication and coordination, CFO 2024, blueprint for planning, control, supervision, and verification for Accounting Manager (new course 2023), Financial Statement Analysis, read and analyze financial statement for planning and business decision purposes, financial statement analysis for executive and accountant to assess strength and weakness and to apply the results in business administration.

2. Employee Level

For 2023, internal training courses are Practice Guidance for the Marketing Department Year 2023, and acknowledgement of Policies and Practice Guidance for Marketing Department Year 2023, effective techniques for negotiation, demand, follow-up, and collection.

External training courses include EV credit administration technique, WHT and hot e-WHT issues, debt demand act BE 2558, update BE 2566, practice guide on debt demand, correct method of repossession, and professional governance, registration and EV insurance, vehicle registration update 2023 which FI should know, litigation, HP case execution and FI, HP credit system implementation online, class 5, update 2023, update 2023 Prevention and Suppression of Money Laundering and other relevant laws, KYC/CDD preparation, risk management on money laundering for entities with reporting responsibilities per article 16 (3) for entities engaging in HP and vehicle trade, THPA Dinner Talk 2023 'in-depth analysis on consumer behavior, and trend for Thai vehicle and EV 2024, post Thai election, and world financial crisis. FI debt administration as pertinent to compromise, meditation, negotiation technique, effective technique for internal organizational communication and coordination, tax for accountant, whole system tax and duties, update accounting and tax and duties for accountant 2023, accounting recording issues as pertinent to HP, installments, and leasing, and relevant accounting standard, accounting recording toward year end/ beginning of year, for accountant, 2023 update, the prevention of fraud, vehicles and motorcycles, litigation, and corrective action and follow-up of vehicles for FI, business accountant, professional HP firm as pertinent to TFRS-9 for HP leasing and leasing.

As the company established employee average training hours of 12 hours per employee p.a., the average training hours for 2023 was 3.15 hours per employee per year, was below target because training organizing institution or organization for employees relating to the company's businesses were available for certain courses only. For 2024, the company shall locate courses and arrange for training for executives and employees sufficiently and in accordance with target.

Employee Welfare

- **Annual health check**

The company arranged for basic health check and in-depth analysis for example the search for intestine and liver cancer cell including influenza vaccination for all employees who have not been vaccinated over the past year by medical and nurse team from the Rama IX Hospital in order to identify deficiency or risk element to the body for employee awareness and prompt medical care. Over the past year, result of health check for all employees reported healthy physical condition without serious occupational disease infected from work place.

- **Annual environmental quality check for the year 2023**

The company hired Life & Environment Co., Ltd. as inspector for environmental quality assessment, air quality in the building on 8 and 9 November 2023.

For the year 2023, on the basis of air quality measurement consisting of dust, carbon di oxide, air movement, moisture, relative humidity, bacteria, and light intensity, found dust of the size smaller than 2.5 micron (pm 2.5)

Carbon di oxide (CO2) content, air movement, relative humidity, bacteria, and light intensity have been within standard required by the Ministry of Labor with the exception of dust of the size below 10 micron (respirable dust) found 4 out of 10 measurement points of intensity greater than standard requirement, and temperature below standard 2 out of 4 measurement points. The company shall adjust temperature and moisture content appropriately at 25 degrees Celsius and 65% respectively including floor and ceiling cleaning, maintenance of air conditioning filters in the AHU regularly.



- **Disinfectant spray for the prevention of Covid-19 virus Infection**

As a result of Covid-19 pandemic, in the event employees are infected, the company shall provide disinfectant spray to prevent further spread of the Covid-19 virus to ensure confidence for employees, customers, and visitors to the company both at HO, and branches that the virus has been contained.



- Inspection of electricity system, fire warning, emergency lighting, and emergency exit lighting

The company hired Thai Abba to provide inspection of the aforementioned systems on 19 October

2023 at HO to inspect electrical equipment e.g. elevators, electricity cables, outlets, main cutout, fire warning system check, emergency light, and emergency exit light check with all the inspections met standard requirement.



- Drill project for the prevention and fire extinguishing plan in entity office and primary fire extinguishing training for the year 2023

This annual project event is for all employees in the organization to be knowledgeable, acquire understanding, and able to prevent, inspect, mitigate risks of fire incident, and prevention of the loss of lives and property, able to control situations, and quickly resuming normal conditions, in compliance with law regarding prevention and extinguishing fire, with training and evacuation drill at Ho on 11, and 17 November 2023 conducted by Navasiri Group LP for providing knowledge and training both theory and practices.



Employee loan

As a result of the Covid- 19 pandemic, certain employees have been adversely affected e.g. family members are out of job or family business affected, the company therefore improved on employee loan benefit (interest rate below other FI) as support and reduction of burden of the affected employees with due consideration on necessity, and prospect for repayment.

- **Inspection of drinking water quality and cleaning of water dispenser**

The company undertakes to inspect drinking water quality and cleaning the water dispenser regularly to ensure employee confidence in drinking water quality, and good health including improvement of water quality.



3.4.2.3 Results of Responsible Activities toward Customer and Stakeholders

- As a result of Covid-19 pandemic started in 2021, the company has still engaged in project to assist consumers continuingly. For the year 2023 the company proceeded to restructure debt for consumer as well as participated in the debt mediation festival with the department of right and liberty protection, the Ministry of Justice (Jan-Sep 2023) for debt mediation, with debtor proposed resolution for repayment terms. The company has initiated the BY ECL debt resolution clinic project in 2023. ECL staff visited customers to learn about problem and guideline for resolution coupled with promotion of learning about planning and building good financial discipline for customers.

- The company considers credit extension for the SME groups for construction, transportation, agriculture increasingly. This is to enable customers to make use of vehicle commercially, to engage in business and create income that should result in more active economic activities.

- The company accepts complaints from customer or stakeholders from phone contact, website, email, face book, and company line in which the HR, and company secretary act as recipient and forward the matter to relevant management unit for issue review and resolution. In the event if the issue might affect the company, the operational compliance department shall coordinate, and takeover the matter for issue review and resolution correctly, appropriately, and quickly.

As for the NCB section, during 2021, the company received 2 complaints both have been in process of verification and completed. As for the years 2022, and 2023 there were no complaints received.

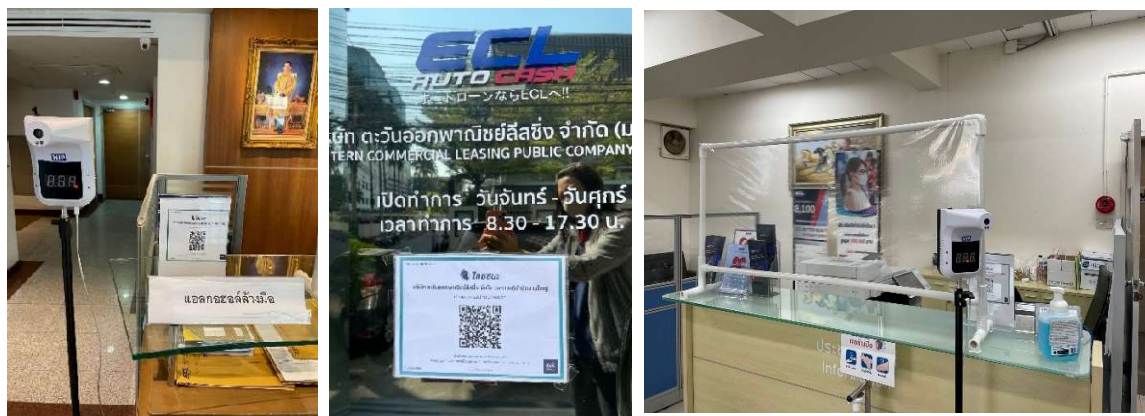
- The company has prepared channel for customer suggestions, satisfaction scoring in various aspects of services. There are 2 channels i.e. 1. Service satisfaction scoring machine at the counter where customers receive services consisting of the PR counters in Building 1, and 2, and the registration and finance section on the 3rd floor. Result of scoring for satisfaction from high to low are correctness, completeness of meeting

demand, at ease and politeness, attentive and anxious, convenience and fast, information with clarity and ease of understanding.

The second channel is to score and provide suggestions via company's online media consisting of website, face book, and company's line application. For 2023, there have been increasing usage of the online channel upped by more than 100% (232% increase). in comparison with 2022. Customer satisfaction scoring overall was at medium rating. For 2023, there were decreasing complaints via online media but still with some complaints e.g. not receiving receipts/contact for receipts has not been responded to/fail to contact/complaint for official to be more attentive at servicing customers. HR and company secretary act as receiving officials compiled all the complaints and forwarded issues to related department management for resolution and corrective action e.g. monitor and verify customer receipt, return contact customer ASAP, arrangement for official, employee training, to create positive attitude, better working atmosphere for officials/ employees relaxing from stress, capable of better servicing customers. For the contact problem for the year 2023, the company has improved by increasing channels of communication from 2022 e.g. Instagram, tik-tok pending customer PR.

For 2024, the company shall accelerate public relations on all contact channels that customers may contact, enquire increasingly. Also in 2024 the company is launching the customer application for balance information enquiry, receipts for example which should provide greater convenience to customers.

- As for customer servicing department the company still maintains cleaning for table and chairs, pens with cleaning alcohol.daily, arrangement for temperature measurement equipment, hand cleaning alcohol, and disinfectant spraying monthly at a minimum



3.4.2.4 Results of Participative Activities for Community and Social Development

The company supports constructive activities for community regularly in order to create conscience of public services. For the year 2023 the company engaged in below projects:

- Inviting executives and employees to join children's day activities for scholarships, and rewards distribution to students at Wat Uthai Tharam School. Bangkokpi sub-district, the same as the company.



- Inviting executives and employees for donation of fund and wheelchair to the Bangkok Disable People Association



Management Analysis and Explanation

4. Analysis and Explanation of Management

4.1 Operation and Financial Position Analysis

- Operating Results Overview

The Company extended new credit during the year 2023 amounting to Baht 2,709.62 million, up from Baht 1,895.64 million during the year 2022, Baht 813.98 increase or 42.94% over that of prior year as a result of economic recovery toward year end as driven by the tourism sector and the private sector consumption, good expansion resulted from customer group with regular salary. The company continued its credit extension policy with caution. There have been other important factors to consider namely the economic trend, and the upward adjustment in policy interest rate gradually and appropriately with the corresponding economic expansion.

The results of operations for the year 2023 reported comprehensive net profit of Baht 108.20 million from consolidated financial statements, a decrease of Baht 76.37 million or 41.38% from prior year. This was a result of greater credit extension but with caution, competition in hire purchase rates, decline in various fees receipt, increasing costs of interest throughout the year, including impairment provisioning for the tourism related customers who has just started recovery. The company still maintains doubtful debt provisioning for this watch group for close monitoring. This resulted in the slight increase in hire purchase income and fees but with substantial increase in expenses. Nonetheless the company maintains good operating results as derived from various department management e.g. follow-up on settlement of loss resulted from vehicle disposal and doubtful debt recovery.

- Revenue

Revenue was Baht 653.99 million, Baht 38.34 million increase or 6.23% over prior year. Hire purchase income was Baht 468.27 million, Baht 18.26 million or 4.06% increase from prior year. During the years 2021, 2022, and 2023, hire purchase income rose gradually and continuingly. During the year 2023 the company still provided assistance to customer continuingly via debt restructuring to reduce installment payment to enable continuing repayment in the midst of the beginning of the economic recovery. Furthermore, the Consumer Protection Board has established ceiling for hire purchase interest rates for all types of vehicles as well as delayed payment penalty rate. All of these resulted in dampening revenue growth.

The Company's rate of interest receipt during the year 2023, and 2022 were 10.66 and 10.73%, with net interest margin of 5.91, and 6.94% respectively (details per section 4.3.2, Statement of Income Summary exhibit, and section 4.3.4 Important Financial Ratios).

Rate of Interest receipt for the year 2023 and interest margin decreased as a result of intense competition in hire purchasing rate for the used vehicle market, and the company decided to increase rate of interest slightly to maintain competitiveness, coupled with the increasing proportion of motorcycle credit which generated higher rate of interest and concurrently the rising prevailing financial institution lending rates throughout the year.

Other income amounted to Baht 154.78 million consisting primarily of fees and service income related to credit extension, collection, and insurance commission earned, bad debt recovery Baht 25.15 million from amount already written-off, and accelerating measures taken by legal department.

- Expenses

During the year 2023, expenses and corporate income tax amounted to Baht 551.73 million, increased by Baht 112.76 million or 25.69% from Baht 438.97 million in 2022.

The company's selling, general, and administrative expenses amounted to Baht 396.50 million, increased by Baht 103.90 from Baht 292.60 million of prior year the majority of which was a result of loss from sale of repossessed vehicles amounted to Baht 53.01 million, as a result of faster disposal of repossessed vehicle.

Borrowing cost consisting of interest expense amounted to Baht 129.16 million, an increase of Baht 27.07 million or 26.52% as a result of continuing growth in credit extension corresponding with increase in borrowings coupled with increase in the bank lending rates throughout the year, and borrowings from low interest rate sourcing have also adjusted interest rate upward. The rates of borrowings during the years 2023 and 2022 were 4.75 and 3.79% respectively (details per section 4.3.4 Important Financial Ratio).

Bad debt written-off during 2023 amounted to Baht 47.93 million, decreased by Baht 32.57 million from 2022 of Baht 80.50 million. Expected loss provisioning was Baht 38.65 million increased by Baht 82.37 million, from prior year reversal of provisioning amounted to Baht (43.72) million in 2022 primarily for increasing provisioning from the rise of hire purchase receivable and debtors under litigation, and specially considered case-by-case basis provisioning e.g. tourism related receivables, A/R with compromising agreements in cooperation with the Execution Department.

Financial Position

- Total Asset

Total asset for the year 2021, 2022, and 2023 amounted to Baht 4,849.39, 4,442.16, and 4,982.21 million respectively. The increase of Baht 540.05 million in 2023 was a result of increase in the hire purchase receivable portfolio, and other receivables related to the increase in personal credit products. The company invested in joint venture with book value of Baht 65.86 million increased from Baht 5.95 million, and long term equity investment in the vehicle maintenance service business of Baht 3.88 million (net off impairment loss in full).

Returns on Asset for the years 2021, 2022, and 2023 were 3.59%, 2.61%, and 1.56% respectively. Return during the years 2023, 2022 increased at a lower rate than that of 2022 as a result of the number of consecutive years of economic slowdown. Even though the year 2023 experienced a gradual and slow recovery, the rate of return has adjusted upward only slightly. Also in 2023, the company's expected loss provisioning has been greater than 2022.

The company's net asset pending disposal for 2023 was Baht 19.25 million against Baht 10.21 for the years 2022, an increase of Baht 9.04 million. The company has a speedier repossession and sales of

repossessed motor vehicles. As at year end, the company's appraisal prices were in line with market condition. Loss from vehicle sales was with recourse to debtor and litigation proceeding continues.

- Quality of Receivable and Provision for Doubtful Debts

Receivables and provision for doubtful debts for the year 2023 and 2022 are with below details:

Baht Million	2023	2022
Hire Purchase Receivable	5,926.92	5,021.69
Deduct – Unearned Interest Income, and Brokerage Fee Undue	(1,012.02)	<u>(767.02)</u>
Hire Purchase Receivable Net of Unearned and Brokerage Fee	4,914.89	4,254.67
Deduct – Reserve for Bad Debt	(219.39)	<u>(170.30)</u>
Net Hire Purchase Receivable	4,695.51	4,084.37
Loan Receivable	7.12	0.00
Deduct – Reserve for Bad Debt	(0.12)	<u>(0.00)</u>
Car Loan Receivable Net	6.00	0.00

For the year 2023, the company's hire purchase receivables and the provision for doubtful debts are as follows:

	Receivables net off unearned interest	Provision for expected credit loss
Level 1	4,236,457,725.37	67,237,842.51
Level 2	396,086,339.58	45,998,380.70
Level 3	<u>282,353,391.25</u>	<u>106,154,309.91</u>
Total	<u>4,914,897,456.20</u>	<u>219,390,533.12</u>

For the year 2022, the company's HP receivables and the provision for doubtful debts are as follows:

	Receivables net off unearned interest	Provision for expected credit loss
Level 1	3,744,861,340.68	61,638,134.24
Level 2	307,949,985.08	34,162,607.76
Level 3	<u>201,859,688.55</u>	<u>74,503,523.81</u>
Total	<u>4,254,671,014.31</u>	<u>170,304,265.81</u>

For the year 2023, the company has had loan receivables and provisioning for expected loss as follows (first year of operation)

	Receivables net off unearned interest	Provision for expected credit loss
Level 1	7,121,430.80	123,887.91
Level 2	0	0
Level 3	<u>0</u>	0
Total	<u>7,121,430.80</u>	<u>123,887.91</u>

The company provided for doubtful debt provisioning pending litigation and compromised agreement under hire purchase contract including sales with right of redemption receivables for the year 2023 and 2022 as follows:

Currency: Baht million	Year 2023	Year 2022
Receivables under litigation	47.30	62.83
Receivables under compromised agreement	0.97	1.88
Receivables under mediation agreement	5.26	0.00
Total	53.53	64.71
Deducted by: Provision for doubtful receivables	(51.64)	(62.33)
Receivables - net	1.89	2.38

Detailed expected loss provisioning (formerly doubtful debt) for receivables under litigation, HP contract compromised agreement, including receivables for sales with right of redemption for the year 2023, 2022:

2023				
Type of receivables	Amount	Receivable net of collateral value	Rate of provisioning	Provisioning for expected loss
Litigation receivables	47,295,145.58	47,295,145.58	96 -100%	45,403,339.75
HP receivable under compromised agreement	973,534.39	973,534.39	100%	973,534.39
Receivables under mediated agreement	5,264,046.48	5,264,046.48	100%	5,264,046.48
Total	53,532,726.45	53,532,726.45		51,640,921.62
2022				
Type of receivables	Amount	Receivable net of collateral value	Rate of provisioning	Provisioning for expected loss
Litigation receivables	62,825,679.57	62,825,679.57	96 -100%	60,445,476.06
HP receivable under compromised agreement	1,883,644.36	1,883,644.36	100%	1,883,644.36
Total	64,709,323.93	64,709,323.93		62,329,120.42

For the year 2023, expected loss for HP receivable provisioning was Baht 219.39 million in comparison with Baht 170.30 million for the year 2022, an increase of Baht 49.09 million. The increase was a result of changes in the expected loss for receivables under HP contract provisioning as implemented in levels of 1, 2, and 3 per IFRS9 standard, coupled with the increase in receivable portfolio.

As for receivables under litigation, and compromised agreement for the year 2022, and 2023 amounted to Baht 64.71 million and Baht 53.53 million respectively, a decrease of Baht 11.18 million, and provisioning of Baht 62.33, and 51.64 million respectively, with provisioning declined by Baht 10.69 million. The company provided for doubtful receivables for all customers at the rate 96 – 100%. Furthermore, the company considers write-off of receivables along with vehicle repossession follow-up, the latter of which having the statute of limitation of 10 years.

- Appropriateness and Adequacy of Reserve for Doubtful Account

The company recognized expected credit loss for hire purchase receivables, financial lease receivables, and loan receivables using a general approach considering changes in receivable credit risks in 3 levels as follows:

Level 1: Receivables with no significant increase in credit risk (Performing) – The Group recognizes expected credit losses in an amount equal to the expected credit losses in the next 12 months. For receivables under loan agreements with remaining periods of less than 12 months, receivables with remaining periods of less than 12 months. recognition is based on the probability of default over the remaining period.

Level 2: Receivables with a significant increase in credit risk (Under – Performing) – The Group recognizes expected credit losses in an amount equal to the expected credit losses over the lifetime of the receivable.

Level 3: Receivables that are credit – impaired (Non – Performing) – The Group expected credit losses in an amount equal to the expected credit losses over the lifetime of the receivable.

The Group considers a significant increase in credit risk to have occurred when contractual payments are more than 30 days past due and considers a financial asset in credit – impaired when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to have a significant increase in credit risk and to be in default using other internal or external information.

For the next accounting period, the credit quality of a receivable improves in a subsequent period and the assessment is that it is no longer a receivable whose credit risk has significantly increased since initial recognition, as assessed in a previous period, the Group will change the basis for recognising expected credit losses from the lifetime expected credit losses to the 12 months expected credit losses, or the remaining period if that is less than 12 months. The Group considers historically collected loss data, adjusted on the basis of current observable data. In addition, the Group applies forward-looking macroeconomic information that is supportable and reasonable and appropriately exercise judgement. At least once a year the Group also considers whether to adjust forward-looking information and weighting of the probability of each scenario used in determining the expected credit losses. Most of the information used by the Group is announced by the Bank of Thailand or other government agencies and adjusted to reflect the Group's internal perspective. The Group calculates expected credit losses based on three probability-weighted scenarios. Which is a base scenario, best-case scenario and worst-cases scenario. For the base scenario, the Group applies an unbiased market perspective that incorporates forecasts of macroeconomic factors.

For factoring, floor-plan loan and other receivables, The Group applies a simplified approach in calculating expected credit losses. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime expected credit losses at each reporting date. The Group has established a provision matrix of ageing that is based on its historical credit loss experience, adjusted for forward – looking factors specific to the debtors and the economic environment.

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

- Asset Quality Ratio

The ratio of reserve for expected loss over gross receivable deducted by unearned interest income, debtors under loan agreement, debtors under litigation, and compromising agreement, and other receivables during the year 2021 and 2022 at the rates of 6.03% and 5.39% respectively, and increased to 5.46% for the year 2023. The increase in said ratio was attributable to increase in expected credit loss provisioning for hire purchase customers.

Considering growth in credit extension, the prospect of repayment and debt recovery through disposal of repossessed asset, the company believes the current provisioning policy for expected credit loss is adequate.

The non-performing credit accounted for 6.17% and 6.75% of total credit receivables (NPL) for the year 2022, and 2023 respectively. The increase in overdue accounts in process of follow-up during the year 2023 was adversely affected by the economic situation. The company has provided assistance in accordance with government support measure for customers affected by economic downturn. Upon the expiry of the assistance measure and customers return to normal repayment terms, but still fall behind schedule, the company therefore retains consideration for special expected credit loss provisioning.

The ratios of write-off to total credit receivables during the years 2021, 2022, and 2023 were 3.52, 1.86, and 0.96 respectively. The decrease for the year 2023 was a result of decrease in hire purchase customer write-off by Baht 32.57 million over that of the prior year as the company increased in credit extension and the acceleration in litigation process for overdue customers.

- Total Liabilities

Total liabilities were Baht 3,017.21, 2,569.55, and 3,089.81 million at the end of 2021, 2022, and 2023 respectively, an increase by Baht 520.26 million or 20.25% for the year 2023 as a result of increasing loan financing corresponding with greater credit extension as the economy started to recover during the year, and operational system development investment for greater efficiency.

As at the end of 2021, 2022, and 2023, Debt to Equity Ratios of the company stood at 1.65, 1.37 and 1.63 respectively. The increase of the ratio was a result of continuing increase in credit extension during the year, and the corresponding increase in financial institution borrowings.

- Shareholders' Equity

Shareholders' Equity at the end of 2021, 2022, and 2023 were Baht 1,832.17, 1,872.61, and 1,892.40 million respectively. Return on Equity for the periods 2021, 2022, and 2023 were 10.83, 9.96, and 5.75% respectively. Return on equity for the year 2023 decreased as a result of company's operating results were worse than prior year.

Dividend declared from operating profit from 2020 to 2023 were as follows:

Year 2020, dividend was suspended

14 May 2021, Baht 16.63 million dividend paid from operating profit for the year 2014 at Baht 0.015 per share.

14 May 2021, Baht 22.18 million dividend paid from operating profit for the year 2015 at Baht 0.020 per share.

14 May 2021, Baht 22.18 million dividend paid from operating profit for the year 2016 at Baht 0.020 per share

14 May 2021, Baht 49.90 million dividend paid from operating profit for the year 2017 at Baht 0.045 per share

13 May 2022, Baht 88.71 million dividend paid from operating profit for the year 2021 at Baht 0.08 per share

9 September 2022, Baht 55.44 million interim dividend paid from operating profit for the period Jan- Jun 2022 at Baht 0.05 per share

12 May 2023, Baht 55.44 million dividend paid from operating profit for the year 2022 at Baht 0.05 per share

8 Sep 2023, Baht 33.26 million interim dividend paid from operating profit for the 6-Mo (Jan-Jun) period at Baht 0.03 per share

-Liquidity

Cash flow from operations during 2023 was net Baht 519.68 million used. The amount was net Baht 462.61 million available during 2022. Cash used during the year 2023 was primarily for credit extension and the corresponding increase in receivable. Cash flow for investment activities during the year 2023 was net available of Baht 96.03 million as repayment for loan to joint venture amounting to Baht 97.50 million, and payments for the acquisition of asset and intangible for application software.

Cash flow from financing activities for the year 2023 included net cash available Baht 417.32 million for loan proceeds from FI and lesser amount of dividend payout.

- Sources and Application of Fund

Sources of fund of the company were mainly from domestic financial institution borrowing, partly equity, and loan from related parties. As a matter of policy, the company intends to seek an increasing amount of funding from financial institutions at a low rate of interest. Sources of fund as at the end of 31 December 2021, 2022, and 2023 were as follow:

	2023		2022		2021	
	Baht Million	Percent	Baht Million	Percent	Baht Million	Percent
Shareholders' Equity	1,892.40	39.16	1,872.61	43.56	1,832.17	38.79
Borrowing						
- Overdraft+Loan from Financial Institutions	644.06	13.33	638.92	14.86	340.00	7.20
- Current Portion of Long Term Debt	817.49	16.92	852.19	19.82	1,399.45	29.63
- Other Short-Term Debt	99.18	2.05	164.38	3.83	188.58	3.99
- Debenture due within 1 year						
- Long Term Debt	1,378.96	28.54	771.00	17.93	963.03	20.39
Total Borrowing	2,939.69	60.84	2,426.49	56.44	2,891.06	61.21
Grand Total		100.00	4,299.10	100.00	4,723.32	100.00

Borrowing as at 31 December 2023 was Baht 2,939.69 million with scheduled repayment as follow:

<u>Loan Repayment Schedule</u>	<u>Baht Million</u>
Within 1 year *	1,560.73
More than 1 year and upto 2 years	703.90
More than 2 years and upto 3 years	473.20
More than 3 years and upto 4 years	201.86
More than 4 years	<u>0.00</u>
Total	<u>2,939.69</u>

Remark: * Overdraft and current portion of long term debt, other short term debts, and B/E

Upon consideration of HP portfolio including long term loan to others deducted by overdue A/R over 4 months and A/R under litigation, the company shall have installments receivable from A/R portfolio as follows:

<u>Installment Receivable Schedule</u>	<u>Million Baht</u>
Within 1 Year *	1,816.62
More than 1 year and upto 2 year	1,546.76
More than 2 years and upto 3 year	1,172.42
More than 3 years and upto 4 years	767.56
More than 4 years	<u>419.66</u>
Total	<u>5,723.02</u>

As at 31 December 2023, total liabilities due within one year (including overdraft and short-term loan) amounted to Baht 1,560.73 million, comparing with portfolio installment receivable due within 1 year amounted to Baht 1,816.73 million, Baht 255.89 million higher, the amount of which the company should be able to arrange for repayment of liabilities coming due. As for the liabilities due over one year and up to two years amounted to Baht 703.90 million, comparing with installment due for collection within one year and up to two years of Baht 1,546.76 million, Baht 842.86 million higher. The Company has adequate funding sources to meet its debt obligation during the said periods.

4.2 Factor or Event that may Materially Affect Financial Position or Operations in the Future

Consolidated financial statements on investment account, the company reported Baht 108.2 million profit from operations.

During the year 2023, the company has closely monitored domestic and foreign events which might affect operation of the company e.g. the start of the economic recovery in particular tourism, drought, flooding, higher rate of unemployment, increasing household debt statistics, increasing FI interest rate, popularity of EV in comparison with internal combustion engine vehicles, that would result in hirer payment overdue, resulting in rising NPL including giving up vehicle prior to maturity, higher repossess vehicles, and disposal of repossessed vehicles at a loss all of which might adversely affect operations of the company.

For the year 2024, the company establishes credit target of Baht 3,000 million emphasizing credit quality to mitigate NPL risks, reduction of litigation cost, and loss from repossessed vehicle disposal. The

company has modified its marketing strategy with credit extension to motorcycles, logistic vehicles, increasing trucks, including regulated credit and environmentally friendly credit, employee training to become skillful in credit analysis, and marketing of motorcycle and truck credit, to support achievement of credit target. The company initiated approaching customers for hiring contracts with private sector or the government to mitigate risks, improvement in operational processes within the company rendering fewer procedural steps, increasing efficiency, to facilitate and speed up customer credit approval both large and small customers. Furthermore, the company is in process of preparation for the launching of the insurance premium installment loan concurrent with the HP finance as supplementary income for the company.

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4.3 Important Financial Information

4.3.1 Statements of Financial Position Summary Exhibit

Unit: Baht '000

Consolidated Financial Statements	2023		2022		2021	
Asset						
Current assets						
Cash and cash equivalents	31,064.54	0.62%	37,402.79	0.84%	55,101.27	1.14%
Current investment			0.00	0.00%	0.00	0.00%
Hire purchase receivables due within 1 year	1,527,380.69	30.65%	1,517,263.03	34.16%	1,645,986.58	33.94%
Loans agreement receivables	1,574.12	0.03%	0.00	0.00%	0.00	0.00%
Other current receivables	21,740.86	0.44%	17,706.34	0.40%	18,189.01	0.38%
Short-term loans for joint venture	0	0%	97,500	2.19%	225,500.00	4.65%
Properties foreclosed	19,245.64	0.39%	10,208.20	0.23%	37,395.22	0.77%
Total current assets	1,601,005.85	32.13%	1,680,080.36	37.82%	1,982,172.08	40.88%
Non-current assets						
Hire purchase receivables due over 1 year	3,173,549.65	63.70%	2,567,103.72	57.79%	2,657,796.85	54.81%
Investment in joint venture	65,864.17	1.32%	59,913.64	1.35%	70,008.17	1.44%
Non-current financial assets	0.00		0.00	0.00%	0.00	0.00%
Other non-current receivables	1,956.33	0.04%	2,395.73	0.05%	2,153.02	0.04%
Long-term loans for joint venture	0.00		0.00	0.00%	0.00	0.00%
Property, plant and equipment	23,149.22	0.47%	28,049.05	0.63%	35,820.77	0.74%
Right of use assets	32,101.94	0.64%	36,620.87	0.82%	27,096.16	0.56%
Intangible assets	5,638.11	0.11%	5,701.57	0.13%	766.08	0.02%
Deferred tax assets	74,011.97	1.49%	57,320.26	1.29%	69,411.60	1.43%
Pledged deposit at financial institution	2,547.10	0.05%	2,539.73	0.06%	1,534.94	0.03%
Other non-current assets	2,390.10	0.05%	2,435.75	0.06%	2,625.79	0.05%
Total non-current assets	3,381,208.59	67.87%	2,762,080.32	62.18%	2,867,213.39	59.12%
Total assets	4,982,214.44	100.00%	4,442,160.68	100.00%	4,849,385.47	100.00%
Liabilities and shareholders' equity						
Current liabilities						
Bank overdrafts and short-term loans from financial institutions	644,062.43	12.93%	638,916.38	14.38%	340,000.00	7.01%
Trade and other current payables	46,407.24	0.93%	43,574.38	0.98%	40,519.07	0.84%
Current portion of long-term loans	817,490.43	16.41%	852,193.07	19.18%	1,399,448.89	28.86%
Short-term loans from related persons	99,184.77	1.99%	164,383.21	3.70%	188,583.54	3.89%
Current portion of long-term lease	8,736.22	0.18%	8,000.39	0.18%	8,915.40	0.18%
Current portion of Debentures	0.00	0%	0.00	0.00%	0.00	0.00%
Accrued income tax	12,374.00	0.24%	14,133.12	0.32%	11,078.97	0.23%
Total current liabilities	1,628,255.09	32.68%	1,721,200.55	38.74%	1,988,545.87	41.01%

4.3.1 Statements of Financial Position Summary Exhibit (cont'd)

Unit: Baht '000

Consolidated Financial Statements	2023		2022		2021	
Non-current liabilities						
Long-term loans from financial institutions	1,378,960.66	27.68%	771,003.79	17.36%	963,030.68	19.86%
Debentures			-	-	-	-
Liabilities under lease contract	25,670.30	0.52%	30,833.31	0.69%	20,181.39	0.42%
Employee benefit liabilities	36,058.25	0.72%	36,133.76	0.82%	34,904.81	0.72%
Deferred tax liabilities	20,868.01	0.42%	10,381.59	0.24%	10,548.68	0.21%
Total non-current liabilities	1,461,557.22	29.34%	848,352.45	19.11%	1,028,665.56	21.21%
Total liabilities	3,089,812.31	62.02%	2,569,553.00	57.85%	3,017,211.43	62.22%
Shareholders' equity						
Share capital						
Authorized share capital						
1,108,859.002 common shares of Baht 1.00 each					1,108,859.00	22.87%
1,478,478,669 common shares of Baht 1.00 each	1,478,478.67	29.68%	1,478,478.67	33.28%		
Issued and paid - up share capital						
1,108,859,002 common shares of Baht 1.00 each	1,108,859.00	22.26%	1,108,859.00	24.96%	1,108,859.00	22.87%
Premium on common share	279,958.86	5.62%	279,958.86	6.30%	279,958.86	5.77%
Reserve for Equity-Settled Share-Based Payment	42,752.22	0.86%	42,752.22	0.96%	42,752.22	0.88%
Retained earnings						
Appropriated - Legal reserve	68,852.96	1.38%	64,117.76	1.44%	54,485.81	1.12%
Unappropriated	391,979.09	7.86%	376,919.84	8.49%	346,118.15	7.14%
Total shareholders' equity	1,892,402.13	37.98%	1,872,607.68	42.15%	1,832,174.04	37.78%
Total liabilities and shareholders' equity	4,982,214.44	100.00%	4,442,160.68	100.00%	4,849,385.47	100.00%

4.3.2 Statements of Comprehensive Income Summary Exhibit

Unit: Baht '000

	2023	2022	2021
Revenues			
Hire purchase income earned	468,272.18	450,011.76	513,784.17
Interest income under loan agreement	159.25	0.00	0.00
Interest income	5,618.70	12,724.18	15,559.16
Other income			
Fee and service income	111,174.32	79,458.44	85,053.02
Bad debt recovered	25,152.82	33,965.17	28,598.51
Gain on sales of investment in joint venture		-	-
Others	43,610.66	39,492.40	41,160.28
Total revenues	653,987.93	615,651.95	684,155.14
Expenses			
Finance costs	(129,156.12)	(102,087.50)	(135,066.94)
Administrative expenses	(309,918.06)	(255,823.31)	(334,336.83)
Expected credit loss	(86,577.38)	(36,776.06)	22,580.66
Bad debt and doubtful accounts	-	-	-
Total expenses	(525,651.56)	(394,686.87)	(446,823.11)
Profit before share of loss on investments in joint venture	128,336.37	220,965.08	237,332.03
Equity shared of gain or loss on investment in joint venture	5,950.52	7,905.47	6,572.78
Profit before income tax	134,286.89	228,870.55	243,904.81
Income tax expenses	(26,082.63)	(44,304.13)	(49,891.42)
Profit for the year	108,204.26	184,566.42	194,013.39
Basic earnings per share (Baht)	0.0976	0.1664	0.1750

4.3.3 Statement of Cash Flow Exhibit

Unit: Baht '000

Consolidated Financial Statements	2023	2022	2021
Cash flows from operating activities			
Profit before income tax	108,204	184,566	194,013
Adjustments to net profit to cash receipt (disbursement)			
Corporate income tax	26,082	44,304	49,891
Depreciation and amortized expenses	15,450	17,426	20,716
Amortized expenses	33,860	32,173	45,177
Expected credit loss	86,453	36,776	(22,581)
Bad debt and doubtful accounts	-	-	-
Discrepancy from rental rate reduction	0	(2)	(67)
(Gain) loss from sales of shares below market value	-	-	-
(Gain) unrealized – current investment	-	-	-
(Gain) loss on sales of current investment	-	-	-
Share of loss on investment in joint venture by equity method	(5,950)	(7,905)	(6,573)
(Gain) loss on sales of property, plant and equipment	(472)	(123)	172
(Profit) loss from W/O of land, building, and equipment	-	-	-
(Gain) loss on impairment of intangible asset	-	-	5,100
(Gain) loss on impairment of properties foreclosed	15,772	(19,914)	(22,778)
(Gain) loss on right of use asset amortization	0	(59)	-
Finance fees amortization	6,572	7,529	6,327
Amortized portion of deferred transaction costs	(9,100)	(6,450)	(4,225)
Amortized costs of debenture issuance	-	-	-
Lost on sales of investment in joint venture	-	-	-
Impairment loss from other non-current finance asset	0-	2,023	2,023
Employee benefit provisions	3,120	2,987	2,987
Finance costs	122,584	128,734	128,734
Profit (loss) from operation before changes in current investment	402,577	384,126	398,916
(Increase) Decrease in hire purchase receivables	(694,086)	235,817	1,118,655
(Increase) Decrease in loans and sale with right of redemption receivables	(6,998)	-	-
(Increase) Decrease in other current receivables	(4,179)	574	1,961
(Increase) Decrease in properties foreclosed	(24,810)	47,101	52,632
(Increase) Decrease in other non-current receivables	(36,783)	(85,683)	(128,563)
Pledged deposit at financial institution	(7,363)	(1006)	(452)
Other non-current assets	1,803	94	(350)
Increase (Decrease) in trade and other current payables	2,954	2,149	(2,578)
Employee benefit provisioning increase (decrease)	(2,833)	(17)	-
Cash generated (paid) from operation	(364,163)	583,155	1,440,221
Interest paid	(121,400)	(91,224)	(212,594)
Corporate income tax paid	(34,119)	(29,326)	(39,351)
Net cash provided by (used in) operating activities	(519,684)	462,605	1,302,133

Consolidated Financial Statements	2023	2022	2021
Cash flows from investing activities			
Proceeds from sales of current investment	-	-	-
Joint venture loan repayment	97,500	128,000	26,000
Loan extension to joint venture	-	-	-
Dividend receipt from joint venture	0	18,000	-
Proceeds from sales of investment in joint venture	-	-	-
Payments for the acquisition of investment in joint venture	-	-	-
Cash disbursement for other long-term investment	-	-	-
Payments for the acquisition of intangible assets	(778)	(5,300)	(66)
Proceeds from sales of property, plant and equipment	2,256	2,345	396
Payment for the acquisition of property, plant and equipment	(2,951)	(2,943)	(4,683)
Cash provided by (used in) investing activities	96,026	140,102	(21,647)

4.3.3 Statement of Cash Flow Exhibit (cont'd)

Unit: Baht '000

Financial Statements with Investment Presented on a Consolidated Financial Report Basis	2023	2022	2021
Cash flows from financing activities			
Increase (Decrease) in bank overdrafts	5,040	22	(260)
Proceeds from short-term loans from financial institutions	6,410,000	2,640,000	680,000
Payment for short-term loans from financial institutions	(6,410,000)	(2,340,000)	(660,000)
Proceeds from short-term loans from related persons	30,000	115,000	405,000
Payment for short-term loans from related persons	(95,000)	(140,000)	(400,000)
Proceeds from short-term loans from unrelated persons	-	-	-
Payment for short-term loans from unrelated persons	-	-	-
Proceeds from long-term loans from financial institutions	1,620,000	730,000	580,000
Payment for long-term loans from financial institutions	(1,044,113)	(1,471,467)	(1,808,150)
Proceeds from debentures issuance	-	-	-
Cash disbursement for debenture redemption	-	-	-
Cash disbursement for liabilities under lease contract	(9,908)	(9,828)	(9,823)
Cash acquisition for asset right of use	-	-	899
Direct transaction cost related to debenture issuance	-	-	-
Dividend paid	(88,700)	(144,133)	(110,836)
Proceeds from share capital payment	-	-	3
Net cash provided by (used in) financing activities	417,319	(620,406)	(1,323,167)
Net increase (decrease) in cash and cash equivalents	(6,338)	(17,698)	613
Cash and cash equivalents, as at January 1	37,402	55,101	54,488
Cash and cash equivalents, as at December 31	31,065	37,403	55,101

4.3.4 Important Financial Ratio Exhibit Reflecting Company Financial Position and Operating Results

	2023	2022	2021
PROFITABILITY RATIO			
Interest Income (%)	10.66%	10.73%	10.68%
Interest Expense (%)	4.75%	3.79%	3.84%
Net Interest Income (%)	5.91%	6.94%	6.84%
Net Profit Margin (%)	16.55%	29.98%	28.36%
Net Profit per Share (Baht/Share) *	0.0976	0.1664	0.175
Return on Equity (%)	5.75%	9.96%	10.83%
EFFICIENCY RATIO			
Return on Asset (%)	1.56%	2.61%	3.59%
Total Asset Turnover (Times)	0.09	0.09	0.13
Book Value per Share	1.71	1.69	1.65
FINANCIAL POLICY RATIO			
Debt to Equity Ratio (Time)	1.63	1.37	1.65
Loan to Borrowing Ratio (Time)	1.62	1.56	1.37
Dividend Payout Ratio (%)	35.13	45.72	28.78
ASSET QUALITY RATIO			
Provision for Possible Loan Loss to Gross Receivable (%)	5.46%	5.39%	6.03%
Bad Debt to Gross Receivable (%)	0.96%	1.86%	3.52%
Non-Performing Loan to Gross Receivable (%)	6.75%	6.17%	7.10%

General and Other Important Information

5. General and other important Information

5.1 General information

Other referencing individuals

Security Registrar	<p>Thailand Securities Depository Co., Ltd.</p> <p>Thailand Securities Exchange Building, Number 93 Ratchadapisek Road</p> <p>Dindaeng Sub-District, Dindaeng District, Bangkok 10400</p> <p>Phone 02-009-9999 (Call Center)</p> <p>www.set.or.th/tsd</p>
Auditor	<p>Miss Somjintana Polhiranrat, CPA number 5599 or</p> <p>Mr. Viroj Sajathamnukul, CPA number 5128</p> <p>Mr. Jumpot Prairatanakorn, CPA number 7645</p> <p>Mr. Nopaluek Pitsanuvong, CPA number 7764</p> <p>DIA International Audit Co., Ltd.</p> <p>Head Office: 316/32 Soi Sukhumvit 22, Rama IV Road</p> <p>Klongton Sub-District, Klongtoei District, Bangkok 10110</p> <p>Phone 02-259-5300 – 2; Facimile: 02-260-1553, 02-259-8956</p> <p>www.diaaudit.com</p>
Internal Auditor	<p>Improvis Co., Ltd.</p> <p>Number 88/199 Mue Ban Dusit Grand Park, Soi 12 Liab Klong Song Road</p> <p>Bangchan Sub-District, Sam Wa District, Bangkok</p> <p>Phone: 02-548-0153</p>

Branch locations

Cholburi branch	<p>728/10 Sukhumvit Road, Bangprasoi Sub-District, Muang District, Cholburi Province</p> <p>Telephone 038-27-8889, 038-27-8676-7, Facsimile 038-27-8669</p>
Chantaburi branch	<p>307 Ta Chalab Road, Talad Sub-District, Muang Chantaburi District, Chantaburi Province</p> <p>Telephone 039-30-1919, Facsimile 039-30-1918</p>
Kanchanaphisek branch	<p>624/4 Kanchanaphisek Road, Bangphai Sub-District, Bangkhae District, Bangkok</p> <p>Telephone 02-408-1996, Facsimile 02-408-1998</p>
Pattaya branch	<p>131/36 Moo 9, Nongprue Sub-District, Bang Lamung District, Chonburi Province</p> <p>Telephone 038-19-9389, Facsimile 038-19-9389</p>
AIA branch	<p>89 AIA Capital Center Building, 12A Floor, Unit 12A05, Ratchadapisek Rd., Dindaeng Sub-District, Dindaeng District, Bangkok</p> <p>Telephone 02-641-5252</p>

Location of the legal entity held by the Company from 10% and above of its paid-up shares

Premium Services (Thailand) Co., Ltd.

89 AIA Capital Center Building, 12A Floor, Unit 12A04, Ratchadapisek Rd.,
Dindaeng Sub-District, Dindaeng District, Bangkok 10310

Telephone 02-050-8862, 02-050-8861

Registered capital: Baht 32,912,000

ECL Asset Co., Ltd.

89 AIA Capital Center Building, 12A Floor, Unit 12A05, Ratchadapisek Rd.,
Dindaeng Sub-District, Dindaeng District, Bangkok

Telephone 02-641-5252

Registered capital: Baht 80,000,000

Mighty Broker Co., Ltd.

976 5th Floor, Soi Praram 9 Hospital, Rimklongsamsen Road
Bangkapi Sub-District, Huay Kwang District,

Bangkok

Telephone 02-641-5252

Registered capital: Baht 5,000,000

5.2 Other Important Information

5.2.1 Other information which may have material impact on investor decision making

- None –

5.2.2 Restriction on subscription by foreign investor: In the event the company has policy to request resolution of the shareholders to offer new share increase or issuance of transferable warrant with the right of subscription to newly issued ordinary share (transferable subscription right or TSR), to shareholders pro-rata to shares held, without issuing and offering for sales to shareholders, which may result in having obligation under foreign law

- No such policy being implemented –

5.3 Legal Dispute

The company has no litigation pending which may have material adverse impact on the Company's assets, with amount accounting for more than 5% of equity as at 31 December 2023.

Nonetheless, there has been one legal proceeding pending court judgment with additional information below:

- (1) The company is the plaintiff filing suit against one company which has been hired to prepare and install credit software. The company failed to deliver the efficient software which should function per contract requirement on a timely manner. The company filed legal action claiming damage amount of Baht 6.9 million (excluding interest) On May 16, 2023, the Intellectual Property and International Trade Court rendered a judgment mandating the defendant to remit a sum totaling Baht 3.07 million.

5.4 Secondary Market

- None -

5.5 Financial Institutions with Regular Contacts

Kasikorn Thai Bank PLC

1 Soi Ratburana 27/1, Ratburana Road

Ratburana Sub-District, Ratburana District, Bangkok 10140

Siam Commercial Bank PLC

9 Ratchadapisek Road, Jatuchak District, Bangkok 10900

Bangkok Bank PLC

333 Silom Road, Silom Sub-District

Bangrak District, Bangkok 10500

UOB Bank PLC

191 South Sathorn Road, Bangrak District, Bangkok 10120

Krungsri Ayudhya Bank PLC

1222 Rama 3 Road, Pongpang Sub-District

Yanawa District, Bangkok 10120

Land and House Bank PLC

1 Q House Building, Lumpini, South Sathorn Road

Tung Mahamek Sub-District, Sathorn District, Bangkok 10120

Sumitomo Mitsui Banking Corporation, Bangkok Branch

1 Q-House Building, Lumpini, South Sathorn Road

Tung Mahamek Sub-District, Sathorn District, Bangkok 10120

SECTION 2

ENTITY GOVERNANCE

6. Entity Governance Policy

6.1 Overall Entity Governance Policies and Practices

The Board arranges for the establishment of an entity governance policies covering business ethics, vision, commitment, and code of conducts for directors, executives and employees, various operational procedures, policies toward all stakeholders, including social responsibility policies, and Board charter, Audit Committee charter, Nomination and Remuneration committee charter etc. Such policies and procedures shall be subject to review and modification at least annually to correspond with law and best practices.

The company has prepared and implemented policy and practice guideline against fraud and corruption. The company has been certified for the continuing membership of the Private Sector Collective Action Coalition Against Corruption: CAC since the year 2015 until 2022, and current year 2023 applying for CAC membership renewal. The company shall promptly announce its intent once again within the year 2024. Furthermore, the company has prepared and implemented regulations regarding: 1. Computer Related Crime Act BE 2550, and 2nd version BE 2560, 2. Thailand Personal Data Protection Act BE 2562, along with the formation of the sub-committee for personal data protection and the appointment of the Data Protection Officer, 3. Cyber Security Act BE 2562, 4. Policy and practice guide for information technology security. 5. Policy and practice guide regarding the Prevention and Suppression of Money Laundering Act, and the Prevention and Suppression of Financial Support for Terrorism and the Proliferation of Weapon of Mass Destruction modified version for BE 2564. The company has communicated and distributed, provided training for the good governance and other policies for directors, executives, and employees at all levels regularly at various channels such as employee manual, good governance manual, and business ethics manual, risk management manual including Fraud and Corruption Prevention Manual through company website (www.ecl.co.th), via company email, company public relation board, smart phone communication application for example. Furthermore, the company has arranged training for good governance principle, and the fight against fraud and corruption practices within company's orientation courses for director and employees continuously to be in accordance with the good governance principle as required by the Securities Exchange of Thailand.

The Sub-Committee for Ethics, and Sustainability has the duties of monitoring and operational oversight of the Board of Directors, and the Executive Committee of the company to be in compliance with the good governance principle and the business ethics as established by the company including review consideration of policies, manual, practice guidance corresponding with practices in order to be presented to the Board of Directors of the company for annual review. As for policy compliance monitoring the Board of Directors requires directors, executives, and all employees to acknowledge, understand, and strictly practice in accordance with policies and requirements. Executives at all levels of the organization must be held responsible for and recognize the importance of such matters to ensure employees under their supervision practice strictly in full compliance.

6.1.1 Policy and Practice Regarding the Board of Directors

1. Recruitment and Remuneration Consideration for Directors and Chairperson of the Executive Committee

The Board appoints the Nomination and Remuneration Committee with duties of considering recruitment and selection of candidates as directors, to be presented to the Board of Directors, for further submission at the Shareholders' Meeting for approval consideration.

Recruitment Policy and practice may be summarized as follows:

1. Recruitment and selection of individual candidate for new director position: To recruit in accordance with established procedures within the board charter and/or
2. Approval consideration of individual candidate proposed by shareholders in accordance with opportunities provided to shareholders for candidate submission:

Consideration of director candidate qualification shall be in accordance with public company act and basis established by the SEC. The individual shall be knowledgeable, competent, and experienced which shall be beneficial to the business engagement, truly interested in company's business, dedicated and be able to perform duties for the company, and independent in the expression of opinion, for monitoring duties, counter balancing with management (basis, and procedures for the recruitment of directors, disclosed per Nomination and Remuneration Committee charter within Attachment 5, Governance Policy, and Business Ethics)

Remuneration consideration for directors and chairperson of the executive committee is based on the policy and practice summarized as follows:

1. To consider director and chairperson of the executive committee compensation in order to provide opinion to the Board of Directors. The Board of Directors is authorized to approve compensation for the chairman of the executive committee. As for director compensation, the Board shall propose at the shareholders' meeting for approval consideration, with appropriation of the amount limit within the Board's discretion.
2. To establish policy, regulation, basis, and guideline for director and chairperson of the executive committee including other benefits as appropriate, in accordance with duties and responsibilities corresponding with operating results or performance assessment of the chairman of the executive committee with fairness and reasonableness in comparison with other companies within the same industry by having incentive, and retention of knowledgeable and competent directors with potential to be submitted to the Board of Directors for approval consideration and/or at the shareholders' meeting for approval consideration and reviews annually.

Types of compensation

- Retainer fee: monthly or annual compensation considering 3 factors (1) general practice of companies in the same industry (2) operating results and size of company, and (3) responsibility, knowledge, competency, and experience of director or senior executive required by the company.
- Performance incentive: linked to value creation for shareholders by the company e.g. profit, or

dividend, director and senior executive compensation in this caption should not be too high.

- Attendance fee: directors may be paid meeting fees in addition to regular retainer fee, and performance incentive in which the Nomination and Remuneration Committee shall consider at an appropriate level as incentive to directors performing their duties by attending meeting regularly.

- Other Benefits: such as life and accidental insurance benefit limits, and health insurance only for directors with Thai residency and age less than 70 years old without chronic disease in accordance with insurance company standards.

3. Director compensation by types of directors i.e. non-executive directors, and independent directors in which compensation structure consists of compensation, meeting fees, and other benefits. Nonetheless executive directors shall not be compensated for the position of directors.

(Form and basis for compensation disclosed in the charter of the Nomination and Remuneration Committee per Attachment 5, Governance Policy, and Business Ethics)

For the years 2022, and 2023, The Nomination and Remuneration Committee has proposed director compensation to the Board for further submission for approval consideration at the AGM 2022, and 2023 amounting to Baht 8.5 million. The Board exercised discretion in the appropriation of monthly compensation and meeting fees.

2. Board Independent from Management

The company has policy in segregating role, duties, and responsibilities between management and those who are tasked with supervision clearly by having The Executive Committee responsible for day to day operations, monitoring performance, and reporting activities to the Board. The Audit Committee performs the duties of operational, and financial review, arranges for the establishment of internal control, and internal audit etc., and report to the Board of Director. All 3 Audit Committee members are independent directors. The company adopts clear segregation of duties and responsibilities of the Chairperson of the board, and Chairperson of the Executive Committee as Chairperson of the Board is not the same individual as the Chairperson of the Executive Committee.

Furthermore, the company establishes policy for company director and executive disclosing information in which the individual and related person for the transaction and activities which may be conflicting with the company's interest, and director must not participate in the approval of transaction in which the individual director may be related to provide opportunities for other directors to consider and decide freely and truly for the benefit of the company.

Presently each independent director of the company must meet the SEC and SET requirement without having the nature of business relationship with entity which may have conflicting interest with the company or the nature of which may impede application of fair judgment freely in the performance of duties in anyway.

3. Director Orientation and Development

The company organizes orientation for new director upon appointment through introduction of the overall operation of the company including structure of subsidiaries and affiliates for understanding of the operational procedures and interrelated shareholding. Furthermore, the company provides important and essential information technology for the performance of directors for example operational structure of the company, articles and objectives of the company, governance policies and business ethics, Board of Directors Charter, relevant law, financial reports, notes to financial report including arrangement for meeting with the Chairperson of the company, the Board of Directors, company sub-committees, and the internal auditor for information sharing related to the company's business engagement. Furthermore, the company has policy to encourage and support company directors to participate in training, seminar in various courses relevant to the performance of duties more efficiently for example courses prepared by the Thailand Institute of Directors – IOD, the Securities Exchange of Thailand or other entities for example. During the incumbent director's performance of duties, the company secretary shall present training /seminar courses relevant and appropriate to the directors for individual consideration for participation for skill and knowledge enhancement continually.

4. Board Performance Assessment

The company assesses performance of the Board of Directors, the Chairperson of the Executive Committee, the Managing Director, and Executives as follows:

1. Assessment of the overall performance of the Board of Directors as a whole
2. Self-assessment of the sub-committees on a committee basis
3. Self-assessment of the individual sub-committee member
4. Assessment of the Chairperson of the Executive Committee, and the Managing Director

The assessment process for each committee shall be at least annually in which the Nomination and Remuneration Committee shall be responsible for reviewing the results and submit with development and process efficiency improvement recommendation to the Board of Directors (details presented in item 8, Entity Governance: Important Operating Results Report, (5) self-assessment)

5. Monitoring of Affiliate and Subsidiary Policy

The company has policy to appoint individual as director of affiliate, subsidiaries with approval from the Executive Committee, with the number of appointed directors in accordance with pro-rata shareholding of the affiliate or subsidiaries.

The company requires the appointed director, the duties of monitoring, and taking action for the best interest of the affiliate, subsidiaries (not for the company), the duties to vote in important matters as approved by the Executive Committee prior to the voting. Furthermore, the appointed director shall be responsible for monitoring related party transactions, the acquisition or disposal of assets or other important related party transactions with the company for completeness, accuracy with basis, and information disclosure in the same manner as that of the company including supervision for retention of information, and recording of transaction of the affiliate, subsidiaries for audit, and compilation of information for a timely preparation of the consolidated financial reports (director information, reported details in section 7.2).

6.1.2 Policy and Practice toward Shareholders, and Stakeholders

Section 1: Right of Shareholders

(1) Policy related to Upholding Shareholders' Right

The company has established policies upholding shareholders' right within its governance policies. Basic shareholders' right concerns right regarding trading of shares or share transfer, right of access to information related to operating results regularly, accurate, complete, and timely, right to receive dividend from profit, right to attend shareholders' meeting in order to exercise voting right to appoint, remove directors, appoint auditor, having informed shareholders of basis and procedure for attendance and sufficient information for consideration and participate in agenda proposal, director candidate proposal, the opportunities to enquire or express opinion at the meeting, and the right to assign other to attend meeting under proxy including resolution decision on major and important changes including information regarding related party transactions.

(2) The Promotion of Shareholders' Right

The company undertakes measures in supporting and facilitating upholding shareholders' right, and to exercise their rights, but to refrain from infringing on other shareholders' right as follows:

- During the year:

- The Company distributes essential information to shareholders concerning business operations, results of operation, reports, financial statements, and related party transactions regularly with clarity and timely via the channels provided by the securities exchange, and website of the Company.

- Prior to the meeting date:

- During the year 2022, the company arranged for online electronic media meeting – E-AGM both for AGM for the year 2022, and EGM 1/2565. As for early 2023, the company has arranged for multiple media meeting, physical onsite with optional electronic media online – E-AGM to promote shareholder exercising their right for meeting participation.

- The company arranged for the Annual General Shareholders' Meeting annually, 120 days after the close of the company's accounting period. In the event of urgency in consideration of extraordinary agenda which may affect or relate to shareholders' interest requiring shareholders' approval, the Board may convene an extraordinary shareholders' meeting on a case-by-case basis. During the year 2023, the company convened an Annual General shareholders' meeting for the year 2023 on 24 April 2023, the company encourages shareholders to participate in the meeting by submitting query in advance, express opinion, propose agenda of the meeting, and propose candidate for consideration for appointment as director prior to the meeting date by informing all shareholders via company's website during 1 October 2022 until 30 December 2022. During the period, there were no proposed agenda or appropriately qualified individual for the position of directors submitted to the company. Where agenda needs to be increased, shareholders shall be informed. In the event of urgency to safeguard company's right and interest, the company shall forward invitation document no less than 14 days prior to the meeting date along with distributing information supporting meeting agenda in advance via website of the securities exchange, and company website prior to mail posting.

- For the year 2023, the company prepares and forwards invitation document for the Annual General Shareholders' Meeting to all types of shareholders including institutional shareholders along with detailed meeting agenda, important and necessary information supplementing shareholder consideration, as well as the Board opinion, prior period meeting minute, annual report, proxy documents of all types consisting of type GOR, KOR, and COR per Ministry of Commerce requirement and indicating with clarity the type of proxy document required, the location, date, time, and meeting location map, explanation of document and evidence shareholders require for attendant identification (via electronic media), explanation of electronic media meeting procedures, voting via E-Voting, and registration document forms for meeting attendance via electronic media. The invitation document shall be forwarded to shareholders both in Thai and English at least 21 days in advance prior to the meeting date. Shareholders may access various information regarding each meeting agenda via company website publicized in advance at least 30 days prior to the meeting date for advance shareholders' meeting preparation.

- The company provides opportunities for shareholders to assign other individuals to attend and vote on their behalf, or assigning one independent director whom the company designates as an option shareholders may assign on their behalf. Shareholders may utilize the proxy document the Company forwarded along with the invitation document, or download same from Company website. Shareholders may submit registration form for meeting attendance via electronic media and advance questions for the AGM until 18 April 2023, via post to the 'Office of the Company Secretary', Eastern Commercial Leasing PLC, 976/1 Soi Rama IX Hospital, Rim Klong Samsaen Road, Bangkapi Sub-district, Huay Kwang District, Bangkok 10310, or via email at: apitsara@ecl.co.th

- The company encourages all types of shareholders including institutional investors to attend the meeting, without restriction for shareholders meeting, physical onsite, and via electronic media, E-AGM, at any time while the meeting is still in process, with the right to vote on the agenda being considered and has yet to be voted. As for meeting facilitation for shareholders, the Company adopts policy which encourages shareholders exercising their right in meeting attendance in which shareholders shall have advance registration time of 1 hour prior to the meeting with independent individuals performing the duties of vote counting during the meeting promptly and reliably.

- On the meeting date:

- Shareholders or assignees under proxy who wish to attend the meeting, shall comply with below procedure:

1. Shareholders or assignees who advised their desire to attend the meeting, having been verified, shall be notified via email from E-Meeting Service as administered by OJ International Co., Ltd. (e-agm@ojconsultinggroup.com), the administrator for the meeting, within which shall include meeting Link, and system access manual 2 days prior to the meeting date. Shareholders or proxy may study the E-EGM meeting system in details from the manual. Shareholders or proxy who fail to receive the email may contact the company immediately.

2. Shareholders may attend the meeting and vote via the electronic media utilizing computer, notebook, tablet, and mobile phone via web browser: Chrome with internet at the 4G speed or basic home internet.

3. System shall be on 60 minutes in advance prior to the meeting time. Nevertheless, live broadcast commences only at the meeting time.

- Prior to the meeting the Chairperson of the meeting shall explain the meeting rules e.g. meeting procedure, voting procedures, vote count of shareholders for resolution passed for each agenda in accordance with company articles for each agenda and reported clearly within the meeting room. In the event participant wanted to change the voting, one may elect to do so by pressing the renew voting button at that particular agenda. The company has arranged clearly for separate voting for each agenda. The meeting shall proceed along with the established agenda sequence without modification, or increasing agenda without prior notification, and permit registered shareholders to participate via electronic media at any time within the meeting period. The Chairperson of the meeting provides shareholders with opportunities to enquire freely on matters regarding the operating results, and express opinion prior to voting on each agenda e.g. the appointment or removal of directors, the appointment of auditor, the appropriation of dividend, the capital increase/decrease prior to resolution for each agenda. Participants must provide name and family name, informing the meeting whether the participant is a shareholder or an assignee prior to each submission of advice, query. The company provides chat channel for submission of advice and query during the meeting – via text or audio messaging. Participants may press the 'hand raise' button and turn on microphone at one's own equipment, commence conversation after being advised by controlling official to do so, and turn off the microphone after conversation ends.

- The invitation document provides details, factual matter, reasoning for each agenda along with Board opinion with clarity and sufficient for resolution consideration e.g.

On appropriation of dividend, the company advised dividend payout policy, proposed profit appropriation, proposed rate of dividend payable along with reasoning and comparative ratios paid over the past years.

On the agenda concerning director appointment, the company provided information and details i.e. educational background information, work experiences, years of services, attendance record of the directors proposed for appointment with adequate information for shareholders. And on the director appointment, the company proposed for voting on an individual person basis, to allow shareholders the right to select the specific director they wanted.

On director compensation, the company proposed compensation limit at the shareholders' meeting for approval annually along with compensation policies, basis for compensation of each director position

On auditor appointment and establishment of audit fee, the company proposed name of auditor, the audit firm the auditor works for, record of auditor independence, years of audit duties (where the existing auditor is being proposed), reasoning for change of auditor, and audit fees including comparative audit fees for the past years which have been reviewed by the Audit Committee.

- After the meeting

The company reports resolutions passed and detailed dividend declared via the security exchange news channel system and company website the next day as well as preparing minutes of the meeting both Thai and English recording director attendance, questions, and answers, vote procedure, vote count, votes for, against,

or abstention for each meeting agenda, including detailed shareholder suggestions and query for each agenda submitting to the securities exchange of Thailand and relevant entities within 14 days from the meeting date, and publicizes the information via company's website to keep the un-attending shareholders informed, and verifying information without waiting for the next meeting to convene.

Section 2: Equal Treatment with Shareholders

(1) Treatment with Shareholders

The company has policy to treat all shareholders fairly and equally regardless of whether they are major or minor shareholders, individuals or institutional investors, Thai or foreigners enabling every shareholder, all groups the basic right and other right they are eligible to have equally as presented within the equal treatment with shareholder's section. During the AGM 2023, the company has performed the followings:

- Prior to the meeting date, the Company provides opportunities and right to shareholders to participate in proposing meeting agenda, and candidates for the position of independent director in advance through the Company website, by accepting such proposal during 1 October to 30 December of every year. Nonetheless during that time period no such proposal was submitted by shareholders.

- The Company facilitated foreign shareholder attendance by preparing relevant meeting document in English.

- The Company facilitates shareholders who were unable to attend the meeting in person to assign others to attend and vote on their behalf through submission of Proxy Type Gor, and Kor provided along with the meeting document. Alternatively, the Company proposed two independent directors namely Mrs. Prapasri Permsup, the Chairperson of the Audit Committee, and Mr. Sorapas Suttienkul, an Audit Committee member to act under proxy for shareholders.

- The Company forwards news and information regarding the meeting to shareholders in advance approximately 30 days prior to the meeting date via company website, and forwarded same by post at least 21 days prior to the meeting date allowing shareholders sufficient time to study content of the meeting document to support decision making prior to receipt of hard copy documents from the company.

- For physical onsite meeting, the company arranges for voting card for all agenda require voting. In consideration and voting on each agenda, vote count system is 1 share for 1 vote equally for all shareholders with resolution passed generally in accordance with majority vote. The Company utilizes vote card compiled from votes 'against' or 'abstention' deducted from total eligible voters to derive at the votes 'for' the agenda being considered and accordingly announced the resolution passed agenda by agenda for transparency and retained vote cards for subsequent verification and in the event of dispute, including disclosure of vote results and recorded with clarity within the minute of the meeting. In the event of online meeting via electronic media, the company arranges voting via E-Voting – pressing of a button and therefore without voting card. Shareholders may vote for, against, or abstained as usual. The company shall arrange for voting score processing, and result disclosure, and retention of electronic information of all shareholders as evidence in compliance with legal requirement.

- The company conducts meeting in sequence according to established agenda provided within the invitation documents, not adding new agenda without prior advice to shareholders for fairness to shareholders not attending the meeting except out of necessity for the best interest of the company, and strictly in accordance with rules of relevant law.

- The Chairperson of the meeting provides opportunities and time for all shareholders to have equal rights to express opinion and enquire about operations of the company fully regardless of whether they are major or minor shareholders as presented in the shareholders' right section.

For the year 2023 AGM the company has not received any complaints from shareholders related to unequal treatment, and not subject to penalty levied by the supervisory authority.

(2) Prevention of Conflicting Interest and Exploiting Insider Information

- The company emphasizes the prevention of directors, management, and employees exploiting insider information for self-benefit with conflict of interests, and unfair to shareholders. The company has policies monitoring conflict of interests with requirements prohibiting directors, management, and employees from any activities which might have caused conflicting interest with the company's business or for personal benefit from company's activities. The company requires directors and executives to disclose information about themselves and related parties having business and entities which may have conflicting interest with the company.

- The company complies strictly with law, regulation, and basis namely where it is necessary to engage in transaction with conflicting interest having director and executive as related parties, the company requires the transaction to be scrutinized by the Audit Committee and if necessary approved by the Board and at the shareholders' meeting. The transaction shall have been considered with fairness and in accordance with market price and terms in the normal course of business as if engaged with external parties. Directors and executives who have vested interests must not be involved in the approval of such transactions. Upon approval of related party transaction, the company shall inform the SET of the resolution passed for shareholder distribution within the date of director's resolution or the latest 9 o'clock of the following working day.

- During the year 2023, there has been no complaints regarding breach by directors and management concerning the conflicting interest principle or breach regarding related party transaction whatsoever. The company has no business group structure for related party transactions in nature that would have created conflicting interests.

(3) Supervising utilization of insider information

- The company has policies regarding prevention of utilization of insider information in writing prohibiting director, management or employees who have received such insider information from disclosing or exploiting the information for personal gain in the trading of company securities or providing insider information to external party or unauthorized individuals for the benefit of purchasing or sale of company shares which may cause damage to shareholders as a whole, and prohibiting directors and management from purchasing or sales of company shares for a period of 1 month prior to the public disclosure of company financial statements. The company has informed the individuals concerning the duties in reporting company securities holding as well as changes in such holding within 3 working days to the securities exchange commission. Notwithstanding such requirement, the company

reports such securities holding as an agenda for acknowledgement in the Board of Directors' meeting on a quarterly basis and disclosed same in the Annual Report - One Report (form 56-1).

- For the safeguarding confidentiality of important information of the Company, and customers, and relevant trading partners, the Company has prepared confidentiality agreement documents for directors, executives, interpreters, and employees at all levels, affiliated company management, including relevant trading partners and Company's operating agents to sign and strictly adhere to the agreement.

- Failure to adhere to requirement aforementioned shall result in disciplinary actions for directors, executives and all employees.

During the year 2023, there has been no incidents involving directors, executives, employees, and related individuals in breach of the policy against insider information or security trading on the basis of available insider information whatsoever. Furthermore, related party transactions for the year 2023 have been conducted with transparency, fair, and in the normal course of business.

Section 3 Consideration of the Role of Stakeholders

(1) Preparation of policies and practices

The company engages in its business recognizing its responsibilities toward all groups of stakeholders namely both internal – employees and management, or external - shareholders, creditors, trading partners, customers, competitors, public sector, the community surrounding the company, the environment and the society at large. The company recognizes the protection and care of the right of all stakeholders fairly both legally or under agreement with the company. The company established policies related to stakeholders within its governance policy and business ethics (details shown on company's website) with annual review and update corresponding with the changing environment, and publicizes in writing such policies for director, management and employee acknowledgement, and adherence to, coupled with other operating rules and procedures.

The company also recognizes the importance of the fight against fraud and corruption, the decline to accept bribery or other illegal gain with established policy against fraud and corruption, distributed with arranged employee training and test at all levels for matters related to policy and practices in the fight against fraud and corruption of the company. The company is confident that it conducts its business fairly and discloses relevant information to stakeholders adequately for efficient participation enhancing a solid and sustainable growth. Treatment with various stakeholders may be summarized below:

Treatment with shareholders: The Company is dedicated toward business engagement with sustainable growth under good governance principle, transparency without fraud and corruption within the organization and with external parties to ensure shareholders continuing receipt of investment return. The company recognizes the importance of shareholders' right and treatment toward all shareholders equally. The company forwarded information and progress reports to shareholders accurately, completely, timely, and promoting shareholders' right to participate in the meeting (details per policy and practice relevant to shareholders under section 1, item 6.1.2).

Treatment with creditors: The Company has strictly complied with terms of creditors. The company administers borrowings in accordance with the objective, without mis-use of fund which may have caused damage to the

company. The company conducts and controls in accordance with lending terms and conditions both for principal repayment for all types of borrowings, and interests fully, timely, without breach of agreement terms, without concealing information or factual matters which may have caused damage to creditors. The company undertake financial management to uphold creditor confidence in the company's financial position, and good capability of meeting repayment terms. The company has been able to maintain financial ratios per loan covenant and has never had default record on debt or interest due to creditors.

Treatment with trading partner: The Company strictly complies with terms and conditions of the agreement, law and fair practices, and transparency with trading partners. The company has policy prohibiting directors, management, and employees from demanding or receiving assets or other benefit which are dishonest from trading partner. Where the company or trading partner found or knew of the information regarding dishonest activities, it shall inform or disclose such information for joint resolution and prevention of future damage. Furthermore, the company shall not conspire or support individual or any organization engaging in unlawful business or being harmful to society and the country's security.

Basis for selection and assessment of trading partners:

- | | |
|--|---|
| <input type="checkbox"/> Financial position | <input type="checkbox"/> Business reputation |
| <input type="checkbox"/> Product and service quality | <input type="checkbox"/> Skill and experiences |
| <input type="checkbox"/> Engage in business with good governance principle | <input type="checkbox"/> Conscientious of responsibility toward community, society, and the environment |

Treatment with customers: The Company emphasizes dedication toward good service quality, and utmost customer benefit and satisfaction. The company conducts business in compliance with term and condition of the agreement with customers with transparency and fairness. The company has unit prepared to provide advice and listen to customer suggestion or thought. Guideline for treatment with customers are:

- ☐ The company utilizes fair hire purchase contract without conditions infringing on customer's right
- ☐ Upholding customer's right to utilize vehicle
- ☐ Upholding customer's right to receive vehicle registration upon complete installment payment in full
- ☐ Provide factual and complete vehicle information and characteristics to buyer
- ☐ Arrange for process/ channel for customer complaint for service problem or inappropriate service, via web page, company email, line communication. So that the company may prevent/ rectify problem with customer promptly, and appropriately including utilizing the information for further product and service improvement or development.
- ☐ Retain and monitor stringently, appropriately, customer confidential information, and shall not disclose such confidential information to others unless with customer consent or required by law
- ☐ Shall not demand or accept cash, gift, or reward or any other benefit from customer or any other individuals except under customary practice
- ☐ Undertake business in accordance with good governance principle without promoting or encouraging unlawful activities or transaction

Treatment with competitors: The Company emphasizes business conducts mindful of good business ethics, engaging in business professionally, upholding fair competition not engaging in misinformation or any other means inconsistent with fair competition, not in search of competitor confidential information in a dishonest way or inappropriately e.g. payment made to competitor employee, and defaming competitor based on accusation falsely fabricated. The company avoids conduct which may impact on competition and engages in relationship building and exchanging opinion and experiences via the hire purchase association continuing every year. For the year 2023, the company has not experienced any dispute with its competitors.

Treatment with Government Sector:

The Company engages in business strictly in full compliance with law and regulations, requirements or various rules of relevant regulatory entities, with established direct operational oversight sub-committee, providing full cooperation, supporting government entity when opportunities arise.

Treatment with society, and environment: The Company maintains social responsibility policy recognizing business engagement with due care toward society, community, and the environment, with practice guidance as follows:

- ☐ Create corporate culture through integration of vision, commitment, strategy, and organizational goal to derive at the commercially sustainable growth
- ☐ Promote the provisioning of knowledge and training for directors, executives, and employees, to create conscientiousness for responsibilities toward community, environment, and society, support employee participation in company organized activities and/or activities, project initiated by authorities, and other private sector entities.
- ☐ Participate socially in the support and promotion of activities to uphold the valuable tradition and culture including nourishing all religions, maintaining behavioral conduct of a good religious individual supporting religious activities regularly.
- ☐ Campaign and create conscientiousness for employees in the conservation and utilization of resources and energies, promote utilization of environmentally friendly products, and monitor energy conservation.
- ☐ Refrain from supporting activities which are harmful to natural resources, community, and the society.
- ☐ Support strengthening, achieving sustainable self-reliance, mutual assistances, good quality of life, being happy and living in harmony, of company nearby communities consisting of schools, temples, and various communities

Intellectual property or copyright: The company has policy regarding intellectual property right requiring directors and all employees to protect company's intellectual properties e.g. trad mark, and trade secret which provides competitive edge, protecting leakage of information or exploiting such information for personal gain, or for others without authorization, including not supporting employees acting infringement of others' intellectual property right e.g. patent, trade mark, software belong to others, not utilizing works done by others without authorization.

Prevention of fraud and corruption: The Company is intent on engaging in business with honesty within the framework of good governance principle, with adherence to responsibilities toward the society and all stakeholder groups in accordance with good governance principle, conducting business with transparency, fairness and verifiable. From the years 2015 to 2022, the company has become member of the Private Sector Collective Action Coalition Against Corruption, or Thai CAC, a joint national project among the private sector, supported by the Thai Government, and the Office of the National Anti-Corruption Commission, to express its intent and dedication in the fight against corruption in all forms. For the year 2023, the company is in process of renewing the CAC membership for the third time in which the company shall once again announced its intent.

The company has prepared policy against fraud and corruption, and practice guidelines in business engagement to prevent risks arising from fraud, and corruption having been approved by the Board (details per item 8.1.4 Monitoring compliance with governance policy and practices (3) prevention of corruption practice)

Treatment with employees: The company foresees and emphasizes continuingly the importance of human resources. Employees are considered the most valuable resources of the company. The company has human resources administration policy with treatment of employees in accordance with requirement of the labor protection, and social securities laws, strictly recognizing the respect for individual human right. The company has improved on its system and policy on HR administration corresponding with its business strategy continuingly (Treatment with employees, details per part of 3.4 sustainable management in social dimension, 3.4.1.1 Human right policy, and 3.4.1.2 Fair labor treatment policy)

- **Human right and human right policy**

The company has human right policy with requirement for director, management and employees to respect the international human right principle, to be held as foundation basis for its operations. The company has formed a sub-committee for operational oversight to compile rules, and regulation, and prepare policy to encourage communication channel for knowledge distribution, risk assessment, and support units within the organization to enable conduct in accordance with the required guideline, to ensure that the company respects and complies with the law, rules, and regulation including all relevant local and international laws accurately and completely.

The **human right policy** covers the followings:

1. Employee treatment on the basis of human dignity, supporting employees exercising their right under the constitution and law, promoting respect for others' right and duties.
2. Employee treatment with equality, unbiased, and without infringement on others' human right verbally or physically as a result of status differences in any forms.
3. The company shall safeguard personal information of employees in accordance with policy and operational manual regarding safeguarding individual personal information BE 2562
4. The company supports and respects human right protection with policy refraining from or not involving in breach or threat against human right.

5. The company has policy regarding prevention of sexual harassment, protection against acting, criticizing, replicating or publicizing, distributing message, photograph presenting sexual harassment. During the year 2022, there has been no complaint regarding human right violation issue.

- **Employee care**

The company recognizes the importance of human resources and provides fair compensation to employees appropriately and consistent with other companies in the same industry. There has been appointment, transfer including benefits and penalty with honesty on the basis of knowledge, competence, and appropriateness of employees, arranging for fringe benefits, compensation, provident fund, channel of communication to listen to opinion freely. The company adopted safety, occupational health, and environment policies taking care of the working environment considering safety, and employee properties, including office hygiene preventing danger and enhancing good health. Each year the company arranges for office environment check e.g. lighting within the office, quantity of dust, measurement of carbon di oxide gas, level of bacteria, cleaning of drinking water dispenser. The company arranges for annual health check for all employees including training regarding occupational health and safety at work for employees at all levels.

The setting up of channel of communication for employee opinion and suggestion: The company has arranged for annual meeting continually to communicate with employee policies and operating results. Furthermore, the company provides opportunity for questioning, suggestion, thought to management. As for new hires, the company arranges for orientation at the first day of work in order for new employees to learn company policies, rules, regulations and company's business model, the basis for company's corporate culture, fringe and employee benefits, including good governance principle, and the fight against fraud and corruption practices, the safeguarding of confidentiality of information of the Company, and relevant parties for example.

Furthermore, the company listens to opinion in the event employee resigns from the company, the HR shall compile information which if found to be useful for the improvement, modification, any factual explanation purpose, shall be reported to Management and/ or the Executive Committee for acknowledgement. The company has been stringently in full compliance with law and regulation regarding employees, facilitates and taken care of employees enabling them to be entitled to all rights fairly and equally.

(2) To Provide Opportunities for Stakeholders to Contact the Company

The Company provides opportunities for employees and all stakeholders to achieve satisfaction, and participating in monitoring the operations of the Company, conduct in breach of rules and regulation, business ethics or violation of rules of laws including reporting behavior which may be conducive to fraud and corruption or suspicious conduct relating to money laundering, finance, accounting. The stakeholders may contact the Company to express their opinion, provide lead, or complain both by letter to the various committees namely the Chairman of Audit Committee, Director of Administration, at head office, or Company Secretary per the provided address of the Eastern Commercial Leasing PLC, 976/1 Soi Praram 9 Hospital, Sub-district Bangkapi, Huay Kwang District, Bangkok 10310 or via facsimile 02-641-5995 or company website <http://www.ecl.co.th>. Such lead, complaint, and suggestions shall be considered and actioned upon as appropriate. If the lead involves fraud and corruption or violation of law, the company shall retain such information and lead confidentially, and proceed with

due consideration for safety of the informant including whoever cooperating with the investigation to ensure that all relevant parties shall not be affected from the act of providing lead and complaint aforementioned (Whistle Blowing Policy).

Over the year 2023, the Company received no complaints regarding breach of ethics or fraud and corruption practices from stakeholders.

(3) Proceeding Against Non-Compliance with Policy and Practice Guideline

1. The company establishes requirement in its ethics policy for directors and management to strictly conduct and supervise employees under their chain of command to strictly comply with business ethics and governance policy because failure to cooperate, ignorant, or breach shall result in penalty in accordance with the nature of the breach as appropriate from warning up to employment termination.

2. The company provides opportunities for employees, stakeholders, and relevant parties channel of complaint, opinion, or enquiry, and report suspicious case of breach of ethics or complaint about breach of ethics directly with the supervisor up the chain of command or delivery of complaint to the HR Department or company secretary or presenting with or informing directly to the Audit Committee.

3. In the event the complaint is untrue and done with ill-intent or deliberately causing damage to other individual or misrepresented, the company shall consider penalty in accordance with work regulation including legal action.

4. In the event management and employees fail to conduct themselves in accordance with policy or breach of ethics, each responsible department or function shall consider at the preliminary phase and report the matter to upper management through the chain of command, with penalty consideration in accordance with work regulation. However, if the issue has the nature of conflicting interest arising severely, and causing substantial damage, beyond functional or departmental authority, the matter should then be presented to company management to resolve the issue or consider penalty, and presented further to the Audit Committee.

Section 4: Disclosure and Transparency

(1) Efficiency of Information Disclosure Process

Management has policy to disclose information with transparency, financial reports, and operating results with information disclosure complete and accurate, transparent equally, regularly and timely in accordance with requirement of the Securities Exchange Commission, and the Securities Exchange of Thailand. Disclosed information has passed the review of the responsible individuals and with consent from the Board. Information disclosed consists of quarterly and annual financial statements, information disclosure Form 56-1, ONE REPORT, Annual Report, related party transaction report, invitation document for shareholders, minutes of the meeting of directors, audit fees, director compensation, duties of director for example. The information has been publicized in various form both Thai and English via securities exchange channel of communication, and company website on the investor relation section with updates regularly to enable users of information up to date, easy access, and maximum usefulness.

(2) Quality of Financial Report:

The company's financial statements are prepared in accordance with Generally Accepted Accounting Principles, with appropriate selection of accounting policies consistently applied, and with careful judgment, including sufficient disclosure of important information within the notes to financial statements. Disclosure of such financial statements have been audited/reviewed by independent auditor in collaboration with internal auditor and approved by the Audit Committee/Board. The Board reported on its responsibility toward financial reports in the company's annual report.

(3) Investor Relation

On the investor relation function, the Company has assigned the Chairman of the Executive Committee, the investor relation, and Deputy Managing Director for Accounting and Finance to perform the duties of disseminating useful information and liaise with institutional investors, shareholders, including stock analysts, public media, and the general public. During the year 2023 the company has disclosed information regarding its operating results to shareholders, investors, stock analysts, in line with the good governance principle disclosing during the appropriate time, transparent, and equal as follows:

1. The reception of investors and analysts who request for visit (company visits) or via tele-conference calls for 9 times.
2. Provide information via media interview in the forms of newspaper or TV program on air or via phone interview for 3 times.
3. Provide press releases in the event the company has had investment activities or important business transaction for 8 times.

To provide channel of communication between the company with shareholders, and investors, interested parties may contact investor relation of the company at Miss Kanchana Sophonpongpiat, phone number 02-641-5252, extension 9419, email address kanchana@ecl.co.th. The company has distributed name list, and phone number at the company's website, heading investor relation, sub-heading investor enquiry in order to enable shareholders and the stakeholders to receive information equally.

Section 5: Responsibilities of the Board of Directors

The Board of Directors has an important role of entity oversight, and as shareholder representative in the establishment of vision, commitment, strategy, system of internal control, system of risk management, system of audit to enable management meeting its objectives, and operational control of implemented policy compliance, with fairness, transparency, consistent with law, regulation, and policies including business ethics. As the Board of Directors is appointed by shareholders through a transparent process, all individual director must be knowledgeable, and experienced and contribute to the business engagement of the company. Directors must exert, be dedicated with time to perform their duties fully, being honest, having leadership quality, vision, independent in decision making for the best interest of the company and shareholders as a whole. The Board must be able to arrange for a system that provide assurance that all activities of the company are conducted in compliance with law and ethics and be independent from company management. The Board is authorized to appoint the various sub-committees to assist in the monitoring, studying, and filtering as necessary to enable an

efficient Board performance. The Board has the duties of considering Board structure being appropriate with the company's business engagement, clear scope of operations, authorities and responsibilities, beneficial to an efficient Board performance.

6.2 Business Ethics

Good Governance Policy and Business Ethics

The company establishes policy and business ethics in writing related to governance standards on code of conduct. This policy has been prepared with revision and improvement annually, and announced via all communication media, with director, management, and employee training to enable performance in compliance with law and regulations with honesty, morality, transparency. The policy recognizes the importance of all groups of stakeholders, responsibilities to ward society, community, and the environment, not involving in politics, recognition of individual right under the law, respect for human right, without infringement in intellectual property or patent right of others, fight against fraud and corruption practice, prevention of money laundering, not involved in demanding/receiving bribery of any kind, monitoring and control of insider information not subject to conflicting interests.

The company has formed the Sub-Committee for ethics, and prevention of fraud and corruption practices, and Sub-Committee for operational oversight to monitor and be instrumental to the drive toward assurance of acknowledgment and strict operational compliance by director, management, employees of the company, and subsidiaries.

Company's complete version of good governance information and business conduct may be referred to at <http://www.ecl.co.th> under the caption investor relation, sub-menu entity governance.

For the year 2023, the company has arranged the followings:

- Training and distribution of governance policy and business ethics to directors, executives, and employees at all levels 100%
- Orientation of New Employees including contract employees 100%

Furthermore, the company has announced the implementation of the Governance Policy and Business Ethics for the Year 2023 for trading partners, and outsourcing agent company for responsible mutual business practice guidance, with signed acknowledgement 100%

For the year 2023, upon compilation of operational risk information, it was found that one specific case, company registration staff instructed customer to transfer fund to its personal account without transfer to the company, was subject to disciplinary action. Presently, the company has notified all customer clearly that the company has no policy for customer fund transfer to company employee's personal account.

6.3 Important change and development of the policy, practice guideline, and governance process over the past year

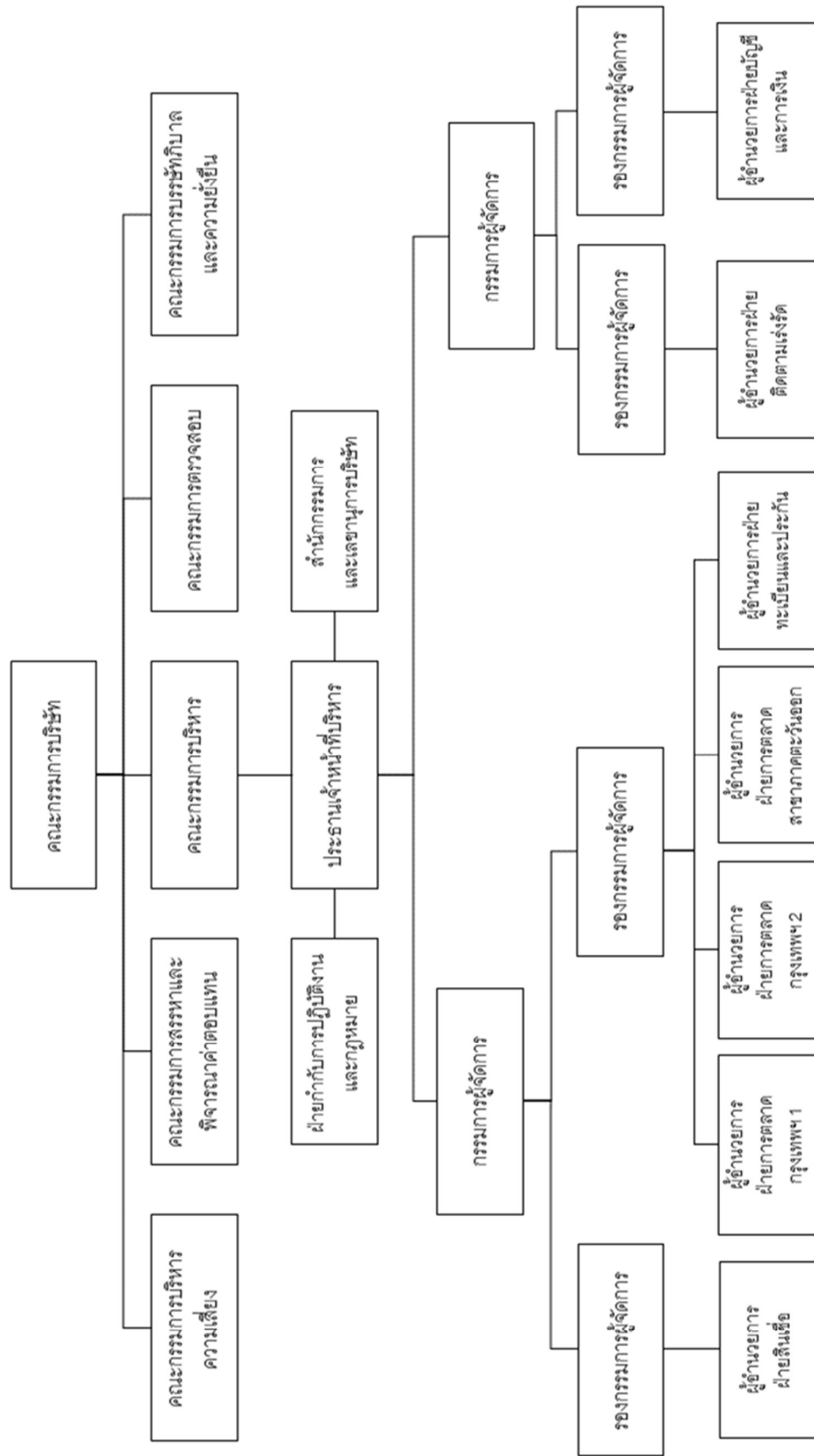
6.3.1 Review of policy, practice guideline, and system of entity governance, and various charters

1. Improve and add policy and practice guide on fight against fraud and corruption
2. Improve on customer treatment practice guide per contract commission announcement regarding vehicle and motorcycle hire purchase business classified as business requiring control on contracts BE 2565.
3. Prepare charters for the Committee for Governance and Sustainability, and Committee for Risk Management to correspond with the good governance principles to be approved by the Board of Directors during the Year 2023

Entity Governance Structure and
Important Information regarding the Board
of Directors, Sub-Committees, Executives,
Employees and Others

7. Entity Governance Structure and Important Information regarding the Board of Directors, Sub-Committees, Executives, Employees and Others

7.1 Management Structure at 31 December 2023



7.2 The Board of Director Information

7.2.1 Structure of the Board of Directors

1. The Board of Directors consist of at least 5 directors, no less than half of the directors must reside within Thailand, at least a third of the directors must be independent directors and no less than 3 individuals (per basis required in notification Tor Jor 4/2552) and at least one director must be knowledgeable in accounting and finance.

2. Company directors are appointed with complete qualification without prohibitive character per Public Company Act, SEC requirement, and regulation of the Securities Exchange of Thailand, must be knowledgeable, competent, experienced, and understand nature of the company's business engagement, and industry in which the company operates, exertive and dedicated time in the performance of duties and responsibilities with good work record, morality, ethics, and extensive vision.

3. The Board of Directors elects one non-executive director as the Chairperson of the Board

4. The Chairperson of the Board must not hold Chairperson or membership position in the sub-committees and not being the same individual as the Chairperson of the Executive Committee

5. To enable directors sufficient time in performing well the duties of company director, directorship in other companies must not become obstacle to the performance as company director. It is therefore established that directorship position in other listed companies should not exceed 5 companies concurrently.

6. The Board of Directors elects one individual to perform the duty of Board Secretary. The Board Secretary may or may not be a company director.

As at 31 December 2023, the Board of Directors consisted of 9 directors who are competent and well accepted, comprising of a variety of sexual, skill, professional, expertise, and valuable experiences beneficial to the successful performance in accordance with business strategy. Directors are skillful corresponding with company's business strategy having gone through Board Skill Matrix assessment, and having variety in educational background, experiences without restriction in other differences (director details per attachment 1).

Board Skills Matrix

Director Names	Credit Business	Accounting and Finance	Risk Management	Organizational Sustainable Development	Information Technology	Law	Strategic Management
1. Mr. Phiphat Phornsuwan *	x	x	x			x	x
. Mr. Wichai Maithong *	x		x	x	x		x
2. Mr. Danucha Veerapong	x			x	x		x
3. Mr. Prapakorn Veerapong	x		x		x		x
4. Mrs. Duangrat Jaengmongkol	x	x	x			x	x
5. Mr. Masayuki Nozawa	x				x		x
6. Mrs. Prapasri Permsup	x	x	x	x			x
7. Mr. Sorapas Suttienkul	x	x		x	x		x
8. Mr. Thailuck Leetavorn	x	x	x	x			x
9. Mr. Jaturong Phothirak	x			x	x		x
Total	9	4	5	6	6	1	9

7.2.2 Board of Director information and authorized director having control power over the company

Names of the Board of Directors

Rank	Name of Director	Position	Date of Appointment	Years of Service
1	Mr. Phiphat Phornsuwan * (resigned on 29 April 2023)	The Chairperson	25 April 2022	1 Y
	. Mr. Wichai Maithong * (Mr. Phiphat's replacement)	Independent director / The Chairperson	25 April 2018 12 May 2023	5 Y 8 MO
2	Mr. Danucha Veerapong	CEO, and Chairperson of the Executive Committee	17 Nov 2003	20 Y 6 MO
3	Mr. Prapakorn Veerapong	Managing Director, and Member of the Executive Committee	15 Sep 2003	20 Y 3 MO
4	Mrs. Duangrat Jaengmongkol	Director, Member of the Executive Committee, Company Secretary, Nomination and Remuneration Committee Member	15 Sep 2003 13 Aug 2008 24 Apr 2018	20 Y 3 MO
5	Mr. Masayuki Nozawa	Director, Member of the Executive Committee, Managing Director	15 May 2020 1 April 2021	3 Y 7 MO
6	Mrs. Prapasri Permsup	Independent Director, Chairperson of the Audit Committee, and Member of the Nomination and Remuneration Committee	24 Apr 2018 24 Apr 2018	5 Y 8 MO
7	Mr. Sorapas Suttienkul	Independent Director, Audit Committee Member, and Chairperson of the Nomination and Remuneration Committee	26 Feb 2015 24 Apr 2018 24 Apr 2018	8 Y 10 MO
8	Mr. Thailuck Leetavorn	Independent Director, and Audit Committee Member\	15 Aug 2017 15 Aug 2017	6 Y 4 MO
9	Mr. Jaturong Phothirak	Director	30 Apr 2023	8 MO

Having Miss Kanchana Soponpongpiat acting as Board Secretary

Remark: - Mr. Phiphat Phornsuwan resigned from the position of the Chairperson of the Board on 29 April 2023.

- Mr. Jaturong Phothirak was appointed director replacing Mr. Phiphat Phornsuwas on 30April 2023

- Mr. Wichai Maithong was appointed Chairperson replacing Mr. Phiphat Phornsuwan on 12 May 2023.

(As per BOD 2/2566 dated 27 April 2023, and BOD 3/2566 dated 11May 2023.

Rank	Name of Director	Executive Director	Non-Executive Director	Independent Director	Audit Committee Member
1	Mr. Phiphat Phornsuwan *		/		
	Mr. Wichai Maithong *		/	/	
2	Mr. Danucha Veerapong	/			
3	Mr. Prapakorn Veerapong	/			
4	Mrs. Duangrat Jaengmongkol	/			
5	Mr. Masayuki Nozawa	/			
6	Mrs. Prapasri Permsup		/	/	/
7	Mr. Sorapas Suttienkul		/	/	/

8	Mr. Thailuck Leetavorn		/	/	/
9	Mr. Jaturong Phothirak		/		
Total		4	5	4	3

Remark: * Mr. Phiphat Phornsuwan resigned from the position of the Chairperson of the Board on 29 April 2023,

- Mr. Jaturong Phothirak was appointed director replacing Mr. Phiphat Phornsuwan effective from 30 April 2023.
 - Mr. Wichai Maithong was appointed the Chairperson of the Board replacing Mr. Phiphat Phornsuwan effective from 12 May 2023.
- (1) 4 executive directors 4/9 or 44.44%
 - (2) 5 non-executive directors 5/9 or 55.56%
 - (3) 4 independent directors 4/9 or 44.44% exceeding a third. Independent directors shall have the term of office consecutively not more than 9 years. At present no independent directors have been in position exceeding limit.
 - (4) Audit Committee consists of 3 independent directors or 1/3 and not less than 3 individuals, per regulation of the SET, and at least 1 knowledgeable and experienced in reviewing reliability of financial report, and 1 risk management.
 - (5) There were two female directors out of 9, or 22.22%
 - (6) The company isolates the positions of Chairperson of the Board and Chairperson of the Executive Committee (2 positions) without being the same individual, with clear segregation of duties, without any individual having unlimited power. Nonetheless the Chairperson of the Executive Committee, and the Managing Director are representatives from the same major shareholder group i.e. the Veerapong family, on 5 January 2024 holding 29.54% of the company equity. To provide check and balance for management, Board structure comprises non-executive directors more than executive directors, independent directors more than a third, and the Audit Committee having no less than 3 independent directors,

Authorized Directors

Authorized Directors consist of Mr. Danucha Veerapong, Mr. Prapakorn Veerapong, and Mrs. Duangrat Jaengmongkol. Any two of the three authorized directors may sign jointly and affixed with company seal to bind the company.

7.2.3 Information about the Role and Duties of the Board of Directors

Authority of The Board of Directors

1. Appoint, remove, and assign authority to advisors to The Board of Directors, various committees, and Chairperson of the Executive Committee and/or the Managing Directors, to carry out the assigned duties.
2. Seek advices from specialists or company consultants (if any), or hiring of advisor or outside specialists as necessary at the company's expenses.
3. Approve loan borrowing transaction to be used as the company's working capital, for such amount exceeding the authority of the Executive Committee.
4. Approve or cancel credit facility, for such amount exceeding the authority of the Executive Committee.
5. Approve loan extension to companies having business relationship with the company, either as the shareholder or the company engaging in business transaction, or other companies, for such an amount exceeding the authority limit of the Executive Committee.

6. Approve the entering into guarantee for credit facility, for companies having business connection with the company, either as the shareholder or the company engaging in business transaction, or other companies, for such an amount exceeding the authority limit of the Executive Committee.
7. Approve the formation, merger, or dissolution of subsidiary company.
8. Approve the investment, sales of investment in common shares, and/or any other securities, for an amount exceeding the authority limit of the Executive Committee.
9. Approve the procurement of fixed asset investment for such an amount exceeding the authority limit of the Executive Committee.
10. Approve the sales and transfer transactions of fixed assets, for such an amount exceeding the authority limit of The Executive Committee.
11. Approve the adjustment, destruction, write-off for fixes assets, and/or intangible assets no longer in use, or being subject to damage, loss, destruction, deterioration, obsolescence, or no longer functionable, for such accounting value (historical cost) exceeding the authority limit of The Executive Committee.
12. Approve the compromise, settlement of conflicts by arbitration, petition, lawsuit, and/or court proceedings on the company's behalf, for such case not considered as normal business practice, and/or such case considered as normal business practice, for such an amount exceeding the authority limit of The Executive Committee.
13. Approve the entering into such transaction not considered as normal business practice, for such an amount exceeding the authority limit of The Executive Committee.
14. Propose capital increase or capital decrease, or the change in par value of stocks, change or amendment to memorandum of association, articles of association, and/or objectives of the company to the shareholders for consideration.
15. Approval for The Executive Committee to set up delegation of authority manual and other operating procedures as they deem appropriate.
16. Assign management, executive or employees at the executive level or any other person under power of attorney to act on their behalf.
17. Authorize summon of management, executive or relevant employees to provide explanation or opinion, to join the meeting, and to submit relevant documents deemed necessary.
18. Appoint and remove Company Secretary.
19. The scope of authority for the Board of Directors pertaining to the acquisition and disposal of assets and connected transactions, shall comply with the Notification of the Capital Market Supervisory Board.

Duty and Responsibility of the Board of Directors

The Board of Directors has authority, duty, and responsibility primarily toward shareholders in the business engagement of the company, in managing and supervising the management to ensure the operation in accordance with the objectives, and articles of the company including the relevant law, as well as legitimate

resolution passed at the shareholders' meeting, conducted with integrity, honesty, and due care considering the best interest of the company and fairness toward shareholders and all stakeholders equally.

Scope of duties, and important responsibilities of the Board may be summarized below:

1. To arrange for the Annual General Shareholders' Meeting within 4 months after the closing date of the company's accounting period.
2. To arrange for the meeting of the Board of Directors at least once every 3 months.
3. In considering approval for any transactions for the company and its subsidiary which may have material impact on the financial position, liabilities, and capital structure of the company.
4. To arrange for the preparation of the statement of financial position as at the end of the fiscal year, and statement of comprehensive income for the year ended at the same date, the financial statements of which shall have been audited, reliable, and presented for consideration and approval at the Annual General Shareholders' Meeting.
5. The approval consideration or providing consent in the related party transaction, and transactions which may have conflicting interest between the company or subsidiary with related party in accordance with rules, regulations of the securities, and securities exchange commission, and the securities exchange of Thailand.
6. To delegate its authority to one or more directors or other individuals to perform any acts on behalf of the Board of Directors under the control of the Board or to delegate to such individuals with authority and within the duration as the Board sees fit. The Board may withdraw, cancel, or modify individuals being delegated or the authority delegated as appropriate.

The Board may delegate its authority to the Executive Committee empowering it to perform tasks with detailed delegated authority per scope of duty and authority of the Executive Committee. Such delegation must not be so delegated that will enable the Executive Committee consider approving transactions which the Executive Committee or individuals may have conflicting or vested interests or any other conflicting interests with the Company or subsidiaries except for transaction approval in accordance with policies and principles the Board of Directors has already considered and approved.

7. To establish vision, commitment, goal, guidance, policy, plan, and budget of the company, supervise, oversee the administration and management of the Executive Committee in accordance with assigned policies with the exception of such matters which the Board of Directors requires the approval via the resolution passed at the shareholders' meeting with vote count no less than three quarter of the attending and eligible shareholders prior to the execution namely matters by law require approval at the shareholders' meeting such as the increase, decrease of capital, the issuance of debenture, the sale or transfer of the business of the company in whole or in part with material substance to other individuals or the acquisition or being recipient of the transfer of the business of other company, the modification of the memorandum and articles of association of the company. In addition, duties of the Board also encompass the supervision of the company to perform in accordance with the law and regulation relevant to the securities, and securities exchange for example related party transaction and

the purchase and sale of assets of material substance in accordance with regulation of the Securities Exchange of Thailand or other law relevant to the company's business.

8. To consider structure of management, to appoint the Executive Committee, the Chairperson of the Executive Committee, and other committee as appropriate including the establishment, segregation of duties and responsibilities of the Board, sub-committees, and management by establishing clear authorities in the delegation of authorities and company operations.
9. To continuously monitor the operating results in accordance with business plan, and budget
10. To arrange for the review and approval of the vision, commitment, ethical code manual, and business ethics of the company at least once every 3 years.
11. Directors must not engage in the same type of business and in competition with the company or being partner in an ordinary partnership, or being managing partner in a limited partnership, or being director of private companies or other companies engaging in similar business and in competition with the company regardless of whether such acts are for the individual directors' interest or for others except for prior appointment notification at the shareholders' meeting.
12. Directors must inform the company without delay in the event conflict of interests arises directly or indirectly within the contract the company enters into or increase, decrease in shares or debenture holding in the company or group companies.

The Recruitment and Appointment of Company Director

Recruitment of Directors

The Nomination and Remuneration Committee is assigned jointly with the Executive Committee the duties in consideration of director recruitment, selection of individuals with appropriate qualification for appointment as directors, for their experiences, knowledge, and competence beneficial to the company, deserved to be presented for appointment consideration as directors, independent directors or Audit Committee member and to be proposed to the Board, and at the shareholders' meeting for approval consideration.

In the recruitment of new director, the company shall consider the composition of the Board of Directors in accordance with the Board Skills Matrix as approved by the Board of Directors for such qualification as knowledge, skill, and necessary experiences of the director candidate to ensure the Board of Directors composition corresponds with company's business engagement strategy.

Qualification of Directors

1. Director qualification per public company act principle
 1. Being an individual
 2. Reaching legal age
 3. Not being bankrupt, incapacitated, or appeared incapacitated
 4. Not being convicted to jail term at last verdict for offence relating to asset fraud
 5. Not being expelled or terminated from civil service or organization or public sector entity on ground of fraud on active duty

2. Being knowledgeable, competent, and experienced beneficial to the business operations, truly interested in the business of the company, and being able to dedicate time, being independent in expressing opinion in performing the oversight duty counterbalancing with the operations under management

Director Selection

- 1) Appointment of directors by resolution of the shareholders for example appointment of directors replacing directors scheduled to be retired through rotation at the Annual General Shareholders' Meeting and/or the appointment of additional new director requiring approval at the shareholders' meeting. The Board is to submit names of candidates with appropriate qualification for the position of director to the shareholders' meeting for consideration. The Meeting shall consider according to standard, and procedures per company articles namely

- 1.1 Each shareholder has voting right equal to the number of shares held

- 1.2 The poll for director may be conducted with voting for each individual director, one poll

for one director or one poll for multiple number of directors as the Meeting sees fit. In each poll, each shareholder must vote with the number of votes per 1.1 in its entirety. The shareholder may not allocate one's votes to multiple candidates.

- 1.3 The vote for director is by majority with the Chairman having the casting vote in the event of a tie vote.

- 1.4 The right of minority shareholders in the appointment of directors: Company articles provided that each shareholder shall have voting right one vote for one share held, and not the cumulative voting system. The Nomination and Remuneration Committee provides opportunity for directors, and shareholders to participate in proposing qualified individuals as director candidates.

The company has advised shareholders via information system of the securities exchange the opportunities for shareholders to propose individuals with qualification in accordance with the articles of the company, the Public Company Act, BE 2535, and the Announcement of the SEC, to the company secretary as director candidate for approval consideration. The company has publicized method of proposing, and consideration procedure on the company's website in advance approximately 3 months prior to the meeting date of the Nomination and Remuneration Committee, and the Board. Shareholders, who may propose individual as director candidate, should have below requirements i.e. 1. Being shareholder (s) of the company, as one shareholder or a number of shareholders combined, 2. Proportion of shares held no less than 0.25% of total shares issued with voting rights, 3. Holding shares as at the date of proposing director candidate.

- 1.5 At the Annual General Shareholders' Meeting each year, at least a third or proportion close to a third of the number of directors shall retire with the longest servicing directors retiring first. Retired directors are eligible to be reappointed.

- 2) The appointment of director replacing retired director for reasons other than scheduled retirement in accordance with Company Articles namely the Board considers individuals with required qualification and without prohibitive record according to law, to be appointed as replacement director at the next meeting of the Board unless the service tenor of the director is less than 2 months. The replacement director shall stay as director only within the service tenor remaining of the director one replaces. The voting of the Board for such director must be at least three-quarter of the total votes of the Board remaining.
- 3) Director with intention to resign should submit the resignation letter to the company, and may also inform the resignation with the registrar. The resignation takes effect upon arrival of the resignation letter at the company.
- 4) Resolution removing director prior to the scheduled retirement, requires at least three-quarter vote of the attending and eligible shareholders, with shares held no less than half of the attending and eligible shareholders.

Duty and Authority of the Chairperson of the Board

1. The individual is responsible as the leader of the Board to chair the Board's, and the shareholders' meetings, and encourage all individual directors to participate in the meetings.
2. The individual has the role to control the meeting to be conducted with efficiency in accordance with company articles, support and provide opportunities for directors expressing their views freely.
3. The individual is to supervise the performance of duties of the Board with responsibility, honesty, and with efficiency enabling the achievement of the objectives and core targets of the entity.
4. The individual is to encourage and provide oversight to enable director participation to support achievement of a corporate culture of adherence to ethical values, and good governance principle.
5. The individual is to support good relationship enhancement between executive and non-executive directors, and the Board of Directors and management.

In order to achieve a clear segregation of duties between policy establishment for entity governance, and routine administration, the company requires the Chairperson of the Board, and the Chairperson of Executive Committee to be two separate individuals.

7.3 Sub-Committee Information

7.3.1 Sub-Committee Structure and Components

The Board appointed five Sub-Committees namely 1) the Audit Committee, 2) the Nomination and Remuneration Committee, 3) the Executive Committee 4) the Corporate Governance and Sustainability 5) the Risk Management Committee for monitoring, and operational oversight of the company, and reporting to the Board regularly. Furthermore, the Executive Committee appointed 6 sub-committees to perform regular duties closely and report to the Executive Committee, for further submission to the Audit Committee and/or the Board of Directors.

For the year 2023, the company continued to maintain 5-Sub-Committees as follows:

(1) The Audit Committee

The Audit Committee is responsible for reviewing company's financial reports, the adequacy of the system of internal control, and system of risk management, reviewing compliance with relevant regulation, laws, and rules, selection consideration and establishment of audit fees for the company's external auditor, reviewing related party transactions or transaction which may have conflicting interest, to assure correctness, completeness, and transparency, supervise and consider plan, operating results, budget, and headcount of the internal audit office. For the year 2023, the Audit Committee convened 4 meetings with all members' full attendance and conducted in accordance with scheduled agenda, and meeting once with head of the internal audit without management presence, with coordination and follow-up proceedings as recommended by the Audit Committee, and recorded within the minute of the meeting.

As at 31 December 2023, the Audit Committee consists of 3 independent directors as follows:

Rank	Director's Name	Position	Appointment Date	Terms end
1.	Mrs. Prapasri Permsup	The Chairperson of the Audit Committee/ an independent director	23 April 2018	15 August 2025
2.	Mr. Thailuck Leetavorn	Member of the Audit Committee/an independent director	15 August 2017	15 August 2025
3.	* Mr. Sorapas Suttienkul	Member of the Audit Committee/ an independent director	23 April 2018	24 April 2024

Miss Kanchana Soponpongpiat, Audit Committee Secretary

Remarks: * As per BOD 1/2565 dated 24 February 2022, Audit Committee membership of Mr. Sorapas Suttienkul has been approved for extension for another term.

* As per BOD 4/2566 dated 10 August 2023, terms of office for Mrs. Prapasri Permsup, and Mr. Thailuck Leetavorn have both been extended for another term.

Knowledgeable and experienced individual for reviewing company's financial reports

Mrs. Prapasri Permsup, the Chairperson of the Audit Committee is knowledgeable and experienced in accounting and finance, capable of performing the duties of reviewing financial reports very well.

Authorities of the Audit Committee

1. Establish coordination for understanding along the same line among the external auditor, the Board, and internal auditor
2. Hold consultation with specialist or company consultant (if any) or hire advisor or external specialist, when necessary, under company expense
3. Authorized to invite participation by relevant management, executives, or employees of the company to clarify, express opinion, join the meeting or submit of documents deemed relevant and necessary including access to information at all levels of the organization
4. Authorized to investigate relevant individuals and matters within the scope of authorities and duties of the Audit Committee

Duties and responsibilities of the Audit Committee

The Audit Committee has the scope of duties and responsibilities as assigned by the Board of Directors including reporting to the Board equivalent in accordance with new regulation BE 2551 of the securities exchange as follows;

1. Review for company financial report to be accurate with adequate disclosure with coordination with external auditor and management responsible for preparation of financial reports both quarterly and annually. The Audit Committee may suggest the external auditor to review or audit any transactions deemed necessary and important during the course of company audit.
2. Review to ensure that the company maintains appropriate and effective system of internal control, and internal audit, system of risk management, jointly with external auditor, and internal auditor including providing opinion in considering appointment, transfer, or termination of internal auditors for impropriety.
3. Review company compliance with law regarding securities and securities exchange, regulation of the securities exchange or relevant law to the company's business engagement.
4. To consider the selection and propose an independent party for appointment as the external auditor of the company, propose for the auditor's compensation, and to participate in the meeting with external auditor without management present at least once a year.
5. To consider related party transactions or transactions which may have conflicting interests to be in accordance with the law and regulation of the securities exchange to ensure that such transactions are reasonable and for the best interest of the company.
6. To prepare report of the activities of the Audit Committee and disclose the report within Company's Annual Report such report to be affixed with the signature of the Chairperson of the Audit Committee. The report should comprise the following information:
 - Opinion on the process of preparation and disclosure of financial reports of the company whether they are accurate, complete and reliable,
 - Opinion on the adequacy of the system of internal control of the company
 - Opinion on legal compliance related to the securities and securities exchange, regulation of the securities exchange, or law relevant to the company's business
 - Opinion on the appropriateness of the external auditor
 - Opinion on transactions that may have conflicting interests
 - The number of meetings of the Audit Committee, and attendance of individual audit committee member
 - Opinion or overall observation of the Audit Committee in performing its duties in accordance with the Audit Committee Charter
 - Any other reports the Committee felt the shareholders and investors in general should know within the scope of duties and responsibilities assigned by the Board of Directors
7. To perform any other duties as assigned by the Board of Directors and agreed by the Audit Committee such as reviewing financial policy and risk management, executive management conduct in accordance with code

of ethics in business, reviewing jointly with management for important reports required to be presented to the public in accordance with the law such as management report and analysis.

8. To arrange for preliminary investigation upon receiving external auditor's report where the auditor found suspicious behavior involving fraud or breach of relevant law concerning performance of directors and management of the company, and to report the results of the investigation to the SEC and the external auditor within 30 days from the date of report receipt.
9. To accept complaints, and consider complained matters as submitted by the stakeholders

Duration of Appointment of the Audit Committee

The Audit Committee member has a 2-year term of service. Retiring Audit Committee member per schedule in accordance with articles may be reappointed. Where the position of Audit Committee member is vacant for reason other than scheduled retirement, the Board may appoint individual with full qualification as Audit Committee member to maintain full membership of the Audit Committee as established by the Board. The replacement Audit Committee member shall hold the position only up to the remaining terms of the replaced Audit Committee member.

(2) The Nomination and Remuneration Committee

As at 31 December 2023, the committee comprises three qualified individuals namely:

Rank	Name of Director	Position	Appointment Date	Terms end
1.	Mr. Sorapas Suttienkul	Chairperson of the Nomination and Remuneration Committee/ Independent Director	24 April 2018	24 April 2024
2.	Mrs. Prapasri Permsup	Nomination and Remuneration Committee member/ Independent Director	24 April 2018	24 April 2024
3.	Mrs. Duangrat Jaengmongkol	Nomination and Remuneration Committee member/ Director	24 April 2018	24 April 2024

Having Miss Kanchana Soponponpipat acting as secretary of the Nomination and Remuneration Committee

Scope of Authorities and Duties of the Nomination and Remuneration Committee

Authority of The Nomination and Remuneration Committee

1. Seek advices from specialists or company consultants (if any), or solicit the services of outside specialists or consultants at the company's expenses.
2. Authorized to summon the management, executive or relevant employees to provide clarification, opinion, to take part in meetings, and to submit documents deemed necessary.

Duties and responsibilities pertaining to Recruitment

- Duties for Recruitment

1. Consider establishing structure, composition, and practice guidance of the Board of Directors, and sub-committees appropriate with the business engagement.
2. Consider basis, qualification, and procedures for the recruitment of company director, sub-committee members in accordance with the SEC requirements and submit for approval and review consideration with the Board of Directors and/or at the shareholders' meeting annually.

Basis for recruitment of director candidates appropriate for specific company requirements for examples:

- Basis for existing director consideration for reappointment
- Basis for the announcement for the application of directorship position,
- Basis for opportunity for shareholder submission of director candidates,
- Basis for appointing external recruitment agency,
- Basis for consideration of individuals as listed within the professional director registry,
- Basis for assigning each director to propose appropriate director candidate

The basis and procedures for the recruitment of directors aforementioned shall be disclosed within the annual report and posted on the company web site.

3. Nominate appropriate individual in accordance with recruitment process for the selection of individuals with knowledge, competence, and experience appropriately beneficial to the company including individuals proposed by shareholders for submission to the Board and/or at the shareholders' meeting for approval consideration.
4. Prepare training and development plan regarding the performance of directors, and business knowledge of the company for directors, and senior executives continually, and arrange for orientation for new directors.
5. Prepare jointly and subject to annual review with the Chairperson of the Board, and Chairperson of the Executive Committee - succession plan for senior executives to ensure continuing administration of the operation of the company in the event of director or senior executive retirement or incapacitated.
6. Establish basis, procedure for assessment, and review results of self-assessment of the individually Board director, and Chairperson of the Executive Committee including performance assessment of the Board, sub-committees, and Chairperson of the Executive Committee for presentation to the Board for approval consideration.
7. Perform any other duties as assigned by the Board of Directors related to important nomination and remuneration matters.
 - **Duties for Director and Chairperson of the Executive Committee Compensation Considerations**
8. Consider company director and Chairperson of the Executive Committee compensation in order to present opinion to the Board of Directors with the Board having authority to approve compensation for the Chairperson of the Executive Committee, and as for compensation for directors, the Board shall present to the shareholders' meeting for approval.
9. Establish basis, guidelines for director and Chairperson of the Executive Committee compensation, including other fringe benefits as appropriate in accordance with duties and responsibilities, in relation to the overall operating results of the company, or performance assessment of the Chairperson of the Executive Committee fairly, with reasonableness in comparison with other companies in the same industry in order to provide incentives, and retain knowledgeable and competent high potential directors for submission to the Board and/or at the shareholders' meeting for approval consideration and review annually as follows:
 - a. Review appropriateness of currently applicable basis
 - b. Consider compensation information of other companies in the same industry

- c. Establish appropriate basis to render results as anticipated, with fairness, and rewarding to individuals who help accomplish the company's objectives
- d. Review the form of compensation of all types considering monetary value, and proportion of payment of each type of compensation appropriately, with the various types being:
- Retainer Fee: For example, monthly, annual compensation considering 3 factors namely (1) Applicable practice guide of company in the same industry (2) Operating results and size of business of the company and (3) responsibility, knowledge, competency, and experience of director or senior executive the company requires.
 - Incentive in relation to operating results: which relates to value add created for shareholders e.g. operating profit or dividend paid. Director and senior executive compensation in this regard should not be paid excessively.
 - Attendance Fee: Directors may receive meeting fees in addition to retainer fees, and incentives in relation to operating results in which the Nomination and Remuneration Committee shall consider at an appropriate level in order to provide incentive for directors performing their duties by attending meetings regularly.
10. Establish bases for performance appraisal of the chairperson of the executive committee to be presented to the Board for approval consideration. As for the performance appraisal process itself, the Board may elect to appraise the Chairperson of the Executive Committee by itself or assigning the Nomination and Remuneration Committee to perform such task.
11. Offering for sale of new securities or warrants for the acquisition of ordinary shares to directors or employees. In the event new securities or warrant are being offered for sale to directors and employees, the Nomination and Remuneration Committee shall consider the terms of offering to provide incentive to motivate directors and employees to perform their duties in such a way that they enhance shareholders value add over the long term and truly enabling the retention of quality employees but concurrently should not be excessive and be fair to shareholders.

Furthermore, any directors or employees who are eligible to be appropriated with securities in excess of 5% of the entire assets be appropriated, the Nomination and Remuneration Committee shall consider the appropriateness, and provide consent (Nevertheless, it must perform in accordance with the SEC requirement indicating that the no member of the Nomination and Remuneration Committee itself shall be eligible to receive securities in excess of 5%, in order for the Committee to be authorized to provide consent).

Terms of Office of the Nomination and Remuneration Committee

Individual members of the Nomination and Remuneration Committee shall have the terms of 3 years each corresponding with the terms of company Director. Existing independent director to be reappointed shall have the continuing terms of office consecutively for at least 9 years from the initial appointment date. In the event the

individual independent director is being considered for reappointment, it is appropriate to consider with reasonableness the necessity for such decision as well.

Upon expiry of terms of office or for other reason the member is not able to stay until terms expiry, the Board should promptly appoint new member for full membership of the Nomination and Remuneration Committee immediately or the latest within 90 days from the date when the memberships have not been filled. Replacement member shall be in the position up to the term of the replaced committee member.

(3) The Executive Committee

As at 31 December 2023, the Executive Committee comprises 4 directors who are executive directors, and 10 management staff:

Rank	Name	Position
1	Mr. Danucha Veerapong	Director, The Chairperson of the Executive Committee
2	Mr. Prapakorn Veerapong	Director/Managing Director
3	Mrs. Duangrat Jaengmongkol	Director/ Company Secretary
4	Mr. Masayuki Nozawa	Director/Managing Director
5	Mrs. Charatsang Yuampai	Deputy Managing Director
6	Mr. Tirathee Patiparnvoharn	Deputy Managing Director
7	Miss Kanchana Soponpongpiat	Accounting and Finance Director
8	Mr. Mano Bunyasrisavasdi	Insurance Business Director
9	Mr. Teera Chunchacha	Marketing- Director (Eastern)
10	Miss Yuvadee Thongthai	Credit Director - 2

Miss Kanchana Soponpongpiat is the Committee Secretary

Duty and Authority of the Executive Committee

The Executive Committee has authority, duty, and responsibility in managing the on-going operation, and other administrative function of the company. The Committee is to establish policy, business plan, budget, management structure, company's delegation of authority, and operating procedures corresponding to the economic condition in order to submit to the Board of Directors for consideration and approval and/ or acknowledgement including the audit, and follow-up the operating result in accordance with established policy. In summary, the important duty, authority, and responsibility of the Committee are as follow:

1. To operate and manage the business of the company fully in accordance with the objectives, the articles, policy, rules, regulation, orders and resolution of the Board of Directors and/ or resolution at the shareholders' meeting
2. To consider policy establishment, direction, and strategy for the operation of the company, the establishment of financial plan, budget, human resources management, investment in information technology, business expansion, public relations, and control and supervision to ensure appointed sub-committee's conduct fulfilling the Committee's goal.
3. To consider annual budget appropriation as proposed by Management prior to the submission to the Board of Directors for consideration and approval, including the consideration and approval for

modification, increase in annual expense budget during the period when the Board is not in session and subsequently submit for acknowledgement when the Board convenes its session.

4. The Committee is authorized to consider and approve operating expenses in the normal course of its business for example bank account setup, acquisition of assets, acquisition of motor vehicles, credit approval within the limit of Baht 50 million per transaction.
5. The Committee is authorized to approve important investment expenditures which have been included in the annual expense budget as assigned by the Board of Directors or as approved in principle by the Board of Directors.
6. The Committee is authorized to consider and approve borrowing, lending, arranging for credit facilities, issuance of instrument including providing securities, guarantee for loan or credit, or solicitation of any credit facilities of the company.
7. The Committee is to function as an advisory committee assisting Management in the areas of financial policy, marketing, human resources management, and other operating areas.
8. The Committee is to establish organizational structure, delegation of authority for the management of the company, including the appointment, hiring, transfer, and establishment of salary and wages, compensation, bonus for management staff, and employment termination.
9. The Committee is authorized to delegate under power of attorney to one or more committee members or other individuals to perform any duties under the Committee's supervision or to delegate to such individuals to have authority within duration as the Committee sees fit. The Committee may cancel, withdraw, or modify the delegated individuals or the authority as appropriate.
10. The Committee is to establish management succession plan to maintain entity quality from generation to generation and recognizes the importance of quality human resources development and administration for example the position of Director, Accounting Manager.
11. To perform any other duties as assigned by the Board of Directors from time to time.

The authority of the Executive Committee does not include transaction approval which may have conflicting interest or other transaction the Executive Committee or individuals related to the Committee having interests or any other interest in conflict with the Company or its subsidiary in accordance with regulation of the Securities Exchange of Thailand. Approval of such transactions must be submitted to the Board of Directors and /or at the shareholders' meeting for consideration and approval in accordance with company's articles or relevant law and regulations.

(3.1) Corporate Governance and Sustainability Committee

As at 31 December 2023 the Corporate Governance and Sustainability Committee consists of 3 directors, 2 of whom were independent directors as follows:

Rank	Name of Director	Position	Appointment Date	Terms end
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1.	Mr. Thailuck Leetavorn	Chairperson of the Corporate Governance and Sustainability Committee / Independent Director	11 May 2023	10 May 2026
2.	Mrs. Prapasri Permsup	Member of the Corporate Governance and Sustainability Committee / Independent Director	11 May 2023	10 May 2026
9	Mr. Jaturong Phothirak	Member of the Corporate Governance and Sustainability Committee / Director	11 May 2023	10 May 2026

Having Miss Kanchana Soponpongpiat acting as committee secretary

The Corporate Governance and Sustainability Committee is responsible for consideration and establishing policies and practice guidance plan related to good governance oversight, code of conduct for business engagement, social responsibility, and development guidelines toward the company engaging in sustainable business mindful of environments, society, and corporate governance (Environmental Social Governance: ESG).

Qualification of Member of the Corporate Governance and Sustainability Committee

- The member is knowledgeable, competent and experienced beneficial to the business engagement of the company, with integrity, honesty, ethics, and knowledgeable about good governance practice.
- The member must be a company director, neutral, and independent in accordance with good governance principles.
- The member must be dedicated, providing sufficient time in the performance of its duties.

Terms of Office, Termination, and Resignation

Member of the Corporate Governance and Sustainability Committee shall be appointed individually for a period of 3 years corresponding with terms of company directors. If an independent director is being considered for reappointment, the term should be maintained continually for a period no more than 9 years from the date of initial appointment. In an event of independent director reappointment such term necessity should be reasonably considered.

Upon expiry of terms of office or for other reason the member is not able to stay until terms expiry, the Board should promptly appoint new member for full membership of the Corporate Governance and Sustainability Committee immediately or the latest within 90 days from the date when the memberships have not been filled. Replacement member shall be in the position up to the term of the replaced committee member.

Duties and Responsibilities

1. Establish corporate governance policies, business ethics, and best practices, basis in accordance with good governance principles including policies and measures against fraud and corruption in order to apply such principles in the establishment of rules and regulations of the company consistent with good governance principles for directors, executives, and employees of the company by presenting to the Board for approval consideration.

2. Prepare policies, goal, strategy, and framework for the sustainable development, social responsibility, community, environment covering reduction of energy consumption, reduction of paper usage, reduction of global warming as a result of climate change, and innovation for the sustainable business development both short and long term including key performance indexes updating and continuingly consistent with international standard including operational result review for reporting to the Board of the company or approval request as the case may be.
3. Prepare policies and practice guidance related to sustainable development and good governance covering the company and/or subsidiaries as appropriate, including oversight and monitoring compliance with policies and such practice guidance congruently.
4. Review and modification of policies related to good governance principles and sustainable development regularly to be consistent with practice guide of the regulatory agencies for submission to the Board of Directors.
5. Consider approval regarding strategy, refining activities for society, community, and the environment in accordance with company policies including progress monitoring for such activities for presentation to the Board of Directors.
6. Promote participation of the Board of Directors, and employees for the implementation of activities under the sustainable development for society, community, and the environment, and other policies relevant to the company.
7. Monitor operating results related to the sustainable development, and oversight regarding good governance practices, and report to the Board, and ensure disclosure regarding sustainable development, and corporate governance within the annual report of the company.
8. The Corporate Governance and Sustainability Committee is authorized to invite relevant individuals or individuals deemed appropriate to be invited to the meeting or provide explanation regarding relevant matter.
9. Provide annual performance assessment of the Corporate Governance and Sustainability Committee and report the assessment results to the Board.
10. To perform any other act as assigned by the Board of Directors of the company related to corporate governance and sustainability including activities for society, community, and the environment.

(3.2) Risk Management Committee

As at 31 December 2023, the Risk Management Committee consists of 1 independent director, 1 director, and 4 members of the Executive Committee totaling 6 members as follows:

Rank	Name of Director	Position	Appointment Date	Terms end
1.	Mr. Wichai Maithong	Chairperson of the Risk Management Committee / Independent Director	11 May 2023	10 May 2026
2.	Mr. Prapakorn Veerapong	Member of the Risk Management Committee / Director	11 May 2023	10 May 2026
3.	The Executive 4 individuals	Member of the Risk Management Committee	11 May 2023	10 May 2026

Having Miss Klaytawan Jaroenlaksa acting as committee secretary

The Risk Management Committee is responsible for oversight pertaining to the arrangement for an efficient and concrete risk management process within the company, support and promote sustainable growth in business engagement, achieve established goal, and objectives, create confidence and creditability for investors, and stakeholders in the company's business engagement consistent with the international standard on good governance principles including sharing burden of the Board of Directors in the entity risk management oversight.

Qualification of the Risk Management Committee

- The member is knowledgeable and sufficiently experienced to understand qualification, duties and responsibilities of the Executive Committee including corporate governance practice.
- The Chairperson of the Risk Management Committee should be an individual with skill, knowledge and experience relating to risk management.
- The member must be neutral, and independent in accordance with the good governance principle.
- The member must be dedicated, providing sufficient time in the performance of its duties.

Terms of Office, Termination, and Resignation

Member of the Risk Management Committee shall be appointed individually for a period of 3 years corresponding with terms of company directors. If an independent director is being considered for reappointment, the term should be maintained continuingly for a period no more than 9 years from the date of initial appointment. In an event of independent director reappointment such term necessity should be reasonably considered.

Upon expiry of terms of office or for other reason the member is not able to stay until terms expiry, the Board should promptly appoint new member for full membership of the Risk Management Committee immediately or the latest within 90 days from the date when the memberships have not been filled. Replacement member shall be in the position up to the term of the replaced committee member.

Duties and Responsibilities

1. Establish and review framework, policies, and entity risk management process corresponding with business goal appropriately for an efficient business engagement by international standard.
2. Supervise, monitor results of important risk management, provide counseling to ensure an efficient risk management and appropriately with the company's business engagement corresponding with current situation, and capable of managing various risks within an acceptable level.
3. Arrange for Risk Management Committee Meeting continuingly to monitor results of important risk management corresponding with current situation and create confidence that there exists appropriate management or responsible owner for the relevant risks with duties to report results to the Risk Management Committee.

4. Report progress of results of risk management and recommendation to the Board of Directors on a quarterly basis, and in the event of important matter which may materially affect the company to report to the Board of Directors for urgent consideration.
5. Promote and develop risk management at all levels within the organization including encouraging employees acquiring knowledge, understanding, conscientious of risk management, and continuing application to become entity's corporate culture.
6. Report performance of the Risk Management Committee, and report material and beneficial issues of the company to the Audit Committee, and Board of Directors for acknowledgement continuingly on a quarterly basis and disclose minute of the Risk Management Committee meeting within company's annual report.
7. Express opinion, and recommendation in the event the company needs to engage outside hiring to assist in certain activities in which human resources are inadequate and/ or with insufficient expertise in subject matter in the performance of duties to achieve established goal. Nonetheless such hiring must be on a temporary basis only.
8. To perform any other act as assigned by the Board of Directors related to risk management.

(4) The Company's 6 Sub-Committees

The Executive Committee appointed 6 sub-committees to perform duties closely and regularly and presented to the Executive Committee for further submission to the Audit committee and/or Board of Directors as the case may be namely 1) the Sub-Committee for Credit, 2) the Sub-Committee for Asset Appraisal, 3) the Sub-Committee for Operational Oversight (Compliance), 4) the Sub-Committee for Personal Data Protection, 5) the Sub-Committee for Safety, Occupational Health, and Work Environment, 6. the Sub-Committee for Employee Welfare in Work Place.

1) **The Sub-Committee for Credit** comprises 4 executive committee members, 1 Deputy Director, totaling 5 individuals performing the duty of high value credit approval or reviewing credit for increase to be submitted to the Executive Committee for approval, as well as approval for credit policies, marketing, and other relevant basis.

2) **The Sub-Committee for Asset Appraisal** comprises 7 executive committee members, 1 Deputy Director, 1 Department Manager, and 2 operational employees totaling 11 performing the duty of valuation of vehicle, and administer disposal of repossessed vehicles jointly and regularly on a weekly basis, with meeting at least once a month.

3) **The Sub-Committee for Operational Oversight (Compliance)** comprises 4 member of the Executive Committee, 1 Directors, 1 Deputy Director, 1 Department Manager totaling 7 individuals, to perform the duties of supervision, support, and operational process development corresponding with rules, procedures the company must comply with, with tasks summarized as studying, compiling laws, and regulations relevant to the company's business engagement, preparation of company's manual, policies, rules and regulation, distribution of announcement, training for all department to comply strictly in order that all departments perform in accordance with rules and regulations efficiently, auditing, assessing and reporting to the Executive Committee, as well as

providing advice regarding procedures and laws beneficial to the investment planning for new line of business expansion for example.

4) The Sub-Committee for Personal Data Protection comprises 6 members of the Executive Committee, 1 department director, 5 deputy directors, 4 department managers, and 1 operational staff totaling 17 individuals performing the duties of a working committee for the Data Protection Officer (DPO) concurrently the IT Manager, Mr. Krittapa Dujprateep, who was appointed by the company, to perform the duties of preparation of policy, regulation, control, operating manual, requirement, form, administrative design for the whole process regarding the protection of private personal information of the Company, arranging for measures for the purpose of security, safety, implementing employee training, auditing employee performance, and audit assessment of the system of private personal information protection, arranging for committee meeting jointly with the DPO at least once a year. The company has provided contact channel for personal information compliance audit of the group companies and accept complaints or for response to inquiries or processing of information in accordance with the exercise of right of personal information owner.

5) The Sub-Committee for Safety, Occupational Health and Environment at Work Place comprises 1 member of the executive committee, 3 Department Managers and 3 operational employees totaling 7 individuals performing the duties of considering policies, plan, process improvement recommendation to improve, promote, and encourage safety at work.

6) The Sub-Committee for Welfare in the Business Office comprises 2 section managers, and 2 Deputy Managers, 3 operational staffs totaling 7 individuals performing the duties of joint consultation with employer for welfare arrangement for employees, providing consultation, and presenting opinions to employer for employee welfare arrangement, inspection, control, and monitoring welfare arrangement provided by employer for employees, presenting opinion, and suggesting welfare guideline beneficial to employees to the Welfare in the Business Office Sub-Committee.

7.4 Management Information

7.4.1 Executive List

As at 31 December 2023, the company management consists of 15 individuals summarized below:

	Management Name List	Position
1	Mr. Danucha Veerapong	Director, The Chairperson of the Executive Committee
2	Mr. Prapakorn Veerapong	Director/ Managing Director
3	Mrs. Duangrat Jaengmongkol	Director/ Company Secretary
4	Mr. Masayuki Nozawa	Director/Managing Director
5	Mrs. Charatsang Yuampai	Deputy Managing Director – Accounting and Finance
6	Mr. Tirathee Patiparnvoharn	Deputy Managing Director – Marketing
7	Miss Kanchana Soponpongpiat	Director of Accounting and Finance
8	Mr. Mano Bunyasrisavasdi	Director of Insurance Business
9	Mr. Teera Chunchacha	Director of Marketing - 3 (Eastern)
10	Miss Yuvadee Thongthai	Director of Credit – 2
11	Miss Sunee Kultrawut	Director of Credit -1

12	Mr. Toonpitak Wongsan	Director of Marketing – Bangkok
13	Mr. Nantachat Yingnok	Director of Marketing
14	Mrs. Chamaiporn Petchkhun	Director of Collection
15	* Miss Klaytawan Jaroenlaksa	Director of Compliance and Law

Remarks * the position appointed on 25 January 2023

Duty and Authority of the Chairperson of the Executive Committee

1. To supervise the on-going operations and/or the daily administration of the company
2. To engage or perform duty in- accordance with policy, plan, and budget as approved by the Board of Directors and/or the Executive Committee
3. The Chairperson is authorized as delegated by the company to manage the business of the company in accordance with the objectives, the articles, policies, rules, regulations, orders, resolutions passed at the shareholders' meeting, and/or the Board of Directors and the Executive Committee.
4. The Chairperson is authorized to appoint and manage the various sub-committees for the benefit, efficient and good management of the company, with transparency. The Chairman is also authorized to delegate and/or assign with such authority within the scope of this power of attorney and/or in accordance with rules, regulation, or order established by the Board and /or the Company.
5. To follow-up and assess the operation of the company regularly to prevent risks from various factors from within or outside the company.
6. To consider entering into contracts involving the business of the company and other contracts for the benefit of the company, including establishing procedures and process to prepare such contracts /agreements and submit for acknowledgement by the Executive Committee, and the Board of Directors.
7. To consider the profit and loss of the company. To propose interim dividend declared or annual dividend declared for Board of Directors approval.
8. To consider appropriation of retirement benefit, reward, or various compensation which have been approved by the Board of Directors for employees or any other individuals performing duties for the company
9. To perform any other duties as assigned by the Board of Directors from time to time.

Notwithstanding the delegation, the authority including further delegation to other individuals as appropriate does not include authority and/or power of attorney for transaction approval which the delegated individual or individual who may have conflicting interest, vested interest, or interest in any other forms in conflict with interest of the Company or subsidiary in accordance with regulation of the Securities Exchange of Thailand. Approval for such transactions must be submitted to the Board of Directors and /or at the shareholders' meeting for consideration and approval in accordance with Company articles or relevant law.

Duty and Authority of the Managing Director

1. To establish mission, objectives, guidelines, policies of the company including command and supervision of the entire operations of the company.

2. The Managing Director is authorized to consider hiring, appointment, transfer across functional lines/departments/section or termination of employment, establish hiring rate, compensation, bonus including fringe benefit involving all employees of the company.
3. The Managing Director is authorized to issue order, rules, announcement, memoranda to enable operations in accordance with policies and interests of the company and to maintain order, discipline for the operations within the organization.
4. To engage in activities involving the general administration of the company.
5. To be authorized to delegate and/or assign other individuals to perform specific duties on behalf of the Managing Director such delegation to be within the scope of authority delegated in accordance with this power of attorney and/ or rules, regulation or instruction issued by the Board of Directors and/ or established by the company.

Notwithstanding the delegation, the authority including further delegation to other individuals as appropriate does not include authority and/or power of attorney for transaction approval which may involve the delegated individual or individual who may have conflicting interest, vested interest, or interest in any other forms in conflict with interest of the Company or subsidiary in accordance with regulation of the Securities Exchange of Thailand. Approval for such transactions must be submitted to the Board of Directors and /or at the shareholders' meeting for consideration and approval in accordance with articles of the company or relevant law.

Delegation of Authorities

Position	Acquisition / Disposal of Movable Properties	Acquisition / Disposal of Real Estate Properties	Borrowing from Financial Institutions
The Board of Directors	Unlimited	Unlimited	Unlimited
The Executive Committee	No more than Baht 50 million	No more than Baht 50 million	Unlimited
The Executive Committee Chairperson	Joint signing no more than Baht 20 million	-	-
Managing Director	Joint signing no more than Baht 20 million	-	-

7.4.2 Senior Executive Compensation

Senior Executive Compensation Policy

The Company considers guidance in the establishment of clear, fair and reasonable senior executive compensation policy, having been carefully screened in detail by the Board of Directors, and the Nomination and Remuneration Committee. The compensation shall be considered within the appropriateness in various forms including consistency with the operating results of the company, duties and responsibility of the management, with due consideration of the comparative information with reference to companies in the same industry of similar size.

As for individual executive compensation, the company arranges for performance measurement in the form of Key Performance Index (KPI) in which each executive must establish KPI of the individual and the unit under responsibility, present along with operating plan to the Chairperson of the Executive Committee and/or the Managing Director and/or executive committee member and/or company director. Over the short term, the KPI

shall be used coupled with job success/completion per action plan. For the CEO, and the MD, performance measurement shall apply the established KPI results coupled with annual performance appraisal conducted by the Sub-Committee for Nomination and Remuneration in its year end compensation review prior to submission to the Board of Directors for approval consideration. As for long term compensation, the provident fund scheme has been organized in which employee (including executives) pay shall be deducted and paid into the provident fund as jointly contributed by the company at a predetermined rate, increasing with tenor of services. The Board was of the opinion that compensation structure for senior executives has been appropriate in line with responsibility providing incentives for executive committee members and senior executives, entity leadership for the achievement of short and long-term goals.

Chairperson of the Executive Committee Compensation (CEO)

There has been established clear, concrete, and predetermined basis for CEO compensation with CEO performance appraisal conducted by the Nomination and Remuneration Committee annually.

During the year 2023 CEO compensation accounted for 6.98% of all employee average compensation.

7.4.3 Total Executive Committee and Senior Executive Compensation

Financial and Other Compensation

Compensation in Baht	Year 2023	Year 2022	Year 2021
Number of individuals	19	16	15
- Salary	38,030,027	35,350,800	32,542,870
- Bonus	180,000	2,251,575	2,854,700
- Contribution to Provident Fund*	3,848,038	3,508,044	3,197,167
- Others such as transportation, and costs of living	895,000	835,500	828,000
Total	42,953,065	41,945,919	39,422,737

Remark: * Company contribution at variable rates 3-10% of salary of each executive

7.4.4 Position Held in Other Companies of the Chairperson of the Executive Committee, the Managing Director, and Senior Executives

The company permits the Chairperson of the Executive Committee, the Managing Director, and senior executives to hold director position in other registered entities no more than 5 companies. Furthermore, the Chairperson of the Executive Committee, the Managing Director, and senior executives may not become partner or director of another private or public company engaging in the same type of business and competing with the Company. Nonetheless, holding position in other companies must be in such a way that it does not result in the failure to perform the individual's duties at the Company, or failure to function as a fulltime employee for the Company

Prior to the CEO, the MD, and senior executives of the Company becoming directors, officials or employees of other business, such individuals must report information in full details with prior approval granted by the Executive Committee to prevent conflicting interests which may arise.

7.4.5 Senior Executive Succession Plan

The Board of Directors recognizes the importance of individual employee preparedness in the event replacement of important positions is required for business engagement, as successor to senior executive position to enable continuing smooth operations as appropriate. The company has prepared succession plan, recruitment and development process, assigned the Human Resources Department to work with the Executive Committee, and the Nomination and Remuneration Committee. The plan shall be refined and upon approval to be further presented to the Board of Directors for approval. The Success Plan for senior executives is subject to annual review at a minimum or as appropriate. Furthermore, there is established responsible individual for position on a temporary basis, in the event of a sudden change or under emergency situation that resulted in a vacant executive position.

7.5 Employee Information

Employee Headcount and Compensation

The company foresees and emphasizes the importance of human resources continuingly. Value of employees is considered the highest value of the entity's resources. The company establishes human resource policy which treating employee in accordance with the labor protection act, and social welfare, considering respect to privacy right stringently. Furthermore, the company has improved system and administration policy regarding human resources corresponding with business strategy continuingly. As at 31 December 2023, the company has permanent employees both at head office and branch operations open for services in 4 branches namely Chonburi, Chantaburi, Pattaya and one branch in the Bangkok area namely Kanchanapisek totaling 262 employees consisting of 129 male, 133 females. Employee headcounts for the year 2023, and 2022 were 262, and 234 respectively.

Total employees including management of the company as at 31 December 2023 stood at 262 individuals assigned to various departments as follows:

	Department	Permanent Employee	Contract Employee
1.	Chairperson of the Executive Committee, Managing Director, Deputy Managing Director, Company Secretary, Department Director and Deputy Department Director	27	2
2	Office of the Directors, and Company Secretary, Operational Compliance Oversight, Safety Officer, HR, Central Administration, IT and Legal Section	3 18	- 3
3	Credit Department, Credit Analysis Department, Head Office, and branches within the Bangkok metropolitan area, Credit Bureau Department Credit Analysis Section, Eastern Region	8 5	- -
4	Head Office Marketing Department	41	26
5	Marketing Department, Eastern Branches (Chonburi, Chantaburi, Pattaya)	11	4
6	Registration and Credit Administration Department Registration	9	1

	Credit Administration, HO and branch in Bangkok	20	1
7	Collection Department, Collection Section, Expedite Collection Section	28 12	1 -
8	Asset Disposal Department Asset Disposal Section	4	-
9	Insurance Department, Insurance Administration, Insurance Sales promotion	5 2	-
10	Business Development Department, Business Development, Section1 Business Development, Section (C4C)	5 7	-
11	Accounting and Finance Department (Purchasing, Accounting, Finance and Coordination)	17	-
12	Product Development and Sales Promotion, Sales Promotion Section, Marketing Section	2	-
	Total	224	38
	Total	262	

Material changes in number of employees over the past 3 years

- None –

Material labor dispute over the past 3 years

- None -

Establishment of compensation and welfare for employees

1. Compensation in the form of salary and bonus

The company has compensation policy for employees considering entity structure appropriately, fairly in accordance with knowledge and competence, and operating results of each individual. Compensation shall be consistent with average compensation for the same industry in line with results and entity growth.

Since the year 2018 HR has improved on the KPI system for compensation inclusive of annual bonus linked to KPI in which each unit shall establish for every employee, submit operational plan to be goal congruent, and subsequently submit through the chain of command.

2. Other compensation

Other compensation consists of provident fund with rate of employee contribution and company contribution at the same rate depending on years of services namely:

Years of services	Rate of contribution at employee discretion	Rate of employer contribution
Less than 4 Y	3% - 15%	3%
4 Y but less than 5 Y	3% - 15%	4%
5 Y but less than 6 Y	3% - 15%	5%
6 Y but less than 7 Y	3% - 15%	6%
7 Y but less than 8 Y	3% - 15%	7%

8 Y but less than 9 Y	3% - 15%	8%
9 Y but less than 10 Y	3% - 15%	9%
10 Y or more	3% - 15%	10%

Apart from compensation in the form of salary and bonus, and provident fund, the company also provides other welfare benefits summarized below:

1. Health/accidental insurance coverage / dental care
2. Annual physical check-up
3. Welfare assistance e.g. funeral assistance for family members of the employee as pertinent to decease, sickness visit/pregnancy
4. Social security fund
5. Employee uniforms welfare
6. Vehicle loan welfare (as necessary)
7. Multi-purpose loan (as necessary)
8. Sport welfare
9. Leave welfare for example sickness, business leave, pregnancy, training and development leave sterilization leave, military service, monkhood leave, funeral leave, wedding leave
10. Annual vacation leave

The company permitted formation of the Labor Welfare Committee within the business office in accordance with article 96 of the Labor Protection Act BE2541 to provide opportunities for employees to safeguard their interests, by participating in presenting idea and various guidelines to management to jointly resolve possible problems and conflicts, to create good relationship, leading toward understanding, and joint efforts for eventual mutual benefits.

During the year 2019, as a result of the promulgation of the Labor Protection Act (Version 7) BE 2562, implemented from 6 May 2019, the company initiated detailed modification of the company's work rule and regulation namely maternity leave (inclusive of pregnancy test date) for a total leave period of 98 days, from 90 days previously, the maintenance of information confidentiality, employment termination compensation in the event of continuing tenor of services 20 years or more, compensation at the last pay rate of 400 days, and the employment termination through special compensation as a result of business office relocation, and cease of entity operations, with announcement posted and communicated with all employees for acknowledgement via various company media. As for the protection of employee personal information, the Company has established human right policy contained within the business ethics policy in which the Company has complied with all along by safeguarding employee personal information for example employee biography, work history, health record etc., refraining from breach of private information or wrongful exploiting employee information, disclosure or transfer of information permitted only upon specific employee consent unless under Company regulation or in compliance with law.

As the announced Personal Data Protection Act BE 2019 becoming effective from 1 June 2022 onward, the Company recognizes the importance of personal information protection in effect covering customer

information etc., and employee information as well. During the year 2021, the Company participated in the private personal information protection project with the HP business association, and during 2022, the company has prepared policy and practice guide for personal data protection for the entire process from information compilation, utilization, access, retention, modification, disclosure, and protection against loss inclusive of the distribution of such policy and notification to owner of information of such right for customers and employees to provide confidence that owners of information may apply their right in accordance with policy and law.

Provident Fund Participation Information as at 31 December 2023

Company Name	Provident Fund Yes/No		Employees Participated in the PF scheme		Proportion of Employee participated in the PF %	
	2023	2022	2023	2022	2023	2022
Eastern Commercial Leasing PLC	Yes	Yes	262	234	100	100
ECL Asset Co., Ltd.	None	None	-		-	
Mighty Broker Co., Ltd.	Yes	Yes	20	12	71.43	80

Number of employees and compensation

Eastern Commercial Leasing PLC

Compensation in Baht	Year 2023	Year 2022	Year 2021
Number of Employees	243	218	228
- Salary	73,698,837	64,300,554	62,987,172
- Bonus	3,366,401	5,918,246	4,748,147
- Provident Fund Contribution	3,146,341	2,727,814	2,375,874
- others i.e. cost of living, transportation, and phone bill	11,337,483	9,286,800	10,583,400
Total	91,549,062	82,233,414	80,694,593

Remark: * Company contribution at variable rates 3-10% of salary of each employee

Subsidiaries

Compensation, Baht	ECL Asset Co., Ltd.		Mighty Broker Co., Ltd.	
	2023	2022	2023	2022
Number of employees	1	1	28	15
- Salary	840,000	840,000	8,722,984.80	5,300,120
- Bonus	70,000	70,000	216,410.00	228,780
- Provident fund contribution	-	-	239,618.52	86,335.76
- Others i.e. commission, brokerage license costs, transport, phone	-	-	1,032,249.99	266,800
Total	910,000	910,000	10,211,263.31	5,882,035.76

7.6 Other Important Information

7.6.1 Company secretary, the controller, head of internal audit, head of operational compliance oversight

Company Secretary

The Board of Directors appointed Mrs. Duangrat Jaengmongkol, as Company Secretary in accordance with good governance principles and to perform duties in accordance with the securities and the securities exchange act (4th version) 2008, effective from 31 August 2008. Mrs. Duangrat Jaengmongkol, graduated with Bachelor of Accountancy, and Bachelor of Law from University of Thammasart, is an individual with qualification, knowledgeable, competent, and experienced beneficial in the good performance of duties of company secretary having been trained via seminar curriculum necessary and relevant, able to support the conduct of the Board of Directors, and management in accordance with law and good governance principle.

The scope of duties of the company secretary:

1. To provide basic legal counseling, rules and regulations the Board should know
2. To oversee company oversight activities
3. To oversee various activities of the Board of Directors to be in compliance with the law and relevant regulations
4. To arrange for the Board meeting, preparation for shareholders' meeting, coordinating for an efficient conduct in accordance with law, articles, and regulations of the securities exchanges, accurately, and timely.
5. To follow-up for actions in accordance with resolution passes by the Board and at the shareholders' meeting.
6. To act as advisor, and coordinator with secretaries of the company's various sub-committees
7. To communicate, respond to queries of shareholders related to shareholders' right, and information about the company
8. To prepare and retain documents as follows:
 - (a) Director registry
 - (b) Board meeting invitation, minute of the Board, company Annual Report
 - (c) Shareholders' meeting invitation, and minute of the shareholders' meeting
9. Retention of report on conflicting interest reported by directors or management
10. Submission of copy of report on conflicting interest in accordance with Article 89/14 to the Chairman of the Board, and Chairman of the Audit Committee within 7 working days from the date of receipt of such reports. To ensure that the Company has system of document retention or evidence related to the disclosure of information, and ensure the accurate and complete safekeeping and verifiable for at least 5 years from the date of preparation of such document or information.
11. To perform any other duties as prescribed by the Capital Market Commission.

The Chief Financial Officer: CFO

The Executive Committee has appointed Mrs. Charatsang Yuampai to perform the duties of the Chief Financial Officer (CFO) for the accounting and finance function in accordance with the principles for appointment and qualifications of the chief financial officer who is in charge of accounting function as per the Securities Exchange of Thailand announcement to correspond with the Securities Exchange Commission

guideline to promote quality preparation process for financial reports effective from 1 January 2019. Mrs. Charatsang Yuampai, graduated with the Bachelor's Degree in Business Administration, with major in Finance and Banking, Ramkamhaeng University, has been knowledgeable and competent, with practical experiences in charge of accounting and finance of the company since the year 2012. Mrs. Charatsang Yuampai has gone through training seminars in courses necessary relevant to the good performance of her duties and capable of supporting the Board of Directors, and the Executive Committee in meeting their objectives and directly beneficial to the company's business engagement.

Scope and Duties of the Chief Financial Officer

1. Supervise and be responsible for the accounting and finance function, ensuring the system performs efficiently in the prevention of various risk exposure of the company.
2. Supervise and be responsible for all financial reporting of the company.
3. Plan and manage every section relevant to finance, company asset management, accounting and financial audit, budgetary planning, expense control, cash flow and liquidity management for example.
4. Supervise finance matter, sourcing of funding, investment planning to enhance company profitability or planning to avoid inappropriate payment of interests including investment with strategy.
5. Provide financial information and finance strategy advice to management of the company in particular the chief executives.

Head of Internal Audit Function

The company engages in the services of an outsourcing firm, Improvis Co., Ltd., and individual assigned by the firm – Mr. Chalot Logkittajariya, as the company's head of internal audit function (details per background of head of internal audit function, attachment 3)

For the year 2023, Mrs. Duangrat Jaengmongkol, company Director, was assigned as the coordinator with the outsourcing Internal Auditor.

Head of Operational Compliance Oversight

The company formed a sub-committee for operational compliance oversight with a working group (details per section 7.3.1, sub-committee structure and components, item 3), the sub-committee for operational compliance oversight). The company assigned Mr. Buapan Arthawan, Chairperson of the Operational Compliance Oversight Sub-Committee, to prepare manual, policy, and regulation of the company corresponding with the law and rules relevant to the operation of the company, distribute, announce, and train all departments to strictly comply including auditing and assessment of the results of operation with coordination with the internal auditor.

7.6.2 Head of Investor Relation and contact information

Miss Kanchana Soponpongpiat has been assigned to perform the duties of an investor relation. Shareholders, investors, or the general public may contact at phone number 02-641-5252, extension 9419, email: kanchana@ecl.co.th or via company website www.ecl.co.th

External auditor compensation

The Annual General Shareholders' Meeting for the year 2023 resolved to approve DIA International Audit Co., Ltd., which is a firm with good work standard, experienced and skillful by Miss Somjintana Pholhiranrat, CPA license # 5599, as company's external auditor to perform review and audit for the firm and authorized to affix her signature on the audit report.

Year Audited	2023	2022	2021
Firm	DIA International Audit Co., Ltd.	DIA International Audit Co., Ltd.	DIA International Audit Co., Ltd.
Auditor	Miss Somjintana Pholhiranrat	Miss Somjintana Pholhiranrat	Miss Somjintana Pholhiranrat
Years auditing for the company	7th year	6th year	5th year
Reason for Auditor Change	-	-	-
Audit fee	2,225,000	1,855,000	1,780,000
Allowance in the event upcountry branch audit is required	None	None	None
Non audit fee	None	None	None
Paid during the year	None	None	None
Future payment required	None	None	None

7.6.3 Audit Fees

The company paid compensation for auditing the company to DIA International Audit Co., Ltd. in which the individual auditor is from for the year 2023 accounting period amounting to Baht 1,975,000, and personal credit system audit amounting to Baht 250,000 totaling Baht 2,225,000. Audit fees for ECL Asset Co., Ltd., a joint venture, and Mighty Broker Co., Ltd., a subsidiary, amounted to Baht 270,000, and Baht 300,000 respectively. Audit fees for the three combined amounted to Baht 2,795,000.

Non-Audit Fee

There has been no non-audit fee payable to individual or related entities to the individual auditor and the audit firm where the individual auditor works with whatsoever.

Important Operation Result Report
Regarding Entity Governance

8. Important Operating Result Report Regarding Entity Governance

8.1 The Board of Director Performance Summary Over the Past Year

8.1.1 Recruitment, Development, and Performance Assessment of the Board of Directors

(1) Recruitment of Independent Directors

The Nomination and Remuneration Committee has the duties of recruitment of independent directors with appropriate qualification for appointment considering knowledge, competency, and experiences without prohibitive qualification by law, and charters of each committee. The Committee shall consider name list of the appropriate individuals, and propose to the Board or at the shareholders' meeting for appointment consideration with qualification and requirements as follows:

Definition of an independent director is the qualification of an independent director strictly equivalent to new requirements prescribed on 5 June 2008 by the Securities Exchange Commission as follows:

- 1) Directors holding no more than 1% of the company's, parent's, subsidiary's, affiliates's, or legal entity with possible conflicting interest's shares with voting rights including related parties of the particular independent director's holding,
- 2) Directors not being or was former directors participating in the management of the Company, employee, staff, advisor with regular salary, or individual with controlling interest in the company, parent, subsidiary, affiliate, subsidiaries at same level, or legal entity which may have conflicting interest unless having vacated from such situation at least 2 years prior to current appointment.
- 3) Not an individual with hereditary relationship or through legal registration in the form of parents, spouses, brother or sister, and children including spouse of children of the executive management, major shareholders, individual with controlling interest, or individual who may have been proposed to be executive management or with controlling interest of the company or subsidiaries.
- 4) Not having or used to have business relationship with the Company, parent, subsidiary, affiliate, or legal entities which may have conflicting interest in such a way that may impede one's independent judgment, including not being or used to be major shareholders, director who is not independent director or management of one who has business relationship with the Company, parent, subsidiary, affiliate, or legal entity which may have conflicting interest except for having vacated from such circumstances aforementioned at least for a period of 2 years prior to the appointment. Business relationship aforementioned includes trade transactions conducted in the normal course of business for the purpose of engaging in rental business or property lease, transaction related to assets or services or providing or receiving financial support by receiving or lending, guaranteeing, providing asset as collateral for liabilities including other similar conduct resulting in the company or contract party having payment liability obligation to the other party for value from 3% of company's net tangible assets or from Baht 20 million up whichever is the lower. The calculation of such debt obligation is to apply the procedure for calculation of value of related party transaction announced by the Securities Exchange of Thailand commission relating to information disclosure and operations of listed entities concerning related party

transactions by deduction. The consideration for such debt obligation is to include also debt obligation occurred within one year prior to the date having business relationship with the same party.

- 5) Not being or used to be auditor of the company, parent, subsidiary, affiliate, or legal entity which may have conflicting interest, and not being major shareholders, director who is not independent director, management, or managing partner of the audit firm having staff being auditor of the company, parent, subsidiary, affiliate, or legal entity which may have conflicting interest, except for having vacated from such position at least 2 years prior to the appointment.
- 6) Not being or used to be service provider for any professions including legal counseling, or financial advisor receiving service fees in excess of Baht 2 million per year from the company, parent, subsidiary, affiliate, or legal entity which may have conflicting interest. Where the professional service provider is a legal entity to include major shareholder, director who is not independent director, management, or managing partner of the professional service provider as well except for having vacated from such circumstances for at least 2 years prior to the appointment.
- 7) Not being directors appointed for the purpose of representing director of the company, major shareholders, or shareholders related to major shareholders of the company.
- 8) Not having any other characteristics that will result in the director incapable of rendering independent opinion relating to the operations of the company

The company has 4 independent directors accounting for one third of total directors in the Board namely Mrs. Prapasri Permsup, Mr. Thailuck Leetavorn, Mr. Sorapas Suttienkul, and Mr. Wichai Maithong.

(2) The Recruitment of the Audit Committee

The Nomination and Remuneration Committee has the duties of recruiting members of the audit committee with required qualification as prescribed by the Securities Exchange Commission as follows:

- 1) Appointed by the Board or at the shareholders' meeting as Audit Committee member
- 2) Being independent director in accordance with definition and qualification of an independent director as prescribed by the Securities Exchange Commission and must
 - 2.1 Not be directors assigned by the Board to make decision in operating business of the company, the parent, subsidiary, affiliate, subsidiary at the same level or legal entity which may have conflicting interest and
 - 2.2 Not be director of the parent, subsidiary, or subsidiary at the same level specifically for the listed entities
- 3) Having duties in the same manner as prescribed in the announcement of the Securities Exchange of Thailand relating to qualification, and scope of duties of the Audit Committee
- 4) Having knowledge, and experiences sufficiently to enable the performance of duties in the position of Audit Committee member. It is required that at least one of the Audit Committee members must be knowledgeable and sufficiently experienced to be able to perform the duties of reviewing reliability of financial statements.

During the year 2022, the Board resolved to approve the appointment of Mr. Sorapas Suttienkul as a

member of the Audit Committee, for another term (term of office expires on 24 April 2024).

During the year 2023, the Board resolved to approve the appointment of Mrs. Prapasri Permsup, the Chairperson of the Audit Committee, and Mr. Thailuck Leetavorn, a member of the Audit Committee for another term (maturing on 15 August 2025). The Audit Committee Chairperson, Mrs. Prapasri Permsup, has been knowledgeable, and experienced in accounting, with ability to review reliability of financial reports.

(3) Recruitment and Appointment of Directors and Senior Executives

Recruitment of Company Directors

For the recruitment of directors, the company has assigned the Nomination and Remuneration Committee jointly with the Executive Committee in the recruitment consideration, selection and proposed individuals with appropriate qualification for director candidate approval consideration with the Board of Directors and subsequently at the shareholders' meeting.

Qualification of Directors

1. Director qualification per public company act principle
 1. Being an individual
 2. Reaching legal age
 3. Not being bankrupt, incapacitated, or appeared incapacitated
 4. Not being convicted to jail term at last verdict for offence relating to asset fraud
 5. Not being expelled or terminated from civil service or organization or public sector entity on ground of fraud on active duty
2. Being knowledgeable, competent, and experienced beneficial to the business operations, truly interested in the business of the company, and being able to dedicate time, being independent in expressing opinion in performing the oversight duty counterbalancing with the operations under management

Director Selection

- 1) Appointment of directors by resolution of the shareholders for example appointment of directors replacing directors scheduled to be retired through rotation at the Annual General Shareholders' Meeting and/or the appointment of additional new director requiring approval at the shareholders' meeting. The Board is to submit names of candidates with appropriate qualification for the position of director to the shareholders' meeting for consideration. The Meeting shall consider according to standard, and procedures per company articles namely
 - 1.1 Each shareholder has voting right equal to the number of shares held
 - 1.2 The poll for director may be conducted with voting for each individual director, one poll for one director or one poll for multiple number of directors as the Meeting sees fit. In each poll, each shareholder must vote with the number of votes per 1.1 in its entirety. The shareholder may not allocate one's votes to multiple candidates.
 - 1.3 The vote for director is by majority with the Chairperson having the casting vote in the event of a tie vote.

- 1.4 The right of minority shareholders in the appointment of directors: Company articles provided that each shareholder shall have the right to vote, one vote for one share held, and not the cumulative voting system. The Nomination and Remuneration Committee provides opportunity for directors, and shareholders to participate in proposing qualified individuals as director candidates.

The company has advised shareholders via information system of the securities exchange the opportunities for shareholders to propose individuals with qualification in accordance with the articles of the company, the Public Company Act, BE 2535, and the Announcement of the SEC, to the company secretary as director candidate for approval consideration. The company has publicized method of proposing, and consideration procedure on the company's website in advance approximately 3 months prior to the meeting date of the Nomination and Remuneration Committee, and the Board. Shareholders, who may propose individual as director candidate, should have below requirements i.e. 1. Being shareholder (s) of the company, as one shareholder or a number of shareholders combined, 2. Proportion of shares held no less than 0.25% of total shares issued with voting rights, 3. Holding shares as at the date of proposing director candidate.

- 1.5 At the Annual General Shareholders' Meeting each year, at least a third or proportion close to a third of the number of directors shall retire with the longest servicing directors retiring first. Retired directors are eligible to be reappointed.

During the AGM for the year 2023 on 24 April 2023, there were three directors scheduled for rotational retirement namely Mr. Prepakorn Veerapong, Mr. Thailuck Leetavorn, and Mr. Wichai Maithong.

At this AGM, the Company maintained procedure in accordance with good governance principle by providing a time period from 1 October to 30 December 2022 the opportunity for shareholder proposal for qualify individual for director appointment consideration prior to the meeting date as announced in the company's website. Upon maturity there has been no shareholder proposal for director candidate whatsoever.

In this regard, the Board of Directors has thoroughly screened and considered the name list as proposed by the Nomination and Remuneration Committee, and agreed to forward the 3 aforementioned directors for shareholder approval consideration to be appointed as directors for another term.

- 2) The appointment of director replacing retired director for reasons other than scheduled retirement in accordance with Company Articles namely the Board considers individuals with required qualification and without prohibitive record according to law, to be appointed as replacement director at the next meeting of the Board unless the service tenor of the director is less than 2 months. The replacement director shall stay as director only within the service tenor remaining of the director one replaces. The voting of the Board for such director must be at least three-quarter of the total votes of the Board remaining.

Directors from the major shareholders

The company has 3 directors representing major shareholders namely Mr. Danucha Veerapong, Mr. Prapakorn Veerapong, and Mrs. Duangrat Jaengmongkol.

Recruitment of Management

In recruitment of the Chief Executive Officer, the Board assigns the Nomination and Remuneration Committee jointly with the Executive Committee in consideration for recruitment, selection, and propose appropriately qualified individual as Chairperson of the Executive Committee or the Managing Director for Board approval consideration.

During the year 2022 – 2023, the company has prepared succession plan started from senior executives as a number of such incumbents and directorship positions were near retirement age. The Board of Directors assigned Human Resources to work with the Executive Committee, and the Nomination and Remuneration Committee to plan recruitment and selection of individuals to replace such important positions in the future upon retirement appropriately. The HR has selected existing individuals in those departments, provided assessment, analysis including KPI assessment for position upgrade, and relevant training courses promotion for potential development over the next 2-3 years.

Executive Appointment

Promotion consideration or hiring of an appropriate individual for executive position is the duties of the Executive Committee.

Appointment of Company Secretary

The Board of Directors appoints Company Secretary. In the event the Company Secretary leaves the position or no longer capable of performing its duties, the Board shall appoint new Secretary within 90 days. The Board is authorized to assign any director to perform the duties of Company Secretary in the interim period. The consideration for the selection of Secretary is in accordance with qualification of company secretary as follows:

- 1) Individual performing the duties of company secretary must be
 - a company director who may be executive director or non-executive director,
 - an individual from external entity such as law firm, audit firm, or security company,
 - an employee or company official who will perform the duties of company secretary along with other duties of the company
- 2) Educational background and experiences
 - Knowledgeable about the core business, and operations of the company
 - Knowledgeable about accounting, finance, general management, relevant law relating to the operations of the company, good governance practice in accordance with good governance principle, and standard best practices relevant to the business operations of the company
- 3) Being independent in the decision making with objectivity without being influenced by any departments or anyone within the entity
- 4) Being acceptable to the Board of Directors of the company
- 5) Having sound ethical conducts without blemish record

(4) Director and Management Development

When there are new director, senior executive, and secretary appointment, each individual shall have received information from Company Secretary and Board Secretary shall coordinate in providing documents and

information to the new incumbent director, senior executive, and secretary for acknowledgement and understanding their duties, and responsibilities of directorship of a listed entities in accordance with Securities, and Securities Exchange Act, including laws, and policies in various aspects of the company's operations for preparedness and be capable of performing its duties namely director's manual for listed entities, good governance principle, governance policy, Memorandum and Articles of Association, information on audit report, results of operations, business plan, and overall picture of the company's risk management for example. This is to ensure that each individual shall be able to perform their duties with honesty, due care, and for the best interest of the company and shareholders as a whole.

During the year 2023, the company presented and communicated with all directors, executives (100%) both on entity good governance policies and business ethics, policy and measures against fraud and corruption practices, risk management manual and plan for the year 2023.

At the same time, the company recognizes the importance of curriculum required by the SEC for training enrolment by the Board, encouraging director, all member of the Audit Committee enroll in the curriculum arranged by the IOD in order to bring the acquired knowledge and experience to apply and develop the company for such courses as Director Accreditation Program (DAP), Director Certificate Program (DCP), Audit Committee Program (ACP), Advance Audit Committee Program (AACP), and Company Reporting Program (CRP).

At present number of company directors, having enrolled in in the IOD courses relating to performance as a director, was 7 directors for Director Certification Program (DCP), 7 directors for Director Accreditation Program (DAP), 1 director for Audit Committee Program (ACP), 4 directors for Advance Audit Committee Program (AACP), 3 directors for Board Nomination & Compensation Program (BNCP), 2 directors for Director Leadership Certification Program (DLCP), and 1 director for Company Reporting Program (CRP). Furthermore, company secretary has reported news and information regarding training and seminar that could be useful to the Board of Directors regularly. Details regarding the Board of Directors core training courses are presented in Attachment 1 "Details regarding directors, executive, and individuals with control interest in the company, and company secretary"

Furthermore, the company encourages facilitating directors, Audit Committee members, Management, Company secretary, and relevant employees to have opportunities to participate in the various training programs regularly for their benefit in the performance of their duties for continuing professional development for example current changing rules and regulations, good governance principles, and ethics, with additional development training via the hire purchase business association, Federation of Accounting Professions, the SEC, and securities exchange, and other important curricular of the Thai Institute of Directors Association for example (details disclosed per human resources development under section 3.4, Sustainable Management in the Social Dimension). During the year 2023 Directors participated in training/seminar to enhance operational and activity knowledge of the company as follows:

- Mrs. Duangrat Jaengmongkol, Director and Company Secretary participated in the 'Scoring 100 Intense Tutoring' training course for AGM Checklist 2024, IOD, Road to Certify with Thai CAC, things to know prior to certification application, IOD, Road to Join & SME Briefing, knowing CAC, knowing guidance for bribe reduction,

IOD, seminar participation for investment campaign project in listed company with ESG caption 'Climate Change Impact on Business', Financial Statement Analysis, read and analyze financial statements to assist in planning and decision making from commercial perspective.

- Mr. Jaturong Phothisrak, Director, participated in training seminar, Director Accreditation Program (DAP)
Application of the Good Governance Principles for Listed Entities 2017 (CG Code)

The Board has prepared governance policies, business ethics, and ethics for directors, executives, and employees including policies and practice guide in the fight against fraud and corruption, and supervision of a strict compliance, information disclosure with transparency, fair treatment with stakeholders, recognition of the importance of internal control, internal audit, and risk management. The Board has complied with best practices for listed company directors, with regular meetings, including taking care of shareholders' meeting considering shareholders' right, and the equal treatment principles.

For the year 2023, there have been matters pending and replacement measures appropriately as follows:

	Matters Pending	Reasoning
1	The Board of Directors should constitute more than 66% non-executive directors	As the Veerapong Family maintains major shareholding position in the company and has been managing the company's business with knowledge, competency, and efficiency for a long period of time.
2	The Board of Directors should constitute more than 50% independent directors	The Board of Directors does not constitute more than 50% independent directors as the business requires specialized knowledge, understanding, and experience. The company has established adequate system of internal control, with transparent operational mechanism, on good governance principles, performing duties for the best interest of shareholders throughout.
3	The Nomination and Remuneration Committee should constitute independent directors in its entirety	There were 3 members of the Nomination and Remuneration Committee, at least 2 of whom were Independent Directors, and the Chairperson of the Committee was required to be an Independent Director

Other operational information in accordance with the good governance principles to support various assessments.

The company and its subsidiaries undertook review and processing to upgrade, and improve on good governance policies, and business ethics annually to achieve corporate governance standard namely good governance principle for listed companies as prescribed by the Securities, and Securities Exchange Commission,

and the Securities Exchange of Thailand, survey project criteria per Corporate Governance Report of Thai Listed Companies – CGR of Thai Institute of Directors.

Assessment results related to various corporate governance practices may be summarized below:

1. The company has been assessed with scoring of 86% on the Corporate Governance Report of Thai Listed Companies – CGR for the year 2023, with rating of 'Very Good' by the Thai Institute of Directors.

Assessment Result Survey Project for Governance Practice of Listed Entities the Past 5 Years

Year	2023	2022	2021	2000	2019
Assessment Results	86	92	92	91	89
	Very Good	Excellent	Excellent	Excellent	Very Good

2. The company has been assessed by scoring on the AGM Checklist of 90 on the basis of the Annual General Shareholders' Meeting for the Year 2023 meeting organizational quality by the Thai Investor Association.

Meeting Quality Assessment Results for the Annual General Shareholders' Meeting for the Past 5 Year

Year	2023	2022	2021	2020	2019
Assessment Results	90	100	97	97	98

(5) Performance Self-assessment

The Company through its good governance practice, requires performance assessment for the Board of Directors, Chairperson of Executive Committee, the Managing Director, and senior executives by company secretary consisting of:

- 1) The overall Board performance assessment on a committee basis in various aspects namely (1) Structure and qualification of the Board (2) Roles and Responsibilities of the Board (3) Board meeting (4) The Board's fiduciary duties (5) The relationship between the Board and the Management (6) Self-improvement development of the Board and the management development.

The performance assessment procedures are as follows;

1. The performance efficiency assessment of the Board of Directors as a committee at least once a year.
2. Company Secretary summarizes and reports the result of the Board performance efficiency assessment to the Nomination and Remuneration Committee for results review and operational efficiency improvement recommendation.
3. The Nomination and Remuneration Committee reports the result and efficiency improvement recommendation to the Board of Directors.

2) Self-assessment of the sub-committees:

The performance assessment of the sub-committees namely the Audit Committee, and the Nomination and Remuneration Committee shall be evaluated both as a committee and individual basis (self-assessment). Topics for the evaluation of the performance of the sub-committees shall depend on scope of duties and authorities of each sub-committee and the relevant basis and regulation.

2.1) Sub-Committee performance assessment on a committee basis:

The performance assessment procedures are as follows;

1. The performance assessment of the Sub-Committees as a committee at least once a year.
2. Company Secretary summarizes and reports the results of all the sub-committee performance assessments to the Nomination and Remuneration Committee for review of the results and for process efficiency improvement recommendation.
3. The Nomination and Remuneration reports the results of all the sub-committee performance assessment to the Board of Directors for review of the results and for process efficiency improvement recommendation.

2.2) Sub-Committee self-assessment on an individual member basis:

The performance assessment procedures are as follows;

1. Sub-Committee self-assessment on an individual basis at least once a year
2. Company secretary summarizes and reports results of performance assessment of all the sub-committees on an individual basis to the Nomination and Remuneration Committee for review and preparation of process efficiency development and improvement recommendation.
3. The Nomination and Remuneration Committee reports assessment results, and process effectiveness improvement recommendations for all the sub-committees on an individual basis to the Board of Directors

3) The assessment of the CEO on

(1) plan progress, (2) performance measurement under the following topics 1. Leadership, 2. Strategy establishment, 3. Application of strategy, 4. Planning and financial operational results, 5. Relationship with the Board, 6. Relationship with external parties, 7. Administration and employee relation, 8. Position succession, 9. Product and service knowledge, 10. Personal characteristics

As the duties of the Chairperson of the Executive Committee and the Managing Director are similar, and different only on the approval amount limit, the same assessment form for the Chairperson of the Executive Committee (CEO) is there for applied also to the Managing Director.

The performance assessment procedures are as follows;

1. The performance assessment of the Chairperson of the Executive Committee and the Managing Directors at least once a year.
2. Company Secretary summarizes and reports the results of the performance assessment of the Chairmen of the Executive Committee, and the Managing Director to the Nomination and Remuneration Committee for review and preparation of the process efficiency improvement recommendations.
3. The Nomination and Remuneration Committee reports the results of the performance assessment, and process efficiency improvement recommendation of the Chairperson of the Executive Committee and the Managing Director, to the Board of Directors.

Results of performance assessment of the Board of Directors, and sub-committees on a committee basis, and on an individual self-assessment basis.

During the year 2023, the Company reported Board performance assessment as follows:

1. Overall Board performance assessment
2. Sub-Committee Self-Assessment on a committee basis
3. Board, and Sub-Committee Self-Assessment on an individual member basis
4. Performance assessment for the CEO, and the MD

The assessment criteria are presented in the table below;

Score	Description
90% -100%	Excellent
80% - 89%	Very Good
70% - 79%	Good
60% - 69%	Satisfactory
50% - 59%	Pass
Lower than 50%	Need improvement

Results of the performance assessment of the Board of Directors, and sub-committees on a committee, and on an individual self-assessment basis, the Chairperson of the Executive Committee, and the Managing Director during the year 2023 with the following details:

1. Result of Board performance assessment on a committee basis was scored at 93.33% which was considered excellent with the opinion that the Board was knowledgeable, competent, skillful in various aspects covering all issues relevant to the Company's business engagement, adequate and appropriate in the Board performance efficiently.

2. Result of performance assessment of the sub-committees on a committee basis namely the Audit Committee, the Nomination and Remuneration Committee, the Corporate Governance and Sustainable Committee, and the Risk Management Committee were scored at 89.41% which was considered very good, and on an individual self-assessment basis was scored at 93.18% on averaged basis which was considered excellent. Overall, it indicated that the individual committee member was knowledgeable, competent, acquired specialized development in various aspects covering all issues relevant to the Company's business engagement, adequate and appropriate in the performance of each committee members in all subcommittees assigned efficiently.

3. Result of the performance assessment for the Chairperson of the Executive Committee was scored at 93.40% which was considered very good, and the Managing Director was scored at 92.71% which was considered very good as well with the opinion that the Chairperson of the Executive Committee and the Managing Director were knowledgeable, competent, specialized in various aspects in the organizational management corresponding with strategy, targets, with planning for an efficient finance cost management. This involved arrangement for sourcing of financing at the interest rates lower than interest charged by commercial banks, strengthening company's liquidity, upholding creditability, reputation, and company's profitability to ensure confidence from internal individuals within the organization, shareholders, investors, and financial institutions

including modernizing information technology (IT) development, enhancing operational capabilities, and better company competitiveness efficiently.

The three assessment results found that during 2023 assessment score was slightly lower than in the year 2022. All committee members were of the opinion that roles, duties, and responsibilities of each individual member was capable of supervising and working together well. For the year 2024, the Board of Directors shall support organizational risk management operation with efficiency and shall continue to perform their duties with their utmost capabilities to enable achievements of a sustainable growth for the company.

8.1.2 Meeting Attendance and Board of Directors Compensation on an Individual Basis

1. Board of Director Meeting Attendance

The Board convened 5 meeting during the year 2023 performing the duties of approving quarterly financial reports, considering policy establishment, company business plan, management governance control and executive committee performance, and considering transactions which may have conflicting interest

The Board convened at least once every 3-month, and additional special meetings as needed. Non-executive directors convene at least once a year without executive director participation with meeting date and time to be scheduled annually in advance by the company secretary. Each meeting shall be established with clear agenda, and regular operating results follow-up agenda, forwarding of invitation document including meeting agenda and supporting document 7 days in advance prior to the meeting date providing sufficient time for director information study. The Board has policy expecting full attendance of all directors, and therefore restricting listed company directorship of each director no more than 5 companies without exception, and director Board attendance record at a proportion of at least 75% of the whole year meetings. At the meeting the Chairperson encourages careful judgment, and maintains policy of a minimum meeting quorum. At each Board meeting resolution, the Board must have at least two third of the directors in attendance. After the meeting, written minute of the meeting must be prepared, with certified copy by the Board retained and available for director or relevant party verification.

For the year 2023 the Board convened 5 times with detailed attendance below:

Rank	Name of Director	Position	Board Attendance	AGM 2023
1.	Mr. Phiphat Phornsuan (resigned)	Chairperson of the Board	2/5	1
	Mr. Wichai Maithong (replacement)	Chairperson of the Board, Independent Director Chairperson of the Risk Management Committee	5/5	1
2.	Mr. Danucha Veerapong	Vice Chairperson of the Board, Chairperson of the Executive Committee	5/5	1
3.	Mr. Prapakorn Veerapong	Member of the Executive Committee, Managing Director, Member of the Risk Management Committee	5/5	1
4.	Mrs. Duangrat Jaengmongkol	Member of the Executive Committee, Company Secretary, Member of the Nomination and Remuneration Committee	5/5	1

5.	Mr. Masayuki Nozawa	Member of the Executive Committee, Managing Director	5/5	1
6.	Mr. Sorapas Suttienkul	Independent Director, Member of the Audit Committee, Chairperson of the Nomination and Remuneration Committee	5/5	1
7.	Mrs. Prapasri Permsup	Independent Director, Chairperson of the Audit Committee, Members of the Nomination and Remuneration Committee, and the Corporate Governance and Sustainability Committee	5/5	1
8.	Mr. Thailuck Leetavorn	Independent Director, Member of the Audit Committee, Chairperson of the Corporate Governance and Sustainability Committee	5/5	1
9.	Mr. Jaturong Phothirak *	Director, Member of the Corporate Governance and Sustainability Committee	3/5	1

* Mr. Jaturong Phothirak was appointed company director replacing Mr. Phiphat Phornsuan effective from 30 April 2023 (per BOD 2/2566, dated 27 April 2023)

2. Board Compensation on an individual Director Basis

Remuneration Policy

Director Compensation

The Company considers guidance in the establishment of clear, fair and reasonable Board of Director compensation policy, having been carefully screened in detail by the Board of Directors, and the Nomination and Remuneration Committee. The compensation shall be considered within the appropriateness in various forms including consistency with the operating results of the company, duties and responsibility of the Board of Directors with due consideration of the comparative information with reference to companies in the same industry of similar size. The Board shall submit director compensation proposal at the Annual General Shareholders' Meeting for approval consideration annually.

1. Financial Compensation

Director compensation for the year 2023 was within a limit amounted to Baht 8.5 million as approved by resolution passed at the shareholders' meeting and appropriated as monthly compensation and meeting fees as follows:

Description	Monthly Fees	Meeting Fees per Meeting
Company Chairperson (originally)	Baht 222,000	none
Company Chairperson (new)	Baht 80,000	Baht 7,000
Company Director	Baht 50,000	Baht 7,000
New Director	Baht 30,000	Baht 5,000
Chairperson of the Audit Committee	Baht 20,000	None
Audit Committee member	Baht 10,000	None
Chairperson of the Nomination and Remuneration Committee	Baht 5,000	None

Nomination and Remuneration Committee member	Baht 5,000	None
Chairperson of the Corporate Governance and Sustainability Committee	Baht 5,000	None
Member of the Corporate Governance and sustainability Committee	Baht 5,000	None
Chairperson of the Risk Management Committee	Baht 5,000	None

Compensation in Baht	2023	2022	2021
Limit Amounted (Million Baht)	8.5	8.5	8.5
Number of Individuals	6	6	5
Amounts	4,647,000	6,172,000	5,632,000

Remark: the exhibit depicts number of directors and compensation only for non-executive, and independent directors which the company paid for the whole year

Year 2021, compensation for 5 directors as Mr. Yoichi Shibata resigned effective on 13 May 2020

Year 2023, modification of Board Chairperson, and new Director effective from the month of May 2023

For the year 2023, director compensation in the forms of individual payment and meeting fees detailed as follow:

Names	Position	Board of Directors	Audit Committee	Nomination and Remuneration Committee	Corporate Governance and Sustainability Committee	Risk Management Committee	Meeting Fees	Baht Total
1. Mr. Phiphat Phornsawan (resigned)	Chairperson of the Board	880,000	-	-		-	-	880,000
Mr. Wichai Maithong (replacement)	Chairperson of the Board/Chairperson of the Risk Management Committee	840,000	-	-		40,000	28,000 -	908,000
2. Mrs. Prapasri Permsup	Director/Chairperson of the Audit Committee/Member of the Nomination and Remuneration Committee/ Member of the Corporate Governance and Sustainability Committee	600,000	240,000	60,000	40,000	--	28,000	968,000
3. Mr. Thailuck Leetavorn	Director/Audit Committee member/ Chairperson of the Corporate Governance and Sustainability Committee	600,000	120,000	-	40,000		28,000	788,000
4. Mr. Sorapas Suttienkul	Director/Audit Committee Member/ Chairperson of the Nomination and Remuneration Committee	600,000	120,000	60,000			28,000	808,000

5. Mr. Jaturong Phothirak	Director/Member of the Corporate Governance and Sustainability Committee	240,000	-	-	40,000		15,000	295,000
Total		3,760,000	480,000	120,000	120,000	40,000	127,000	4,647,000

Remark * Four other executive directors received compensation in the form of salary and others detailed in the management section

2. Compensation and other Benefits

Life and accidental insurance coverage limit amount to no more than Baht 300,000. Health insurance coverage limit amounts to no more than Baht 100,000. Total insurance premium for the two individuals for the year 2023 amounted to Baht 12,736 (only for directors with Thai residency, and age less than 70 years old, without individual illness per insurance company requirements)

8.1.3 Supervision over the Subsidiaries and Affiliates

1. ECL Asset Co., Ltd. (ECL ASSET) is engaged in the land for cash business founded since 27 March 2018 as a joint venture company between ECL and Global Best Real Estate Loan Co., Ltd. (GB), and equity holding in the proportion of 60:40 respectively. The company is under joint venture agreement, with ECL entitled to appoint 3 individuals as authorized directors, pro-rata to equity held, having voting right, jointly managing the operations of the company. (details per section 1.3.1.1 shareholding structure of the group (ECL Asset))

2. Mighty Broker Co., Ltd. (ref. Mighty) is engaged in the business of an insurance commission agent founded on 20 November 2019. As the Company invested 100% in Mighty's equity, Mighty is a 100% subsidiary. The Company appointed 7 individuals as management team for business administration of the company, and authorized directors to act on behalf of Mighty (details per 1.3.1.2, shareholding structure of the group (Mighty))

3. Premium Service (Thailand) Co., Ltd. (PST), formerly Eastern Premium Service Co., Ltd. (EPS), has been engaged in the automobile repair and service center business founded since 16th November 2016.

During the year 2017-2018, EPS is classified as a joint venture between ECL and PG who are the core shareholders having the right to appoint 2 directors from either side, to jointly manage the company's operation, and voting right, one individual for one vote.

During the year 2019, because of ECL's reduction in the proportion of investment holding from 54.55% to 15% by selling part of the shares to new investors, ECL investment in EPS has changed its status from 'investment in a joint venture' to 'investment in other company' with investment holding of only 15%. ECL therefore does not appoint director to participate in the administration of the Company any longer (details per section 1.3.1.3, shareholder structure of Group companies (PST))

Supervision of Operations of Affiliates and Subsidiaries

1. The Board of Directors establishes framework for operations and strategic targets overall, and arranges for supervision mechanism for policies and operations of affiliates and subsidiaries.
2. The company appointed individuals as directors in the affiliate and subsidiary as approved by the Executive Committee. The appointed director has the duties of performing for the best interest of the affiliate and subsidiary (not to the company).

3. The company requires the appointed individual to exercise their rights in important matters as approved by the Executive Committee prior to voting. The secondment of representative directors has been under the proportional holding of shares in the joint venture company.
4. The representative individual must also monitor related party transactions, the acquisition and disposal of assets or any other important transactions related to the company to ensure accuracy, and completeness with disclosure basis, and corporate governance policy, and business ethics in the same manner as the company including oversight for information retention, and transaction recording of the affiliate, subsidiaries allowing verification, and compilation for the preparation of consolidated financial statement in a timely manner.
5. In the event of joint venture with other entity or offering for sale of ordinary shares to individual or other legal entity with material substance, the company shall proceed to prepare agreement for the joint venture or agreement and price for the purchase/sales of shares as appropriate. This is for clarity relating to authority, management, and participation in important decision making, and requirement for reporting operating results regularly for the benefit of the company.

The Board assigned individuals to act as directors in the affiliate and subsidiary company on 31 December 2023 as follows:

1. ECL Assets Co., Ltd., 2 individuals: per BOD 19 March 2018 appointment pro-rata as provided in the affiliated company articles of association for 3 individuals, 1 resigned.

<u>Position in ECL</u>	<u>Position in ECL-Asset</u>
1.1 Mr. Danucha Veerapong Chairperson of the Executive Committee	as Chairperson of the Board (27 March 2018 – present)
1.2 Miss Sunee Kultrawuth Director of Credit 1	Director (17 May 2019 – present)

2. Mighty Broker Co., Ltd. 7 individuals: (per BOD 12 November 2019)

<u>Position in ECL</u>	<u>Position in Mighty Broker</u>
2.1 Mr. Prapakorn Veerapong, Managing Director	as Chairperson of the Board (20 November 2019 – present)
2.2 Mrs. Duangrat Jaengmongkol, Member of Executive Committee	as Director (20 November 2019 – present)
2.3 Mr. Mano BonnyaSrisawasdi, Director of Insurance	as Director (20 November 2019 – present)
2.4 Mr. Thawatphat Konpetch, Manager of Insurance Department	as Director (20 November 2019 – present)
2.5 Miss Thanatchamon Wongleatborirak, Manager of Insurance Business Administration	as Director (20 November 2019 – present)
2.6 Mr. Teera Chunchacha, Director of Marketing - Eastern	as Director (20 November 2019 – 1 December 2023)

2.7 Mr. Kopkrit Ketmaenkit, as Director (20 November 2019 – 1 December 2023)
 Manager of Marketing, Chantaburi Branch

8.1.4 Governance Policy and Practice Guidance Compliance Monitoring

(1) Conflict of Interest Prevention

The prevention of directors and management utilizing insider information for benefit in conflict with company's interest, the company has established policies monitoring conflict of interest by prohibiting Company directors, Management, and employees engaging in any activities that may be in conflict with company's interest for example resulting in company loss of interest, pursuing self-interest from the company or pursuing benefit or equity holding in competing entity. The company has established policies requiring directors and management disclosure of information and security holding in accordance with Law and reported to the Board regularly, and disclosure of their own and related parties' vested interests in business or activities that may have conflicting interest with the company. The Board may then consider and determine truly for the best interest of the company as a whole in which directors having vested interest may not be involved in the approval process or abstained from voting in that particular agenda.

The company has established policies for related party transactions requiring such activities to be considered thoroughly by the Audit Committee. And if necessary, the transaction shall seek approval from the Board and at the shareholders' meeting including in compliance with regulation established by the Securities Exchange of Thailand with pricing and terms the same as an outsider and disclosure of details, transaction value, contract party, reasoning and necessity of such transactions in the Annual Report, and form 56-1.

During the year 2023 the Board has considered and approved 5 related party transactions below:

- On 23 February 2023, the Board at its 1/2566 Meeting, resolved to approve space lease of the 3rd floor in a building owned by Hi-Tech Land Cholburi (2002) Co., Ltd. In which Mr. Prapakorn Veerapong and Mr. Danucha Veerapong are shareholders and authorized directors. The lease has been for debtor document file storage for a period of 3 years starting from 1 March 2023 to 28 February 2026 with monthly rental rates of Baht 51,840.70 for the first year, Baht 54,432.74 for the second year, and Baht 57,154.38 for the third year.
- On 23 February 2023, the Board at its 1/2566 Meeting, resolved to approve the borrowing by issuance of restricted short-term bill of exchange for individual directors and major shareholders within an amount limit of Baht 300 million.
- On 11 May 2023, the Board at its 3/2566 Meeting, resolved to approve leasing of space on the first floor of the building housing the Choburi Branch Office from Hi-Tech Land Cholburi (2002) Co., Ltd., in which Mr. Prapakorn Veerapong is the shareholder and authorized director, to be utilized as the Cholburi Branch Office at a leasing term of 1 year from 1 June 2023 to 31 May 2024, with monthly rental rate of Baht 47,021.05.
- On 11 May 2023, the Board at its 3/2566 Meeting, resolved to approve the Company to enter into the loan guarantee agreement with Premium Co., Ltd., the company holding 25.40% equity of ECL, at the guarantee fees of 0.85% per annum of the credit limit of Baht 600 million. ECL

paid Baht 5.1 million guarantee fees for the period 1 June 2023 to 31 May 2024. Reasoning for agreeing to the transaction was that SMBC lending rates are currently at 2.90-2.95% p.a. (2 credit limits), plus guarantee fees of 0.85% become 3.75-3.80% p.a. in total which are not a high rate and such borrowings are beneficial to credit extension, and reduction of company costs of finance.

- On 13 November 2023, the Board at its 5/2566 Meeting, resolved to approve borrowings through issuance of restricted short-term bills of exchange to lenders who were major shareholders for an amount limit of Baht 300 million.

In consideration of such a matter, the company has complied with procedures and policies and reported in detail to the securities exchange within the required timeframe (details disclosed per section 9.2, related party transaction).

Pursuant to company representative participating in the good governance training course, the working group has presented to the Board with proposal to prepare conflict of interest prevention manual, conflict of interest reporting, with requirement for personnel at all levels to report conflict of interest from joining the company, taking up new position from appointment/transfer with arrangement for continuing reporting annually at the beginning of year and reporting upon occurrence of such event. This has been in process of preparation and shall be announced for implementation within the year 2024, with training to promote understanding for directors, executives, and employees at all levels.

For the year 2023, directors, executives, and employees had no complaints against breach of authority for self interest rendering conflicting interests.

(2) Exploiting insider information

On the supervision regarding utilization of insider information, the Company has established practice guide for the utilization of insider information and the safeguarding of client and trade partner private information in the corporate governance manual, and business ethics, to prevent disclosure of company insider information or exploit such information for their interest or interest of other. Furthermore, directors and management receiving Company financial information must not utilize such information for their benefit prior to public disclosure in a manner considered to be advantageous to other shareholders and may have caused damages to shareholders as a whole. The Company has advised directors and management who wish to purchase – sale company stock to notify one day in advance, and to refrain from trading Company stocks during the 30-day period prior to public disclosure of Company's financial statements. The Company has also advised directors and management about their duties in reporting Company securities holding including spouse and children before legal age, and the changes on their holding within 3 days to the Securities, and Securities Exchange Commission pursuant to Article 59 and penalty clause, Article 275 of the Securities, and Securities Exchange Act BE 2535. Such information must be provided to company secretary who shall compile director and management securities holding information, and present to the Board for acknowledgement on a quarterly basis.

The company prepared confidentiality agreement for directors, executives, affiliate, subsidiaries, interpreter, company secretary, participants in the meetings of all of company's committees including relevant trading partners and agents who function on behalf of the company, to sign in accepting the confidentiality agreement to strictly preserve confidentiality of the company, customers, and relevant parties, not to exploit insider information for self interests or causing damage to the company, in which directors, executives and employees have all signed accepting the terms of the agreement.

The Company has established disciplinary penalty for those who exploit Company insider information, distributing, or disclosing such information which may have caused damage to the Company, by considering disciplinary action on a case-by-case basis as outlined in the Company rules.

During the year 2023, directors, management, and employees have strictly complied with such insider information requirement and without Company stock trading in the restricted period. The company has not received any complaints on breach of requirement by directors, management, and employees regarding exploit of insider information for individual gain.

Report on Company security held by the Directors and Management within the year 2022

Rank	Directors and Management	Position	Shares held as at 5 January 2023	Shares held as at 11 January 2024	Change in shares held, increase/ (decrease) during the year
1	Mr. Phiphat Pornsuwan (resigned)	Chairperson of the Board	ECL 988,000 ECL-W4 329,333	ECL 988,000 ECL-W4 329,333	
2	Mr. Wichai Maithong (replacement)	Chairperson of the Board/ Independent Director/ Chairperson of the Risk Management Committee	ECL ECL – W4	ECL ECL – W4	
3.	Mr. Danucha Veerapong	Director/ Chairperson of the Executive Committee	ECL 40,000,000 ECL-W4	ECL 43,200,000 ECL-W4	3,200,000- -
4.	Mr. Prapakorn Veerapong	Director/ Managing Director	ECL 44,348,480 ECL-W4	ECL 50,088,480 ECL-W4	5,740,000- -
	Spouse		ECL 2,750,000 ECL-W4 916,666	ECL 2,750,000 ECL-W4	- (916,666)
5.	Mrs. Duangrat Jaengmongkol	Director/ Member of the Nomination and Remuneration Committee	ECL ECL-W4	ECL ECL-W4	- -
	Spouse		ECL 2,960,000 ECL-W3 986,666	ECL 2,960,000 ECL-W4 986,666	- -
6.	Mr. Sorapas Suttienkul	Independent Director/ Member of the Audit Committee/ Chairperson of the Nomination and Remuneration Committee	ECL ECL-W4	ECL ECL-W4	- -
	Spouse		ECL ECL-W4	ECL ECL-W4	- -
7.	Mr. Masayuki Nozawa	Director/ Managing Director	ECL 500,000 ECL-W4 166,666	ECL 500,000 ECL-W4 166,666	
8.	Mrs. Prapasri Permsup	Independent Director/ Chairperson of the Audit Committee /Member of the Nomination and Remuneration Committee	ECL ECL-W4	ECL ECL-W4	- -

9.	Mr. Thailuck Leetavorn	Independent Director/ Member of the Audit Committee	ECL ECL-W4	ECL ECL-W4	- -
10.	Mr. Jaturong Phothirak	Director/ Member of the Corporate Governance and Sustainability Committee	ECL ECL-W4	ECL 15,000 ECL-W4	15,000 -
	Spouse		ECL ECL-W4	ECL 74,500,000 ECL-W4	74,500,000 -
11.	Mrs. Charatsang Yuampai	Deputy Managing Director	ECL ECL-W4	ECL ECL-W4	- -
12.	Mr. Tiratee Patiparnvoharn	Deputy Managing Director	ECL ECL-W4	ECL ECL-W4	- -
13.	Mr. Mano Boonyasrisawat	Director of Insurance Business	ECL ECL-W4	ECL ECL-W4	- -
14.	Miss Kanchana Sophonpongpiat	Accounting and Finance Director	ECL ECL-W4	ECL ECL-W4	- -
15.	Miss Sunee Kulhawuth	Credit Director 1	ECL ECL-W4	ECL ECL-W4	- -
16.	Miss Yuwadee Thongthai	Credit Director 2	ECL ECL-W4	ECL ECL-W4	- -
17.	Mr. Toonpitak Wongsan	Marketing Director (Bangkok)	ECL ECL-W4	ECL ECL-W4	- -
18.	Mr. Teera Chunhacha	Marketing-3 Director (Eastern)	ECL ECL-W4	ECL ECL-W4	- -
19.	Mr. Nantachart Yingnock	Director of Marketing (Bangkok)	ECL ECL-W4	ECL ECL-W4	- -
20.	Mrs. Chamaiporn Petchkan	Director of Collection	ECL ECL-W4	ECL ECL-W4	- -

(3) Anti-Corruption

The company is determined to engage in business with honesty, transparency, openness, and auditable. During the year 2015, the company has participated as member of the Private Sector Collective Action Against Corruption project or Thai CAC on 16 October 2015. The company has prepared policies against fraud, corruption and various practice guidelines in the prevention of risks arising from fraud and corruption, which have been approved by the Board of Directors. The company has anti-fraud and corruption policy in all forms namely no fraud, no bribery, not taking, not receiving, and with practice guide namely prohibiting directors, executives, and employees accepting material gift, entertainment cash donation, and any other benefit to oneself from individual engaging in business with the company. The company refrains from participating in activities which may lead to corruption problem in public or private sectors.

On 18 October 2019, the company has been certified for membership extension for the Private Sector Collective Action Coalition Against Corruption project or Thai CAC, the 2nd time expired in 2022.

To express our intent in the fight against fraud and corruption practices, the company as a listed entity must strive to create confidence for the shareholders and all stakeholders. The company remains determined to participate in this alliance membership project. However, the third Thai CAC certification renewal for the year 2023 as a new regulation requires member entity to undertake risk assessment for fraud and corruption for

transactions related to external party and/or government officials and reported within entity's internal audit report. Submission of such document has been delayed beyond renewal deadline established by CAC. The company will therefore be required to renew its announcement of its intent during 2024. As part of the announcement the company will have to go through the CAC 71 item assessment, the preparation for policies and internal audit plan against fraud and corruption risks related to external parties and government officials.

Nevertheless, during the year 2023, the company has reviewed and modified anti-fraud and corruption policies, and practice guide which have been announced, and communicated to directors, executive, employees, subsidiaries, and affiliates, trade partner, agent, and the general public for acknowledgement, and strict practices throughout with signed acknowledgement and 100% practice readiness by directors, executives, employees, trade partners, company agents.

Company activities to conform with policies against fraud and corruption

- The company recognizes the importance of participation along with promotional support for the creation of cooperation between private sector entities, public sector, and the general public, mass media, and multilateral organization in the drive toward implementation of the measure against fraud, information disclosure, and establishment of clean business engagement standards, emphasizing market competitive mechanism.

- The Company isolated fraud and corruption risk from the entity risk management for convenience of oversight, monitoring, and risk assessment. To prevent fraud and corruption covering charitable donation, political contribution, receiving of gifts, and entertainment expenditure for example,

- Company has modified its risk assessment form for fraud and corruption to cover more areas of potential risks in particular fraud, and corruption risks as pertinent to the Government sector entities in which the Company, affiliated companies, or its trading partners are required to engage in various joint business activities.

- The Company has modified agreement with trading partners, and agents who act on behalf of the Company with external parties for example customers, trading partners or government entities with specific additional clause with clarity regarding the conduct of business that will not engage in fraud and corruption in all forms. In the event of breach, the agreements shall be cancelled immediately upon investigation, and verdict reached. Agents must report to the Company immediately upon discovery of bribery.

- The Company has delivered policies and manuals regarding measures against fraud and corruption practices to all agents for acknowledgement and practice compliance.

- The company establishes operating mechanism for the accounting and finance department to report status of financial position accurately, with transparency to ensure efficiency in preventing fraud and fight against bribery and corruption

- The company arranges for system to assess risk against fraud and corruption separated from risk against routine daily operation, and report to the Audit Committee, and the Board of Director on a quarterly basis.

- Arrange for the establishment of a sub-committee for ethics and fight against fraud and corruption consisting of executives, and employees to assess and manage risks against corruption practices covering important functions such as marketing, procurement of goods and services, collection, payment for example.

There is a continuingly review of risks on a quarterly basis to create measures, and perform appropriate corrective action regularly and promptly by presenting the result of the assessment to the Executive Committee, the Audit Committee, and the Board in that order.

Duties of the sub-committee for ethics and anti-fraud and corruption are as follows:

1. Present information, new risk issue which may arise regarding fraud and corruption.
2. Provide advice to management for risk assessment regarding fraud and compile results for the preparation of the organization's document regarding fraud risks.
3. Support arrangement for training, follow-up, testing to assess employee knowledge and understanding.
4. Follow-up in arranging for each functional line to have measures against fraud and adequate risk management, and report events and information in all forms which are material fraud risks for and efficient and speedy management.
5. Supervise for compliance with manual and practice guide against fraud and corruption.
 - Arrange for the formation of the sub-committee for the operational monitoring and oversight comprising member of the Executive Committee, management, and employees tasked with the preparation of rules, manual, and policies for operating departments, announcement for implementation, training for employee understanding, acknowledgement, and practices properly and with efficiency including the duties of control and monitoring compliances or violation thereof of all departments in accordance with established rules, policies, and regulation internal, and external to the company. The performance of such duties should consider the negative impact against expectation of shareholders, customers, employees, business circle, the public, community which might affect company's reputation.
 - Arrange for internal audit, assessment of system of internal control covering risk of fraud and corruption and report results of audit with process improvement recommendation to the Audit Committee.
 - Arrange for reporting channel for complaint, lead, activities in breach of regulation, guidelines or codes of business ethics of the company or suspicion regarding financial reports or system of internal control or suspicion of involvement in fraud or corruptions by providing counseling to supervisor or reporting through email or confidential letter to the company secretary or Director of Operations and Central Administration or Personnel Manager or the Audit Committee.
 - The company has policy protecting provider of information or lead to the company (Whistleblowing Policy) by providing assurance that it will safekeep the informer information confidentially and shall not penalize employees who provide information with honest intent.
 - Arrange communication and training against corruption practices to educate directors, management, and all employees of the entire organization to be aware of the policies and practices against fraud and corruption including other relevant policies, as well as indicating the serious damaging results toward the society, and the country as a result of fraud and corruption, and offenders may be prosecuted, to entice conscientious cooperation as part of the fight against fraud and corruption in all forms and concurrent communicating with families, friends, external parties for understanding of fraud and corruption. The Human Resources Department has arranged for

training regarding governance policy, business ethics, and policy against fraud and corruption practices, and practice guidelines.

In future, there shall be additional training channel and testing online to promote providing of knowledge and increasing recognition of the importance of ethics, fraud and corruption.

- Arrange for communication with customers or external parties who come to contact the company both at HO, and branches to acknowledge such policies and intent against corruption practices by the company by posting sign board and campaign photo against corruption, and desk framed photo for all.

- Arrange to prepare company uniform sewn with message 'against fraud and corruption' provided to executives, and employees at all levels within the organization to be worn at least once a week in order to communicate such message as reminder for the wearers as well as for external parties for awareness, recognizing the danger and inviting the participation in the fight against corruption.

- The company complied with the policies, refraining from activities which may lead to corruption problem with the public or private sectors, and is prepared to cooperate in supporting public and private sector measures against fraud and corruption practices.

During the year 2023, the company has arranged for project supporting anti-fraud and corruption as follows:

1. Testing of knowledge and understanding for employees at all levels regarding fraud and corruption at the operational level and entity level during the year 2023. On average scoring was 12/15 with 100% employee participation.
2. Prepare and announce the implementation of policies and measures against fraud and corruption practices for affiliates, subsidiaries for 2023, and test employee understanding at all levels with scoring at 11/15 for 100% employees.
3. Monitoring news and new manual announced by the Thai CAC for implementation for example Guidelines for Developing Anti-corruption Operating Control for policy improvement and proper operating procedures per CAC.
4. Work with internal audit in the preparation for reimbursement standard regarding commission payment, various welfare to be consistent, appropriate, and controlled, verification of error on receipt issuance for example.
5. Improve manual, and practice rule regarding hiring of outsourcing agent in the collection follow-up section on payment demand, repossession, and litigation.
6. The company monitors and recognizes the importance of Anti-Corruption promotional activities regularly and continuingly. On 8 December 2023, the International Day Against Corruption (Thailand), theme being 'zero tolerance, Thai against fraud', follow-up seminar in the form of online event via Facebook live, National Anti-Corruption Commission Facebook, and event follow-up on 6 September 2023, the idea 'WHAT THE FACT? (when in doubt, search ACT Ai) by anti-corruption (Thailand) entity. The company has engaged and participated in activities to express its standing in the refusal to be involved in fraud and corruption in all forms continuingly by

indicating the importance and enabling the cooperation and fight against fraud and corruption extensively and jointly driving the government sector to improve work process with transparency, accepting participation and verification from the private sector and civil society in the protection of public interest from fraud and corruption.

(4) Whistleblowing

The company provides opportunities for employees and all groups of stakeholders satisfaction and participating in the monitoring of company operations, joint surveillance about activities in breach of rules, regulation, codes of business ethics, or law including report of suspicious behavior which may indicate fraud and corruption or money laundering activities, finance, accounting where the stakeholders may contact the company, expressing idea, lead or complaint via post to any one of the committees namely Chairperson of the Audit Committee, Independent Director, Deputy Director for Human Resources, or Company Secretary at company's address – Eastern Commercial Leasing PLC, 976/1 Soi Rama IX Hospital, Bangkapi Sub-District, Huay Kwang District, Bangkok 10310 or facsimile 02-641-5995 or at company website <http://www.ecl.co.th>. All complaints and suggestions shall be considered and handling as appropriate.

Guideline for Complaint Handling

When member of the audit committee, independent director, company secretary, Deputy HR Director or whatever channel, has been informed about the lead, or has received complaints from company stakeholders. The company shall undertake a preliminary consideration to determine which classification the issue may be. If the issue involves governance principle, and business ethics, the unit receiving complaint shall compile information to be presented to the sub-committee for operational oversight. The latter sub-committee shall proceed to consider, compile evidential information, investigate and search for information, and presented to the Executive Committee for further consideration. If the issue involves fraud or corruption, the unit receiving complaint shall coordinate and present the issue to the sub-committee for ethics and anti-fraud and corruption, and internal auditor. Both shall jointly present the issue to the Audit Committee for further consideration.

As for complaint and/or lead provided by employee, the company proceeding about employee complaint shall involves determination of the classification of the issue, and whether there is a breach and at what level so degree of penalty can be established fairly and accurately. The investigation and search for information, the decision on the complaint shall depend on the sub-committee or the committee, the unit receiving complaint considering from the type, and degree of breach of the issue involved. Employee may submit complaint or express opinion through various channels for example email addressing Deputy HR Director, office of the Company Secretary, or by post to the HR Department, or office of the Directors, and Company Secretary. The company has policy protecting provider of information or lead to the company (Whistle Blowing Policy) by providing assurance that it will safekeep the information confidentially and shall not penalize employees who provide information with honest intent. In the event of lead against fraud or illegal act, the company shall retain the information confidentially, and proceed with consideration for safety of the informer including individual who cooperate in the

investigation process to ensure confidence of all concerns that they shall not be affected from such lead and complaint.

Over the past years the company has not received any complaints from stakeholders, and during the year 2023, there was no complaint regarding fraud and corruption, or breach of policy regarding good corporate governance principle. Directors and executives have not been found to be involved with fraud and corruption or under legal proceeding or resignation with issue concerning entity governance.

8.2 Audit Committee Performance Report for the past year

8.2.1 Number of Audit Committee meetings

During the year 2023, the Audit Committee convened 4 times as follows:

Rank	Names of Directors	Position	Audit Committee Attendance
1.	Mrs. Prapasri Permsup	Chairperson of the Audit Committee/ Independent Director	4/4
2.	Mr. Thailuck Leetavorn	Member of the Audit Committee/ Independent Director	4/4
3.	Mr. Sorapas Suttienkul	Member of the Audit Committee/ Independent Director	4/4

8.2.2 Result of the Audit Committee Performance

The Audit Committee convened 4 times during the year 2023 including one without management participation on 10 August 2023 concerning organizational structure relating to important functions, important risk issues, and reporting of the results to the Board of Directors for acknowledgement. Mrs. Prapasri Permsup acting as the Chairperson of the Audit Committee who is knowledgeable and experienced sufficiently to perform the duties of reviewing reliability of financial reports. The Audit Committee held meeting with the external auditor, and internal auditor for the review of financial reports, internal control, selection and consideration for the appointment of external auditor of the company, internal auditor, and compensation, related party transactions, assessment of system of internal control, reviewing risk management, monitoring compliance with rule, regulation, policy, and supervision of the Executive Committee performance, summary report the opinion of the Audit Committee in various aspects to the shareholders within the Annual Report.

8.3 Summary Report of Other Sub-committee Performance

8.3.1 Number of meetings of the Nomination and Remuneration Committee

During the year 2023, the Nomination and Remuneration Committee convened 5 times below:

Rank	Names of Directors	Position	The Nomination and Remuneration Committee Attendance
1.	Mr. Sorapas Suttienkul	Chairperson of the Nomination and Remuneration Committee/ Independent Director	5/5
2.	Mrs. Prapasri Permsup	Nomination and Remuneration Committee Member /Independent Director	5/5
3.	Mrs. Duangrat Jaengmongkol	Nomination and Remuneration Committee Member	5/5

8.3.2 The Nomination and Remuneration Committee convened five times during the year 2023. The Nomination and Remuneration Committee has performed the duties of establishing basis for the recruitment and selection of

new directors replacing directors retiring through rotational procedure, compensation consideration for the chairperson of the board, senior executives, sub-committee formation consideration, presenting appropriate individuals for the performance of each sub-committee, establishing policy and reviewing form and basis for director compensation, and other benefit annually, The Committee establishes rules for the assessment of the committee performance, the Chairperson of the Executive Committee, and the Managing Director, preparation of summary report of the Committee performance to be presented at the shareholders' meeting within the Annual Report.

8.3.3 Number of Executive Committee Meetings

During the year 2023, the Executive Committee convened 11 times as follows:

Rank	Names	Position	Executive Committee Attendance
1.	Mr. Danucha Veerapong	Chairperson of the Executive Committee	11/11
2.	Mr. Prapakorn Veerapong	Vice Chairperson of the Executive Committee	10/11
3.	Mrs. Duangrat Jaengmongkol	Member of the Executive Committee, and Company Secretary	11/11
4.	Mr. Masayuki Nozawa	Managing Director	11/11
5.	Mrs. Charatsang Yuampai	Deputy Managing Director (Accounting and Finance)	11/11
6.	Mr. Tiratee Patipanwoharn	Deputy Managing Director (Marketing)	10/11
7.	Miss Kanchana Sophonpongpiat	Director – Accounting and Finance	11/11
8.	Mr. Mano Boonyasrisawasdi	Director – Insurance	11/11
9.	Mr. Teera Choonhacha	Director – Marketing – Eastern	11/11
10.	Miss Yuwadee Thongthai	Director – Credit 2	11/11

8.3.4 The Executive Committee convened 11 times with scheduled meeting at least once a month with special urgent meeting as needed to consider marketing plan, credit approval, operational rule and regulation approval, routine business control and administration of various departments with minute of the meeting prepared at all times, and presented to the Audit Committee, and internal audit as guideline for operational, control and monitoring of management continuingly and timely. The Executive Committee comprises 10 members consisting of 4 directors who are executives, and 6 other executives (details per section 7.2 Board of Directors information, 7.3 sub-committee information)

8.3.4.1 The Corporate Governance and Sustainability Committee Attendance

During the year 2023, the Committee convened once as follows:

Rank	Names of Directors	Position	Committee Attendance
1.	Mr. Thailuck Leetavorn	Chairperson of the Corporate Governance and Sustainability Committee / Independent Director	1/1
2.	Mrs. Prapasri Permsup	Member of the Corporate Governance and Sustainability Committee / Independent Director	1/1
3.	Mr. Jaturong Phothirak	Member of the Corporate Governance and Sustainability	1/1

8.3.4.2 Corporate Governance and Sustainability Committee convened once during the year 2023 performing the duties of reviewing the Committee's charter, considered improvement in the One Report related to the environment, social, and entity governance (Environment, Social and Governance: ESG), considered guidance related to environment and global conservation.

8.3.4.3 Risk Management Committee

During the year 2023, the Committee convened once as follows:

Rank	Names	Position	Committee Attendance
1.	Mr. Wichai Maithong	Chairperson of the Risk Management Committee	1/1
2.	Mr. Prapakorn Veerapong	Member of the Risk Management Committee	1/1
3.	Mrs. Charatsang Yuampai	Member of the Risk Management Committee	1/1
4.	Mr. Tiratee Patipanwoharn	Member of the Risk Management Committee	1/1
5.	Miss Sunee Kultrawudth	Member of the Risk Management Committee	1/1
6.	Mrs. Chamaiporn Petchkan	Member of the Risk Management Committee	1/1
7.	Miss Klaitawan Charoenraksa	Risk Management Committee Secretary	1/1
8.	Miss Kanchana Sophonpongpiat	Assistant Secretary to the Risk Management Committee	1/1

8.3.4.4 The Risk Management Committee convened once during the year 2023 performing the duties of summarizing risk management guideline of the company, reporting risk management results, reviewing, improving company risk management guidelines, and considered Risk Management Committee Charter charter.

8.3.5 Results of other sub-committee performances presented at section 7.3.1 (4) related to the six sub-committees.

REPORT OF THE NOMINATION AND REMUNERATION COMMITTEE

The Board of Directors of the Eastern Commercial Leasing PCL appointed the Nomination and Remuneration Committee which comprised 3 qualified individuals namely:

1. Mr. Sorapas Suttienkul Chairperson of the Nomination and Remuneration
 Committee/ Independent Director
2. Mrs. Prapasri Permsup Nomination and Remuneration Committee Member
 /Independent Director
3. Mrs. Duangrat Jaengmongkol Nomination and Remuneration Committee Member

The Nomination and Remuneration Committee performs the duties as assigned by the Board of Directors. The scope of duties and responsibilities is indicated in the Committee Charter for recruitment of appropriate individuals for appointment as company directors. The Committee selects and proposes individuals with qualification, knowledge, competence, with experiences beneficial to the company and the nature of business readily available to perform the duties and dedicated with sufficient time in accordance with the Public Company Act, the Securities and Securities Exchange Act, and company articles. The Committee considers forms and basis for compensation for Director, and the Chief Executive Officer in accordance with the good governance principles.

For the year 2023, the Committee convened five times and during 2024 up to the report date, once totaling 6 times with members full attendance at all meetings with material substances of the meetings summarized below:

1. Considered selection and proposing individuals with appropriate qualification to be appointed directors replacing resigned directors or directors with term of office expires to be presented at the Board of Directors' Meeting, for directorship appointments with the remaining term of office of the original director whom the appointed director replaced.
2. Considered and proposed individual with appropriate qualification for appointment as the Chairperson of the Board of Directors, submitted at the Board of Directors' meeting for approval consideration.
3. Considered and proposed appointment of members of the Audit Committee with the 2-year term of office expires to be reappointed for another term and presented to the Board of Directors for approval consideration.
4. Considered modification of Charter of the Nomination and Remuneration Committee (Revision Year 2023) and presented to the Board of Directors for approval consideration.
5. Considered recruitment and proposed individuals with appropriate qualification to be appointed as new independent directors, members of the Audit Committee, and presented to the Board of Directors for approval consideration.
6. Arranged for performance appraisal of the Board of Directors, sub-committees, the Chief Executive Officer, and the Managing Director annually, reported to the Board of Directors for acknowledgement,

utilized the appraisal results to improve operations to enhance efficiency and achieve company objectives.

7. Prepared succession plan for senior executives to ensure human resources development capable of succeeding important position or leader.
8. Considered rate of compensation for the Chief Executive Officer appropriate with duties and responsibilities corresponding with appraisal results for submission at the Board of Directors' Meeting for approval consideration.
9. Considered rate of compensation for the Board of Directors appropriate with duties and responsibilities in comparison with industry of the same nature, and corresponding with results of operations for submission at the Board of Directors' Meeting for approval consideration prior to submission at the shareholders' meeting for approval consideration.
10. Considered recruitment and proposed individual with qualification, knowledge, and experiences appropriate with the company for appointment as director replacing directors scheduled to be retired in accordance with the rotational procedure for submission to the Board of Directors for approval consideration prior to submission at the shareholders' meeting for approval consideration.

In summary for the year 2023, the Nomination and Remuneration Committee has performed its duties as assigned by the Board of Directors, complete, with due care, transparent, and independent for the best interests of shareholders all stakeholders, in particular the consideration of the appropriateness of the individual to be proposed as director to ensure that such individual is knowledgeable, competent, and experienced beneficial to the company's business engagement, and qualification fully in compliance with the Public Company Act BE 2535, announcements of the Board of Governors of the Securities Exchange of Thailand, and the Capital Market Supervisory Board, and reported results of its meeting to the Board of Directors continuingly.



Mr. Sorapas Suttienkul,

The Chairperson of the Nomination and Remuneration Committee

Executive Committee Report

The Executive Committee, as appointed by the Board of Directors, consists of 10 executive committee members, 4 of whom are directors and executive directors, and 6 others being executives at the level of Deputy Managing Director, and Department Directors. Directors who are concurrently executives are as follows:

1. Mr. Danucha Veerapong, the Chief Executive Officer is the Chairperson of the Executive Committee, 2. Mr. Prapakorn Veerapong, the Managing Director is the Vice Chairperson of the Executive Committee, 3. Mr. Masayuki Nozawa, the Managing Director is the member of the Executive Committee 4. Mrs. Duangrat Jaengmongkol, Company Secretary is the member of the Executive Committee.

The Executive Committee performs its duties within the scope of authorities as assigned applying knowledge, competence with due care and diligence for the best interest of the company, a sound growth and confidence for shareholders and all stakeholders alike. During the year 2023, the Executive Committee convened 11 meetings, approximately once a month with minute of the meeting prepared for all meetings for submission at the quarterly Board of Directors' meeting with material issues summarized below:

1. Considered refinement in company objective, target, strategy, and business plan including budget and investment project of the company and subsidiaries for the year 2023 prior to submission to the Board for approval consideration.
2. Considered monitoring company and subsidiaries' operating results regularly on a monthly, and quarterly basis, and considered acknowledgement of problem or obstacle arising in the operations of various departments in the normal course of business including providing advice for improvement, rectification to be implemented to enhance efficiency and achieve objective.
3. Considered approval for the preparation, review and improvement on policies, operational manual relevant to business engagement in accordance with the supplementary announcement and enforcement of law or new act coming into force.
4. Considered approval for company business engagement in personal credit under regulatory supervision and environmentally friendly credit including acquisition of software for such credit, application development and presented to the Board of Directors for acknowledgement
5. Considered approval for workflow restructuring, hiring of outsourcing agents for collection follow-up through selection of company as appropriate and with efficiency.
6. Considered acknowledgement of entity governance survey results of the Thai listed company (CGR) for the year 2023 prepared by the Institute of Directors, with the company rated 5 stars or excellent rating for the 4th consecutive year (2020 - 2023).

For the Executive Committee



(Mr. Danucha Veerapong)

Chairperson of the Executive Committee

**Internal Control
and Related Party
Transactions**

9. Internal Control and Related Party Transactions

9.1 Internal Control

The company recognizes the importance of system of internal control and risk management as a mechanism enabling the company engaging in business with efficiency by arranging for the system of internal control covering all aspects of operations – financial, operational, and compliance in accordance with rules, and relevant law, by having the Audit Committee performing the oversight duties over internal control activities in accordance with the Committee of Sponsoring Organization of the Treadway Commission: COSO internal control framework. The internal auditor performs internal audit per annual audit plan reporting to the Audit Committee regularly. As for risk management for the year 2023, the company appointed the Risk Management Committee responsible for reviewing company's risk management policy to be utilized as the framework and guidance in the supervision of the risk management function with efficiency, and responsive to changing circumstances and environment appropriately. Internal control practices consist of 5 elements namely:

1. Control Environment

The company arranges for the entity's organizational structure corresponding with the nature of business including preparation of business ethics, written operating procedures for all departments, appropriate segregation of duties and responsibilities, clear reporting line to enable check and balance. The Board is independent in performing entity oversight, establishes clear business objectives, reasonably achievable, measurable as guidelines and incentive for management and employee performance. The company assigns duties and responsibilities appropriately corresponding with knowledge and competence emphasizing honesty, and ethics supporting employees with responsibilities, knowledge, skill, and experiences in each job position to realize full capabilities, with policies for development and retention of employees possessing knowledge and competence, preparing recruitment, development and retention plan for executive and employee clearly including the application of key performance indices as guidance and measurement for annual management and employee appraisal.

2. Risk Assessment

The company has risk management policy for risks which may have impact on its business engagement both internally and externally. The company manages risks at the level appropriate and acceptable without affecting its good governance policy. Risks are divided into 5 types namely strategic, operational, financial, compliance with law, rules and regulation, fraud and corruption risks. During the year 2021, the Company engaged in business subject to the Private Data Act BE 2562. The Company shall prepare supplementary risk related to this law to cover operations of all departments relevant to the application of private personal information. Furthermore, in light of the Covid-19 pandemic, the company has added risk assessment relevant to Covid to enable administration, and operational assessment, preparedness for resources and various work systems to achieve continuing functioning of employees, safety and without impact on important objectives. Risk management is part of the overall annual business planning to establish risk management guideline for that particular risk corresponding with the objectives, strategy, direction, and business engagement target.

The company requires management and all employees to have ownership in the risk with the task of assessing the risks within their own departments including proposing plan and procedure in mitigating such risks from occurring. The company shall inform all relevant employees for compliance with established risk management measures with the Risk Management Committee established to monitor risk management plan and report to the Audit Committee quarterly in order to prevent and mitigate loss which may occur in the operational system including to support an efficient operational system meeting the established objectives.

3. Control Activities

The company disseminates and delegates authorities to management to perform on behalf of the Managing Director in the area of credit extension, disbursement, collection, and purchasing etc. by preparation of delegation of authorities, sample signature, scope of authority, amount limit for management at each level with clarity in order to achieve operational flexibility, with clear segregation of important duties and responsibilities in the approval process, recording of accounting transaction, and access to information, and duties in safeguarding assets, with compliance audit by internal auditor regularly, retention of information regarding major shareholders, directors, management, and related parties to such individuals for the benefit of following up, and review of transactions which may have conflicting interests, with approval consideration procedures as reviewed by the Audit Committee for transactions with aforementioned major shareholders or related individuals. This is to ensure that such transactions are reasonable and for the best interest of the company as if engaged with an external party. The Company has assigned the duties in operational control to the sub-committee of Compliance. The Company has undergone various existing control review in the operational guideline regularly, to be appropriate in light of the changing environment or risks.

4. Information Technology and Communication

The company arranges for information technology communicating with management and all functions within the organization to receive complete information accurately and timely, applying accounting policies in accordance with generally accepted accounting principles, recording of accounting transactions, and document retention in accordance with requirement of the law, sufficient important information communication and delivery for the Board of Directors supporting decision making, convening meeting between the Audit Committee with external auditor, and internal auditor quarterly. The company has communication system preparing operational report for the securities market timely. The company requires the company secretary to have the duties of coordinating with relevant parties in the organization of meeting or preparation of supplementary information when the Board requests. As for the channel of communication with stakeholders, the company assigns the Chairman of the Executive Committee along with the investor relation, and Director of Finance to disseminate information in contact with institutional investors, shareholders, analysts, public media, and relevant public-sector entities. Investors may contact for information or stakeholders may submit complaint or provide lead relating to violation of policy and practice guideline for good governance principle of the company at phone number 02-641-5252 or Email: duangrat@ecl.co.th or at company website <https://www.ecl.co.th>.

5. Monitoring Activities

The company convenes the Executive Committee meeting regularly once a month to assess monthly performance of the company including corrective action consideration, establish rules and procedures of each department or modify policies corresponding with circumstances in order to implement corrective action within an appropriate time. In the event a material weakness is found in the system of internal control, relevant party must report to the Board of Directors and/or the Audit Committee on an urgent basis. As for the operational audit in compliance with system of internal control and risk management, the internal auditors will conduct follow-up audit quarterly including providing advices in various aspects to achieve assurance that all departments maintain good internal control and perform in accordance with objective of the company, and report audit results to the Audit Committee, and the Board quarterly.

9.1.1 Summary of the Board's Opinion on System of Internal Control

At the Board meeting 1/2024 on 22 February 2024, the Board assessed the system of internal control based on the Audit Committee report and concluded on the basis of control assessment of the 5 components namely entity internal control, risk assessment, operational control, information technology and information communication, and monitoring, the Board was of the opinion that the company's system of internal control regarding transaction with major shareholder, directors, executives, or related parties to such individuals per assessment form was adequate and appropriate. As for control in other topics including the monitoring of operational control of subsidiaries, being capable of safeguarding assets of the company and subsidiaries from directors or management abuse or unauthorized usage, the Board was of the opinion that the company also has had adequate control.

9.1.2 Past Deficiency Found

Over the past, the company has had certain deficiency related to internal control arising from daily operation, with remedial actions taken within 7 days for example:

- multiple cases of error issuance of receipts as a result of incorrect input of payment receipt media code
- error reporting customer installment payment status to the National Credit Bureau as a result of outdated customer litigation pending status and follow-up record

The Compliance Unit has prepared the 'Lost Data Report' form as a reporting instrument upon error found at any operating point. The employee and/or Director of that department reports operational error found to management or the sub-committee for operational oversight (compliance) immediately with copy forwarded to the internal auditor to help investigate whether the error was human or system and promptly rectify the error in a timely manner. This includes establishing at another level, operational procedure and new IT operational system to ensure control and prevention of error recurring. The internal auditor will revisit and perform audit on operational procedure, and the IT system at the next audit schedule.

9.1.3 Audit Committee and External Auditor Opinions

The Audit Committee has no additional nor different opinion from that of the Board and the external auditor expressed no opinion nor observation in the audit report that there was control deficiency in the system of internal control.

9.1.4 Head of Internal Audit Function

The Audit Committee meeting 1/2567, dated 22 February 2024, resolved to appoint Improvis Co., Ltd. as company's internal auditor for the year 2024 (March 2024 – February 2025). Mr. Chalot Lokittajariya as designated by Improvis Co., Ltd., performs the duties as company's internal auditor.

The Audit Committee has reviewed qualification of Improvis Co., Ltd. and Mr. Chalot Lokittajariya and found to be appropriate, adequate for such operations with efficiency, as they are independent, and with acquired experiences in the operation of internal audit function in similar business as that of the company (background information provided per attachment 3).

9.1.5. The appointment, removal consideration of the internal audit firm, performing internal audit function for the company, requires approval of the Audit Committee

9.2 Related Party Transactions

Summary of related party transactions between the Company and individuals or entities who might have conflicting interests during the years 2022, and 2023

(1) Asset Lease Transactions

Individuals or Entities /Relationship	Description of Transactions	** Transaction Value in Baht		Pricing Policy	Reason and necessity
		2023	2022		
Mr. Prapakorn Veerapong, the lessor <u>Relationship</u> Is the MD, and authorized director holding 4.76% shares of ECL, the lessee.	ECL leases land belongs to Mr.Prapakorn Veerapong. The land title deed # 477, located at Soi Navasri 5, Ramkamhaeng Road, Soi 21, Wangtonglang District, Bangkok, land area approximately 130 square wah utilized as parking space and for repossessed vehicles auction and other purposes with tenor of 2 years from 1 September 2022 to 31 August 2024, with monthly rental of Baht 48,505.26	1,164,126.24	1,164,126.24	Rent is reasonable in line with market or fair value, contract terms same as other lessor	The company needs land space to conduct business and land distance not far from office

Remark: * approved by the Board BOD 3/2022, dated 11 August 2022

**The lease agreement with tenor of 2 years.

Transaction Value 1 September 2022 – 31 August 2024 (24 months) amounting to Baht1,164,126.24

**land value approximately Baht 450/square meters based on appraisal performed by Sims Property Consultant Co., Ltd. who has performed appraisal for land belongs to Din Daeng (1969) Co., Ltd. adjacent to the land in question on 8 May 2019.

Individuals or Entities /Relationship	Description of Transactions	*** Transaction Value in Baht		Pricing Policy	Reason and necessity
		2023	2022		
Hitech Land Cholburi (2002) Co., Ltd., the lessor <u>Relationship</u> Its major shareholders are Mr. Danucha, and Mr. Prapakorn Veerapong in aggregate held 27% of the company, who are the Chairperson of the Executive Committee, and Managing Director of ECL respectively, holding jointly 8.66% of ECL	ECL leases Floor 1 of a building located at 728/10, Sukhumvit Rd, Bangpraso Sub-District, Muang District, Cholburi Province, area of 244.05 square meters for use as branch office with tenor of 1 years from 1 June 2023 to 31 May 2024, monthly rental Baht 47,021.05,	564,252.60	564,252.60	* rental averaged Baht 192.67 per square meters; ** was lower than Baht 245 average estimated lease rental; Other lease term same as other lessor	The company needs office space for branch setup for business development and no other appropriate building

Remarks:

- * The transaction has been approved by the Board, BOD 3/2566, dated 11 May 2023
- ** Baht 245 per square meter is an averaged lease rental rate, appraised by Prospect Appraisal Co., Ltd. dated April 30, 2004, and Siam Appraisal and Service Co., Ltd. dated May 6, 2008
- *** The lease agreement tenor of 1 year
Transaction Value 1 June 23 – 31 May 24 (12-month) Baht 564,252.60

Individuals or Entities /Relationship	Description of Transactions	** Transaction Value in Baht		Pricing Policy	Reason and necessity
		2023	2022		
<p>Hitech Land Cholburi (2002) Co., Ltd.</p> <p><u>Relationship</u></p> <p>The lessor major shareholders are Mr. Danucha Veerapong, and Mr. Prapakorn Veerapon who jointly held 27% Both are Chairperson of the Executive Committee, and Managing Director of ECL respectively, and also shareholders of ECL holding jointly 8.66% of ECL equity</p>	<p>The Company leases area on 3rd floor of the building, located at 728/10, Sukhumvit Road, Bangpraso Sub-District, Muang District, Cholburi Province with area of 244.05 square meters to be utilized as branch office space, with lease term of 3 years from 1 March 2023 to 28 February 2026, with lease rental payable monthly, Baht 51,840.70 *** for the first year, Baht 54,432.74 for the 2nd year, and Baht 57,154.38 for the 3rd year</p>	1,956,238.32	1,778,806.20	<p>* Rental rate for 3-year, Baht 150.83 – 166.29 averaged per square meters, was lower than the Baht 245 per square meter, the averaged appraised rental rate *</p> <p>Other terms and conditions within the lease contract were equivalent to other lessors</p>	<p>It is necessary to lease the office space for credit analysis section, and conference room for eastern region employees and there was no other suitable building in the area.</p>

Remark: - Approved per BOD 1/2566 on 23 February 2023

* Baht 245 was the averaged appraised rental rate performed by Prospect Appraisal Co., Ltd. on 30 April 2004, and Siam Appraisal and Service Co., Ltd. on 6 May 2008

** Term of lease for 3-year

Transactional value 1 March 2023 – 28 February 2026 (36 months) amounted to Baht 1,956,238.32

Individuals or Entities /Relationship	Description of Transactions	** Transaction Value in Baht		Pricing Policy	Reason and necessity
		2023	2022		
Mr. Prapakorn Veerapong, lessor <u>Relationship</u> The Managing Director and authorized director, and ECL shareholder holding 4.76% of ECL (lessee) equity	The Company leased warehouse space on 1 st floor from Mr. Prapakorn Veerapong, located at 38/3 Soi Navasri 5, Ramkamhaeng Road, Soi 21, Sub-district Plabpla, Wangthonglang District, Bangkok, with leased space of 233 square meters to be utilized as document storage and other purpose, with lease term of 2 years from 1 March 2022 to 29 February 2024, lease rental payable monthly at the rate of Baht 52,631.58	1,263,157.92	1,263,157.92	* averaged rental rate Baht 226 per square meter, below Baht 450 per square meters, as appraised rental rate on an adjacent piece of land* belongs to Din Daeng (1969) Co., Ltd., terms of lease contract equivalent to other lessor	It is necessary for business engagement and the building is not far away from company's office.

Remark: - Approved per BOD 1/2565 on 24 February 2022

* Baht 450 was averaged land price as appraised by Sims Property Consultant Co., Ltd. who provided appraisal for land belonged to Din Daeng (1969) Co., Ltd. located adjacent to the leased land on 8 May 2019

** Lease term: 2 years

Transactional value 1 March 2022 – 29 February 2024 (24 months) amounted to Baht 1,263,157.92

(2) Borrowing:

During the year 2023 the Company borrowed short term loan from individuals who were shareholders by issuing fixed period short term bill of exchange with tenor of 270 days with said shareholder detailed as follows:

Related Parties/ Proportion of Shares Held as at 31 December 2023	Borrowing Transaction Size (Baht million)				Borrowing Continually		
	1 Jan 2023	Repaid	Additional borrowing	31 Dec 2023	Interest Rate %	Interest paid whole year 2023	Interest prepaid on 31 Dec 2023
Mr. Preecha Veerapong, holding 6.72%	165	95	30	100	3.40 – 4.40	4,667,524.10	815,234.75
Total as at 31 Dec 2023	165	95*	30*	100	3.30 – 4.40	4,667,524.10	815,234.75

Remarks:

- Was a summation of net increase or decrease at the issuance of each BE
- Approved by the Board, per BOD 5/2566, dated 13 November 2023
- Reviewed by the Audit Committee concerning related party transaction, per AC 4/2566 dated 13 November 2023
- Pricing policy: rate of interest payable lower than commercial bank lending rate on the B/E issued date with interest payable on B/E issuance date, the same rate payable to external parties
- Reason and necessity: fund utilized as working capital without asset collateral required.

(3) Loan Guarantee Fee Payment:

Premium Co., Ltd., the major shareholder, has arranged for loan credit from Sumitomo Mitsui Banking Corporation (SMBC) for ECL in which SMBC has approved loan facility amounted to Baht 600 million with tenor of 1 year from 1 June 2023 to 31 May 2024 at the rate of 2.90-2.95% p.a. (floating rate variable per BOT announcement) under corporate guarantee of Premium Co., Ltd. ECL shall pay Premium Co., Ltd. a guarantee fee at the rate of 0.85% p.a. of the Baht 600 million credit limit amounting to Baht 5.10 million resulting in an average interest rate of 3.75% p.a. which is still lower than other commercial bank borrowing rate thus benefitting the company (as per BOD 3/2566, dated 11 May 2023)

Necessity and Reasonableness of Related Party Transactions

Related party transactions have been reasonable with terms and conditions between parties established capable of being compared with normal transactions with other entities without relationship. The Company anticipates that there may be more of the related party transaction in this same nature, in the future.

Measures and the Approval Process for Related Party Transaction

Related party transactions are conducted primarily with due consideration for the interest of the Company. Considerations include the reason, necessity, and compensation payment in accordance with market or fair value. The Audit Committee shall consider and provide its opinion for said transaction and submit to the Board for consideration and approval. The Board consideration shall exclude directors who have vested interest in the transaction.

Policy and Trend toward Related Party Transaction

In the future, for related party transactions with individuals or entities who may have conflicting interests or vested interest, as a matter of policy, the Company shall request opinion from the Audit Committee as pertinent to the necessity, the best interest to the Company of those transactions, the appropriateness of pricing, and the reasonableness of the transactions. In the event the Audit Committee lacks the expertise in consideration of the related party transactions, the Company shall seek opinion from independent subject matter expert or Company auditor for opinion on the transactions as well. This opinion shall be submitted to assist the Board's or the Shareholders' decision-making process as appropriate. Individuals with vested interest in the transactions shall not authorize such transactions by themselves.

In conducting the transaction, the Company shall engage the transaction in accordance with the normal business practices and in accordance with law and regulations of the security exchange including the rules on disclosure of related party transactions and the acquisition or disposal of Company's essential assets per accounting standards. The Company shall disclose related party transactions in the Notes to Financial Statements as audited by the company's auditor.

For the year 2023, the company has not engaged in offence related to conflicts of interest.

REPORT ON THE BOARD OF DIRECTORS' RESPONSIBILITIES FOR FINANCIAL REPORTING

The Board of Directors is responsible for the preparation of the Company's financial reports - Separate financial statements, and consolidated financial statements for the Company and its subsidiaries including financial information presented in the annual report. Such financial reports for fiscal year ended on 31 December 2023 has been prepared in accordance with the Thai Financial Reporting Standard 9 (TFRS9) and 16 (TFRS16) and with the adoption of select and appropriate accounting practice guideline announced by the Federation of Accounting Profession with judgment and due care, and best estimation including adequate essential information disclosure within the notes to financial reports covering important matters in accordance with best practices for directors of listed companies as required by the Securities Exchange of Thailand. The financial reports therefore reflect true and fair financial position and results of operations for the past fiscal year, transparent and verifiable beneficial to investors, and public at large.

To enhance stakeholder confidence in the Company's quarterly and annual financial reports, the Board of Directors appointed the Audit Committee to perform the duties of reviewing interim and annual financial reports of the Company together with the auditor and management of the Company by enquiring and listening to explanation including advice and opinion on the various issues relevant to financial reporting of the Company prior to submission to the Board of Directors for approval consideration for disclosure submission to the Securities Exchange of Thailand, and the Securities and Securities Exchange Commission (SEC). It is with confidence that the Company has been audited of the operations, utilization of resources, safeguarding of assets, prevention or mitigation of error, damage, loss of resources or fraud and corruption, the compliance with laws, rules and regulations in which the auditor from DIA International Audit Co., Ltd. has expressed its opinion correspondingly that it has found no problematic issue or material weaknesses.

The Board of Directors has arranged for and maintained the system of risk management, system of internal control covering relevant risk factors, internal audit activities, and good, appropriate, and effective entity governance in the prevention of fraud or material impropriety. The Board of Directors, and the Audit Committee have performed their duties and responsibilities appropriately, and in accordance with charters, principle of the securities exchange, and other relevant laws to its business engagement, with due care, knowledges and competence. The Audit Committee has adequate independence for the benefit of stakeholders equally.

The Board of Directors were of the opinion that the system of internal control of the company has been adequate, appropriate, and able to establish reasonable confidence that the Company's Separate financial statements, and consolidated financial statements for the Company and its subsidiaries for fiscal year ended on 31 December 2023, were accurate, complete, and in accordance with generally accepted accounting principles, including compliance with laws, and regulations of relevant authorities.

For The Board of Directors



(Mr. Wichai Maithong)

The Chairperson of The Board of Directors



(Mr. Danucha Veerapong)

The Chairperson of the Executive Committee

Section 3

Financial Statement

INDEPENDENT AUDITOR'S REPORT

To The Shareholders of EASTERN COMMERCIAL LEASING PUBLIC COMPANY LIMITED

Opinion

I have audited the accompanying consolidated and separate financial statements of EASTERN COMMERCIAL LEASING PUBLIC COMPANY LIMITED AND SUBSIDIARIES ("the Group") and of EASTERN COMMERCIAL LEASING PUBLIC COMPANY LIMITED ("the Company"), which comprise the consolidated and separate statements of financial position as at December 31, 2023, and the consolidated and separate statement of comprehensive income, consolidated and separate statements of changes in equity and consolidated and separate statements of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying consolidated and separate financial statements present fairly, in all material respects, the financial position of EASTERN COMMERCIAL LEASING PUBLIC COMPANY LIMITED AND SUBSIDIARIES and of EASTERN COMMERCIAL LEASING PUBLIC COMPANY LIMITED as at December 31, 2023, and their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements section of my report. I am independent of the Group in accordance with the Code of Ethics for Professional Accountants including Independence Standards issued by the Federation of Accounting Professions (Code of Ethics for Professional Accountants) that are relevant to my audit of the consolidated and separate financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code of Ethics for Professional Accountants. 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 matters and how audit procedures respond for each matter are described below.

Allowance for expected credit losses of hire purchase receivables (consolidated and separate financial statements)

As described in Note 6 to the consolidated financial statements, as at December 31, 2023, the Group had total hire purchase receivables in the consolidated and separate financial statements amount of Baht 4,695.51 million representing 94.25% and 95.11% of total assets respectively, and allowance for expected credit losses of Baht 219.39 million, which are material to the financial statements.

Because of the of expected credit losses calculation is required to use the basis of developing for sophisticated models calculation. The Management needs to use judgements and estimates in developing expected credit losses model to be conformed to Thai Financial Reporting Standards. The significant judgement of management include identify significant increase in credit risk of receivable accounts since the initial recognition of the transaction. The selection of forecasts relating to the economic factors used in the models and incremental adjustments from allowance for expected credit losses management due to limitation of the model.

Because of the materiality and the extent of the judgement and estimates mentioned above, I, therefore, focus on auditing the allowance for expected credit losses of hire purchase receivables by.

- Obtain an understanding and evaluate and test by sampling the efficiency of internal control relating to credit providing, debt receiving, classification of debts and calculation of expected credit losses.
- Evaluate and test internal control of related information technology.
- Obtain an understanding, evaluate and test the reasonable of the expected credit losses model by reviewing evidence supporting the development of models, and sampling test the accuracy and completeness of information used in models developing.
- Assess the calculation method and assumptions used in the consideration of expected credit losses allowance as well as the appropriation of judgements used in incremental adjustment from management.
- Test calculation of expected credit losses allowance by sampling test the completeness of the data used in the calculation and classification of receivables.
- Consider disclosure of information relating to the allowance for expected credit losses of receivables under hire purchase agreement.

Recognition of revenues from hire purchase interest (consolidated and separate financial statements)

The Group has policy for recognition of revenues from hire purchase interest as stated in notes 4.1.1 to financial statements (in 2023, has revenues from hire purchase interest on the consolidated and separate financial statements amount of Baht 468.27 million or equal to 71.60% and equal to 74.68% of total revenues respectively). The amounts of revenues from hire purchase interest is material and arose from a lot of minor receivable under hire purchase agreement and long-time installment. Recognition of hire purchase interest is used information technology in processing. Accordingly, I have addressed such recognition of revenues from hire purchase interest as key audit matter.

I have obtained an assurance in respect of recognition of revenues from hire purchase interest, by included;

- Obtained an understanding and sampling test the Group's internal control system relating to credit providing for hire purchase agreement entering, receipt, revenues recognition, and test the general internal control of the information technology as well as the sampling test the accuracy of information and calculation.
- Tested by sampling the hire purchase agreement for checking the record of hire purchase receivable transaction and recognition of revenues from hire purchase interest that they are conformity to the conditions as stipulated in agreement and there is adjustment by the effective interest rate.
- Tested by sampling the significant adjustment made through general ledger.

Other Information

Management is responsible for the other information. The other information comprises information 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 do not and 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 and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

When I read the annual report of the Group, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance for correction of the misstatement appropriately.

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

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

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

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

Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements

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

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

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

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

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

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

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

D I A International Audit Co., Ltd.



(Miss Somjintana Pholhirunrat)

C.P.A. Thailand

Registration No. 5599

February 22, 2024

EASTERN COMMERCIAL LEASING PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION

AS AT DECEMBER 31, 2023

Unit : Baht

Assets	Note	Consolidated financial statements		Separate financial statements	
		December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022
Current assets					
Cash and cash equivalents	5	31,064,542.69	37,402,794.54	21,081,817.39	34,409,073.12
Hire purchase receivables due within 1 year	6	1,527,380,687.00	1,517,263,032.62	1,527,380,687.00	1,517,263,032.62
Loan receivables due within 1 year	7	1,574,124.63	0.00	1,574,124.63	0.00
Other current receivables	10	21,740,863.37	17,706,335.29	17,236,962.78	14,259,399.21
Short-term loans for joint venture	11	0.00	97,500,000.00	0.00	97,500,000.00
Properties foreclosed	12	19,245,634.47	10,208,198.35	19,245,634.47	10,208,198.35
Total current assets		1,601,005,852.16	1,680,080,360.80	1,586,519,226.27	1,673,639,703.30
Non-current assets					
Hire purchase receivables due over 1 year	6	3,168,126,236.08	2,567,103,715.88	3,168,126,236.08	2,567,103,715.88
Loan receivables due over 1 year	7	5,423,418.26	0.00	5,423,418.26	0.00
Investments in subsidiaries	14	0.00	0.00	5,000,000.00	5,000,000.00
Investment in joint venture	15	65,864,166.59	59,913,641.43	36,000,000.00	36,000,000.00
Other non-current financial asset	13	0.00	0.00	0.00	0.00
Other non-current receivables	16	1,956,330.83	2,395,733.21	1,956,330.83	2,395,733.21
Property, plant and equipment	17	23,149,228.11	28,049,047.69	19,902,618.63	25,320,435.07
Right-of-use assets	18	32,101,938.40	36,620,866.19	32,101,938.40	36,620,866.19
Intangible assets	19	5,638,105.86	5,701,573.92	5,229,986.23	5,280,758.15
Deferred tax assets	36.3	74,011,971.47	57,320,256.87	74,727,707.02	58,035,992.42
Pledged deposit at financial institution	20	2,547,100.18	2,539,736.20	76,000.00	76,000.00
Other non-current assets		2,390,092.14	2,435,750.14	1,825,092.14	1,870,750.14
Total non-current assets		3,381,208,587.92	2,762,080,321.53	3,350,369,327.59	2,737,704,251.06
Total assets		4,982,214,440.08	4,442,160,682.33	4,936,888,553.86	4,411,343,954.36

Notes to financial statements are parts of these financial statements.

EASTERN COMMERCIAL LEASING PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION (Cont'd)

AS AT DECEMBER 31, 2023

		หน่วย : บาท			
		Consolidated financial statements		Separate financial statements	
	Note	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022
Liabilities and shareholders' equity					
Current liabilities					
Bank overdrafts and short-term loans from financial institutic	21	644,062,427.79	638,916,382.54	644,062,427.79	638,916,382.54
Trade and other current payables	22	46,407,236.66	43,574,373.84	44,589,048.94	42,573,722.46
Current portion of long-term loans	24	817,490,431.63	852,193,072.95	817,490,431.63	852,193,072.95
Short-term loans from related persons	23.2	99,184,765.25	164,383,211.53	99,184,765.25	164,383,211.53
Current portion of lease liabilities	25	8,736,225.50	8,000,393.81	8,505,851.83	7,778,558.53
Accrued income tax		12,374,001.68	14,133,118.39	12,372,417.66	14,089,149.12
Total current liabilities		1,628,255,088.51	1,721,200,553.06	1,626,204,943.10	1,719,934,097.13
Non-current liabilities					
Long-term loans from financial institutions	24	1,378,960,663.82	771,003,789.38	1,378,960,663.82	771,003,789.38
Lease Liabilities	25	25,670,296.50	30,833,306.97	25,471,545.52	30,404,182.32
Non-current provisions for employee benefit	26	36,058,253.61	36,133,764.13	35,320,684.10	35,851,808.65
Deferred tax liabilities	36.3	20,868,004.45	10,381,592.31	20,868,004.45	10,381,592.31
Total non-current liabilities		1,461,557,218.38	848,352,452.79	1,460,620,897.89	847,641,372.66
Total liabilities		3,089,812,306.89	2,569,553,005.85	3,086,825,840.99	2,567,575,469.79

Notes to financial statements are parts of these financial statements.

EASTERN COMMERCIAL LEASING PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION (Cont'd)

AS AT DECEMBER 31, 2023

		หน่วย : บาท			
		Consolidated financial statements		Separate financial statements	
	Note	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022
Liabilities and shareholders' equity (Cont'd)					
Shareholders' equity					
Share capital					
Authorized share capital					
1,478,478,669 common shares of Baht 1.00 each	27	1,478,478,669.00	1,478,478,669.00	1,478,478,669.00	1,478,478,669.00
Issued and paid - up share capital					
1,108,859,002 common shares of Baht 1.00 each	27	1,108,859,002.00	1,108,859,002.00	1,108,859,002.00	1,108,859,002.00
Paid-in capital					
Premium on common share		279,958,858.40	279,958,858.40	279,958,858.40	279,958,858.40
Reserve for Equity-Settled Share-Based Payment		42,752,220.00	42,752,220.00	42,752,220.00	42,752,220.00
Retained earnings					
Appropriated - Legal reserve	28	68,852,962.12	64,117,760.56	68,852,962.12	64,117,760.56
Unappropriated		391,979,090.67	376,919,835.52	349,639,670.35	348,080,643.61
Total shareholders' equity		1,892,402,133.19	1,872,607,676.48	1,850,062,712.87	1,843,768,484.57
Total liabilities and shareholders' equity		4,982,214,440.08	4,442,160,682.33	4,936,888,553.86	4,411,343,954.36

Notes to financial statements are parts of these financial statements.

EASTERN COMMERCIAL LEASING PUBLIC COMPANY

STATEMENTS OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED DECEMBER 31, 2023

				Unit : Baht	
		Consolidated financial statements		Separate financial statements	
	Note	2023	2022	2023	2022
Revenues					
Realized selling interest under hire purchase agreement		468,272,175.69	450,011,755.11	468,272,175.69	450,011,755.11
Loan interest income		159,245.98	0.00	159,245.98	0.00
Interest income		5,618,697.23	12,724,183.34	5,618,697.23	12,724,183.34
Other income					
Fee and services income		111,174,324.50	79,458,440.62	84,364,876.02	61,939,097.95
Recovered bad debts		25,152,823.62	33,965,168.78	25,152,823.62	33,965,168.78
Others		43,610,659.43	39,492,400.26	43,467,549.88	60,497,627.97
Total revenues		653,987,926.45	615,651,948.11	627,035,368.42	619,137,833.15
Expenses					
Selling expenses		(21,990,966.77)	(13,811,777.50)	(14,596,816.19)	(9,697,681.36)
Administrative expenses		(287,927,095.32)	(242,011,526.07)	(277,942,560.26)	(235,015,399.63)
Reversal of expected credit loss (loss)		(86,577,379.38)	(36,776,061.28)	(86,577,379.38)	(36,776,061.28)
Total expenses		(396,495,441.47)	(292,599,364.85)	(379,116,755.83)	(281,489,142.27)
Profit before share of gain (loss) on investments in joint venture		257,492,484.98	323,052,583.26	247,918,612.59	337,648,690.88
Finance costs		(129,156,119.52)	(102,087,493.26)	(129,135,302.80)	(102,058,447.71)
Share of gain (loss) on investment in joint venture by equity method		5,950,525.16	7,905,467.41	0.00	0.00
Profit before income tax		134,286,890.62	228,870,557.41	118,783,309.79	235,590,243.17
Tax expenses	36.1	(26,082,630.95)	(44,304,132.73)	(24,079,278.53)	(42,951,250.61)
Profit for the year		108,204,259.67	184,566,424.68	94,704,031.26	192,638,992.56
Other comprehensive income					
Items that will not be reclassified subsequently to profit or loss					
Actuarial gain (loss) on defined employee benefit plan		363,224.00	0.00	363,224.00	0.00
Less : Taxable effects		(72,644.80)	0.00	(72,644.80)	0.00
Other comprehensive income for the year		290,579.20	0.00	290,579.20	0.00
Total comprehensive income for the year		108,494,838.87	184,566,424.68	94,994,610.46	192,638,992.56
Earnings per share					
Basis earnings per share	37	0.0976	0.1664	0.0854	0.1737
Diluted earnings per share	37	0.0976	0.1556	0.0854	0.1624

Notes to financial statements are parts of these financial statements.

EASTERN COMMERCIAL LEASING PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE YEAR ENDED DECEMBER 31, 2023

Unit : Baht

		Separate financial statements					
	Note	Issued and	Premium on	Reserve for Equity-	Retained earnings (Deficit)		Total
		paid-up	share capital	Settled Share-Based	Appropriated	Unappropriated	shareholders' equity
		share capital		Payment			
Balance as at January 1, 2022		1,108,859,002.00	279,958,858.40	42,752,220.00	54,485,810.93	346,118,151.73	1,832,174,043.06
Appropriated for legal reserve		0.00	0.00	0.00	9,631,949.63	(9,631,949.63)	0.00
Dividend paid	29	0.00	0.00	0.00	0.00	(144,132,791.26)	(144,132,791.26)
Total comprehensive income for the year		0.00	0.00	0.00	0.00	184,566,424.68	184,566,424.68
Balance as at December 31, 2022		1,108,859,002.00	279,958,858.40	42,752,220.00	64,117,760.56	376,919,835.52	1,872,607,676.48
Balance as at January 1, 2023		1,108,859,002.00	279,958,858.40	42,752,220.00	64,117,760.56	376,919,835.52	1,872,607,676.48
Appropriated for legal reserve		0.00	0.00	0.00	4,735,201.56	(4,735,201.56)	0.00
Dividend paid	29	0.00	0.00	0.00	0.00	(88,700,382.16)	(88,700,382.16)
Profit for the year		0.00	0.00	0.00	0.00	108,204,259.67	108,204,259.67
Other comprehensive income for the year		0.00	0.00	0.00	0.00	290,579.20	290,579.20
Balance as at December 31, 2023		1,108,859,002.00	279,958,858.40	42,752,220.00	68,852,962.12	391,979,090.67	1,892,402,133.19

Notes to financial statements are parts of these financial statements.

EASTERN COMMERCIAL LEASING PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE YEAR ENDED DECEMBER 31, 2023

Unit : Baht

		Separate financial statements					
	Note	Issued and	Premium on	Reserve for Equity-	Retained earnings (Deficit)		Total
		paid-up	share capital	Settled Share-Based	Appropriated	Unappropriated	shareholders' equity
		share capital		Payment			
Balance as at January 1, 2022		1,108,859,002.00	279,958,858.40	42,752,220.00	54,485,810.93	309,206,391.94	1,795,262,283.27
Appropriated for legal reserve		0.00	0.00	0.00	9,631,949.63	(9,631,949.63)	0.00
Dividend paid	29	0.00	0.00	0.00	0.00	(144,132,791.26)	(144,132,791.26)
Total comprehensive income for the year		0.00	0.00	0.00	0.00	192,638,992.56	192,638,992.56
Balance as at December 31, 2022		1,108,859,002.00	279,958,858.40	42,752,220.00	64,117,760.56	348,080,643.61	1,843,768,484.57
Balance as at January 1, 2023		1,108,859,002.00	279,958,858.40	42,752,220.00	64,117,760.56	348,080,643.61	1,843,768,484.57
Appropriated for legal reserve		0.00	0.00	0.00	4,735,201.56	(4,735,201.56)	0.00
Dividend paid	29	0.00	0.00	0.00	0.00	(88,700,382.16)	(88,700,382.16)
Profit for the year		0.00	0.00	0.00	0.00	94,704,031.26	94,704,031.26
Other comprehensive income for the year		0.00	0.00	0.00	0.00	290,579.20	290,579.20
Balance as at December 31, 2023		1,108,859,002.00	279,958,858.40	42,752,220.00	68,852,962.12	349,639,670.35	1,850,062,712.87

Notes to financial statements are parts of these financial statements.

EASTERN COMMERCIAL LEASING PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2023

	Unit : Baht			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Cash flows from operating activities				
Profit for the period	108,204,259.67	184,566,424.68	94,704,031.26	192,638,992.56
Adjustments to net profit to cash receipt (disbursement)				
Tax expenses	26,082,630.95	44,304,132.73	24,079,278.53	42,951,250.61
Depreciation and amortized expenses	15,450,195.69	17,426,095.18	14,440,491.93	16,781,186.44
Amortized expenses	33,860,500.06	32,173,367.57	33,860,500.06	32,173,367.57
Reversal of expected credit loss (loss)	86,453,491.47	36,776,061.28	86,453,491.47	36,776,061.28
Difference from decrease rentals	0.00	(2,400.00)	0.00	(2,400.00)
Dividend received from subsidiaries	0.00	0.00	0.00	-3,150,000.00
Dividend received from joint venture	0.00	0.00	0.00	-18,000,000.00
Share of (gain) loss on investment in joint venture by equity method	(5,950,525.16)	(7,905,467.41)	0.00	0.00
(Gain) Loss on sales of property, plant and equipment	(472,684.99)	-123,079.62	(472,684.99)	-123,079.62
(Gain) Loss on impairment of properties foreclosed	15,772,654.52	(19,914,366.94)	15,772,654.52	(19,914,366.94)
(Gain) Loss on written off of right-of-use assets	0.00	(59,228.99)	0.00	(59,228.99)
Amortization loans issuing costs	6,572,030.48	7,528,613.13	6,572,030.48	7,528,613.13
Expenses of loans issuing costs	(9,100,000.00)	(6,450,000.00)	(9,100,000.00)	(6,450,000.00)
Employee benefit provisions	3,120,776.38	1,246,614.26	2,665,162.35	1,057,301.65
Finance costs	122,584,089.04	94,558,880.13	122,563,272.32	94,529,834.58
Profit (Loss) from operation before changes in current investment	402,577,418.11	384,125,646.00	391,538,227.93	376,737,532.27
(Increase) Decrease in hire purchase receivables	(694,086,941.95)	235,816,707.76	(694,086,941.95)	235,816,707.76
(Increase) Decrease in loan receivables	(6,997,542.89)	0.00	(6,997,542.89)	0.00
(Increase) Decrease in other current receivables	(4,178,768.30)	573,563.18	(3,121,803.79)	1,304,374.44
(Increase) Decrease in properties foreclosed	(24,810,090.64)	47,101,384.59	(24,810,090.64)	47,101,384.59
(Increase) Decrease in other non-current receivables	(36,783,581.56)	(85,683,046.10)	(36,783,581.56)	(85,683,046.10)
Pledged deposit at financial institution	(7,363.98)	(1,004,793.45)	0.00	0.00
Other non-current assets	1,803.74	94,042.00	1,803.74	(55,958.00)
Increase (Decrease) in trade and other current payables	2,954,203.48	2,149,264.80	2,136,667.14	1,892,305.98
Increase (Decrease) in employee benefits	(2,833,062.90)	(17,656.00)	(2,833,062.90)	(17,656.00)
Cash generated (paid) from operation	(364,163,926.89)	583,155,112.78	(374,956,324.92)	577,095,644.94
Interest paid	(121,400,448.73)	(91,223,825.43)	(121,400,448.73)	(91,223,825.43)
Corporate income tax paid	(34,119,694.92)	(29,325,728.94)	(32,073,957.25)	(27,819,897.00)
Net cash provided by (used in) operating activities	(519,684,070.54)	462,605,558.41	(528,430,730.90)	458,051,922.51

Notes to financial statements are parts of these financial statements.

EASTERN COMMERCIAL LEASING PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CASH FLOWS (Cont'd)

FOR THE YEAR ENDED DECEMBER 31, 2023

	Unit : Baht			
	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Cash flows from investing activities				
Proceeds from loans to joint venture	97,500,000.00	128,000,000.00	97,500,000.00	128,000,000.00
Dividend received from subsidiaries	0.00	0.00	0.00	3,150,000.00
Dividend received from joint venture	0.00	18,000,000.00	0.00	18,000,000.00
Payments for acquire of intangible assets	(778,524.30)	(5,300,300.00)	(726,300.00)	(4,971,800.00)
Proceeds from sales of property, plant and equipment	2,256,542.06	2,345,004.67	2,256,542.06	2,345,004.67
Payment for acquire of property, plant and equipment	(2,951,529.12)	(2,942,293.62)	(1,488,748.94)	(1,293,360.79)
Net cash provided by (used in) investing activities	96,026,488.64	140,102,411.05	97,541,493.12	145,229,843.88
Cash flows from financing activities - increase (decrease)				
Increase (Decrease) in bank overdrafts	5,040,747.89	21,732.59	5,040,747.89	21,732.59
Proceeds from short-term loans from financial institutions	3,385,000,000.00	2,640,000,000.00	3,385,000,000.00	2,640,000,000.00
Payment for short-term loans from financial institutions	-3,385,000,000.00	(2,340,000,000.00)	-3,385,000,000.00	(2,340,000,000.00)
Proceeds from short-term loans from related persons	30,000,000.00	115,000,000.00	30,000,000.00	115,000,000.00
Payment for short-term loans from related persons	(95,000,000.00)	(140,000,000.00)	(95,000,000.00)	(140,000,000.00)
Proceeds from long-term loans from financial institutions	1,620,000,000.00	730,000,000.00	1,620,000,000.00	730,000,000.00
Payment for long-term loans from financial institutions	(1,044,112,500.00)	(1,471,466,666.51)	(1,044,112,500.00)	(1,471,466,666.51)
Payments for lease liabilities	(9,908,535.68)	(9,828,715.52)	(9,665,883.68)	(9,586,063.52)
Dividend paid	(88,700,382.16)	-144,132,791.26	(88,700,382.16)	-144,132,791.26
Net cash provided by (used in) financial activities	417,319,330.05	(620,406,440.70)	417,561,982.05	(620,163,788.70)
Net increase (decrease) in cash and cash equivalents	(6,338,251.85)	(17,698,471.24)	(13,327,255.73)	(16,882,022.31)
Cash and cash equivalents, as at January 1	37,402,794.54	55,101,265.78	34,409,073.12	51,291,095.43
Cash and cash equivalents, as at December 31	31,064,542.69	37,402,794.54	21,081,817.39	34,409,073.12

Notes to financial statements are parts of these financial statements.

EASTERN COMMERCIAL LEASING PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2023

1. GENERAL INFORMATION

1.1.EASTERN COMMERCIAL LEASING PUBLIC COMPANY LIMITED ("The Company") was incorporated as a public limited company in Thailand on September 15, 2003, and as a listed company in the Stock Exchange of Thailand on March 22, 2004.

1.2.Head office is located at 976/1, Soi Rama 9 Hospital, Rim Klong Samsean Road, Bangkapi, Huaykwang, Bangkok.

1.3.The Company has 5 branches

1. Branch is located at 728/10, Sukhumvit Road, Bang-plasroy, Mueng, Chonburi.
2. Branch is located at 307, Ta-Chalab Road, Talad, Mueng, Chanthaburi.
3. Branch is located at 624/4, Kanchanaphisek Road, Bang Phai, Bang Khae, Bangkok.
4. Branch is located at 131/36, Moo.9, Nong Prue, Bang Lamung, Chonburi.
5. Branch is located at 89 AIA Capital Center Tower, 12A floor, Room No.12A05, Ratchadapisek Road,
Din Daeng, Din Daeng, Bangkok.

1.4.The Company engaged in business of credit services to personal and juristic person in the form of hire purchase and regulated personal loan with motor vehicle registration as collateral and regulated personal loan without motor vehicle registration as collateral.

2. PREPARATION OF FINANCIAL STATEMENTS BASIS

2.1.Financial statements preparation

The financial statements have been prepared in accordance with Thai Financial Reporting Standards enunciated under the Accounting Profession Act B.E. 2547 and their presentation has been made in compliance with the stipulations of the Notification of the Department of Business Development, issued under the Accounting Act B.E. 2543.

The financial statements in Thai language are the official statutory financial statements of the Company. The financial statements in English language have been translated from the Thai language financial statements.

The financial statements have been prepared on a historical cost basis except where otherwise disclosed in the accounting policies.

2. PREPARATION OF FINANCIAL STATEMENTS BASIS (CONT'D)

2.2. Preparation of consolidated financial statements basis

2.2.1. Investments in subsidiaries

- On November 20, 2019, the Company entered into Mighty Broker Co., Ltd. in order to engage in business of insurance broker, which held at 100%.
- The consolidated financial statements incorporate the financial statements of Eastern Commercial Leasing Public Company Limited and its subsidiaries, control is achieved where the Company has the power to govern the financial and operating policies until the control is ceased as follows:

	Established in	Shareholding percentage (%)		Type of business
		December 31, 2023	December 31, 2022	
Subsidiaries				
Mighty Broker Co., Ltd.	Thailand	100.00	100.00	Insurance broker

(Registration on November 20, 2019)

- The consolidated financial statements have been prepared in conformity with the same accounting policy for the same accounts and accounting events of the Company and subsidiaries.
- The balance of accounts and transactions between the Company and its subsidiaries, unrealized gain between of the Company and net assets of subsidiaries have been eliminated from the consolidated financial statements.
- The separate financial statements present investments in subsidiaries under the cost method.

2.2.2 Investment in joint venture

- Investment in joint venture is accounted for in the consolidated financial statements under the equity method.
- Investment in joint venture is accounted for in the separate financial statements under the cost method.

3. NEW FINANCIAL REPORTING STANDARDS

3.1 Financial reporting standards that became effective in the current period

During the year, the Group has adopted the revised financial reporting standards which are effective for fiscal years beginning on or after 1 January 2023. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

The adoption of these financial reporting standards does not have any significant impact on the Group's financial statements.

3. NEW FINANCIAL REPORTING STANDARDS (CONT'D)

3.2 Accounting guidance

The Federation of Accounting Professions announced Accounting Guidance on the Guidelines Regarding the Provision of Financial Assistance to Debtors Affected by COVID-19. Its objectives are to provide temporary relief measures and an alternative for all entities providing assistance to debtors in accordance with the measures to assist debtors specified in the circular of the Bank of Thailand No. BOT.RPD2.C. 802/2564 “Guidelines regarding the provision of financial assistance to debtors affected by COVID-19 (sustainable debt resolution)” or any other measures announced by the Bank of Thailand.

The accounting guidance is effective for entities that provide assistance to debtors impacted by COVID-19 during the period from 1 January 2022 to 31 December 2023 or until the Bank of Thailand makes changes with which the entities are to comply. The guidance applies to the staging assessment and setting aside of provisions for debtors.

- a) In cases of debt restructuring for the purpose of reducing the debt burden of debtors that involve more than just extending the payment timeline, the applicable procedures are as follows:
 - Loans that are not yet non-performing (Non-NPL) are classified as loans with no significant increase in credit risk (Performing or Stage 1) without compliance monitoring, provided that the payment terms and conditions are clearly stated in the debt restructuring agreement and the debtor is considered able to comply with the debt restructuring agreement.
 - Non-performing loans (NPL) are classified as performing loans or Stage 1 if the debtor is able to make payment in accordance with the debt restructuring agreement for 3 consecutive months or installments, whichever is the longer period.
 - Loans are classified as loans that there has been a significant increase in credit risk (Under-performing or Stage 2) when principal or interest payments are more than 30 days past due or 1 month past due.
 - A new effective interest rate is applied to determine the present value of loans that have been restructured if the debt restructuring causes the existing effective interest rate to no longer reflect the estimated cash inflows from the loan.
- b) In cases of the debt restructuring involving only a payment timeline extension, the applicable procedures are as follows:
 - The staging assessment and setting aside of provisions are performed in accordance with the relevant financial reporting standards.
 - The guidelines specified in the appendix of the circular of the Bank of Thailand No. BOT.RPD2.C. 802/2564 “Guidelines regarding the provision of financial assistance to debtors affected by COVID-19 (sustainable debt resolution)” relating to assessment of whether there has been a significant increase in credit risk are applied to assess whether a debtor is to move to under-performing stage or Stage 2.

3. NEW FINANCIAL REPORTING STANDARDS (CONT'D)

As at 31 December 2023, total outstanding modified receivables from existing Covid-19 relief program is amounting at approximately 1.96% of the total hire-purchase contract receivables.

The temporary accounting relief measures have been expired at 31 December 2023. From 1 January 2024, the receivables and loan's staging and provisioning of all modifications will be classified as per requirement of relevant financial reporting standards. The Group has assessed the changes with no material impact to the financial statements.

3.3 New financial reporting standards that will become effective for fiscal years beginning on or after 1 January 2024

The Federation of Accounting Professions issued a number of revised financial reporting standards, which are effective for fiscal years beginning on or after 1 January 2024. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users.

The management of the Group believes that adoption of these amendments will not have any significant impact on the Group's financial statements.

4. SIGNIFICANT ACCOUNTING POLICIES

4.1 Income and Expenses Recognition

4.1.1 Hire purchase interest income

The Group recognises interest income from hire purchase agreements on an accrual basis throughout the term of the contract, using the effective interest rate method, with the calculation based on the gross book value of the receivables.

Costs directly attributable to the initial recognition of the loan receivables are amortised using the effective interest rate method and presented as adjustments on interest income throughout the term of the agreement, to reflect the effective rate of return.

When the receivables are later credit-impaired, the Group continues to recognise interest income using the effective interest rate, based on the net book value (gross book value net of allowance for expected credit losses) of the receivables. When the debtor is no longer credit-impaired, the Group changes to calculate interest income based on the gross book value.

4.1.2 Loan interest income

The Group has recognised interest income from loan receivables on an accrual basis throughout the term of the contract, using the effective interest rate method and the calculation based on the gross carrying amounts of the loan receivables.

Initial direct income and costs at the inception of loan arrangement are to be deferred and amortised using the effective interest rate method, with amortisation deducted from interest income from loan receivables throughout the contract period to reflect the effective rate of return on the contracts.

4.1.3 The Group recognized other revenues and expenses are recognized on an accrual basis.

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**4.2 Cash and cash equivalents**

Cash and cash equivalents consist of cash in hand and at banks, and all highly liquid investments with an original maturity of three months or less and not subject to withdrawal restrictions.

4.3 Investment in subsidiary

Investments in subsidiary is accounted for in the separate financial statements using the cost method Less impairment (if any).

4.4 Investment in an associated company

a) Investment in associated company is accounted for in the financial statements in which the equity method is applied using the equity method.

b) Investment in associated company is accounted for in the separate financial statements using the cost method Less impairment (if any).

4.5 Property, plant and equipment

Plant and equipment are stated at cost less accumulated depreciation except land are stated at cost. Impairment of assets will be provided (if any).

The Group depreciated all type of assets on over the estimated useful lives of the assets as follows:

	<u>Number of years</u>
Building and improvement	20
Temporary building	2 – 3
Furniture, fixture and office equipment	3 – 5
Office equipment	5
Vehicles	5

The Group include costs of asset dismantlement, removal and restoration as parts of cost of property, plant and equipment, the depreciation charge has to be determined separately for each significant parts of property, plant and equipment with a cost that is significant in relation to the total cost of assets item. In addition, the entity is required to estimate the recoverable amount in the current expected to be obtained from asset to bring the age and condition at the end of useful lives. Besides, the entity is required to review the useful lives, residual value and depreciation method at least at each financial year-end.

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.6 Intangible assets

Intangible assets are initially recognised at cost. Following initial recognition, the intangible assets are stated at cost less accumulated amortisation and allowance for impairment loss on assets (if any).

Intangible assets with finite lives are amortised on a systematic basis over the economic useful life and tested for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method of such intangible assets are reviewed at least at each financial year end. The amortisation expense is charged to profit or loss.

The finite useful lives of intangible assets, computer software is 10 years.

No amortisation is provided for computer software under installation.

4.7 Impairment of non-financial assets

At the end of each reporting period, the Group performs impairment reviews in respect of property, plant and equipment, right-of-use asset, investment properties, and other intangible assets whenever events or changes in circumstances indicate that an asset may be impaired. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount.

In determining fair value less costs to sell, an appropriate valuation model is used. These calculations are corroborated by a valuation model that, based on information available, reflects the amount that the Group could obtain from the disposal of the asset in an arm's length transaction between knowledgeable, willing parties, after deducting the costs of disposal.

An impairment loss is recognised in profit or loss.

In the assessment of asset impairment, if there is any indication that previously recognised impairment losses may no longer exist or may have decreased, the Group estimate the asset's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The increased carrying amount of the asset attributable to a reversal of an impairment loss shall not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss.

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.8 Properties foreclosed

These represent assets repossessed from hire purchase and financial lease receivables and are stated at the lower of cost (which mostly comprises the net outstanding balance) and estimated net realisable value. Allowance is made for the decline in value of the repossessed assets.

4.9 Employee benefits

4.9.1 The Group recognized salaries, wages, bonus and contribution to social security fund as expenses in the period in which they are incurred.

4.9.2 Provident fund

The Group has established provident fund under the defined contribution plan. The fund's assets are separated entities which are administered by the outsider fund manager. The Group and employees made contribution into such provident fund. The Group's contribution payments to the provident fund were recorded as expenses in statements of comprehensive income in the period in which they are incurred.

4.9.3 Employee benefits

The Group provide for post-employment benefits, payable to employees under the Thai Labor Law. The present value of employee benefit liabilities recognized in the statements of financial position is estimated on an actuarial basis using Projected Unit Credit Method of which calculated by the Independent Actuary by using Actuarial Technique. The calculation was made from determining the present value of future cash flows expected to be required to settle the obligation and determines discount rate by reference to market yield of government bonds should have term to maturity approximately equal to the terms of such obligations. In determine the future cash flows expected to be required to settle is used from employees'salaries, turnover, length of services and other factors. Changes in actuarial gains or loss are recognised in the period in which they are incurred in other comprehensive income.

4.10 Income tax

Income tax expense for the year comprises current income tax and deferred tax.

Current tax

Current income tax is provided in the accounts at the amount expected to be paid to the taxation authorities, based on taxable profits determined in accordance with tax legislation.

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Deferred tax

Deferred tax is provided on temporary differences between their carrying amounts at the end of each reporting period and the tax bases of assets and liabilities by using the tax rates enacted at the end of the reporting period.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Nevertheless, unrecognized deferred tax assets are reassessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax assets to be recovered.

The Group recognized deferred tax directly to shareholders' equity, except to the extent that it relates to items recognized in other comprehensive income or directly in equity.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but the Group intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

4.11 Accounting estimates

Preparation of financial statements in conformity with Thai Financial Reporting Standards required the management to make several estimation and assumption which affect the reported amounts in the financial statements and notes to related thereto. Consequent actual results may differ from those estimates.

4.12 Provisions

The Group recognizes a provision when an entity has a present legal or constructive obligation as a result of a past event. It is probable that an outflow of resources will be required to settle the obligation and reliable estimate can be made of the amount of the obligation. Expenditure is required to settle a provision, is expected to be reimbursed when it is virtually certain that reimbursement will be received.

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.13 Measurement of fair values

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between buyer and seller (market participants) at the measurement date. The Group applies a quoted market price in an active market to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards. Except in case of no active market of an identical asset or liability or when a quoted market price is not available, the Group measures fair value using valuation technique that are appropriate in the circumstances and maximises the use of relevant observable inputs related to assets and liabilities that are required to be measured at fair value.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy into three levels based on categorise of input to be used in fair value measurement as follows:

- Level 1: Use of quoted market prices in an active market for such assets or liabilities
- Level 2: Use of other observable inputs for such assets or liabilities, whether directly or indirectly
- Level 3: Use of unobservable inputs such as estimates of future cash flows

At the end of each reporting period, the Group determines whether transfers have occurred between levels within the fair value hierarchy for assets and liabilities held at the end of the reporting period that are measured at fair value on a recurring basis.

4.14 Related person and parties transaction

Enterprise and individuals that directly, or indirectly control or are controlled by, or are under common control with the Group. Associates and individuals owning that gives them significant influence over the enterprise, key management personnel, including directors and officers of the Group which has a power in planning and operating control.

4.15 Earnings per share

Basic earnings per share as presented in the statements of comprehensive income is the basic earnings (loss) per share which is determined by dividing the net profit (loss) for the year by the weighted average number of common shares issued and paid-up during the year.

Diluted earnings per share is calculated by dividing profit (loss) for the year by the weighted average number of ordinary shares outstanding during the period plus the number of ordinary share issued in the conversion of potential ordinary shares to ordinary shares as assumption

that the conversion is made at the beginning of year or at the issuance date of the potential ordinary shares.

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.16 Financial instruments

The Group initially measures financial assets at its fair value plus, in the case of financial assets that are not measured at fair value through profit or loss, transaction costs. However, trade receivables, that do not contain a significant financing component, are measured at the transaction price

Classification and measurement of financial assets

Financial assets are classified, at initial recognition, as to be subsequently measured at amortised cost, fair value through other comprehensive income ("FVOCI"), or fair value through profit or loss ("FVTPL"). The classification of financial assets at initial recognition is driven by the Group's business model for managing the financial assets and the contractual cash flows characteristics of the financial assets.

Financial assets at amortised cost

The Group measures financial assets at amortised cost if the financial asset is held in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest rate ("EIR") method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

Financial assets at FVTPL

Financial assets measured at FVTPL are carried in the statement of financial position at fair value with net changes in fair value recognised in the income statement.

Classification and measurement of financial liabilities

At initial recognition the Group's financial liabilities are recognised at fair value net of transaction costs and classified as liabilities to be subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. In determining amortised cost, the Group takes into account any discounts or premiums on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance costs in profit or loss.

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Derecognition of financial instruments

A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired or have been transferred and either the Group has transferred substantially all the risks and rewards of the asset, or the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the income statement.

Impairment of financial assets

The Group recognises an allowance for expected credit losses ("ECLs") for all debt instruments not held at FVTPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

The Group recognises an allowance for expected credit losses for hire purchase receivables, financial lease receivables and loan receivables using a general approach. The Group considers changes in credit risk and groups its receivables into 3 stages as described below.

- Stage 1: Receivables with no significant increase in credit risk (Performing) - The Group recognises expected credit losses in an amount equal to the expected credit losses in the next 12 months. For receivables under loan agreements with remaining periods of less than 12 months, recognition is based on the probability of default over the remaining period.
- Stage 2: Receivables with a significant increase in credit risk (Under-performing) - The Group recognises expected credit losses in an amount equal to the expected credit losses over the lifetime of the receivable.
- Stage 3: Receivables that are credit-impaired (Non-performing) - The Group recognises expected credit losses in an amount equal to the expected credit losses over the lifetime of the receivable.

The Group considers a significant increase in credit risk to have occurred when contractual payments are more than 30 days past due and considers a financial asset in credit-impaired

when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to have a significant increase in credit risk and to be in default using other internal or external information.

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

If the credit quality of a receivable improves in a subsequent period and the assessment is that it is no longer a receivable whose credit risk has significantly increased since initial recognition, as assessed in a previous period, the Group will change the basis for recognising expected credit losses from the lifetime expected credit losses to the 12-month expected credit losses, or the remaining period if that is less than 12 months.

In order to estimate expected credit losses, the Group considers historically collected loss data, adjusted on the basis of current observable data. In addition, the Group applies forward-looking macroeconomic information that is supportable and reasonable and appropriately exercises judgement. At least once a year the Group also considers whether to adjust forward-looking information and the weighting of the probability of each scenario used in determining the expected credit losses. Most of the information used by the Group is announced by the Bank of Thailand or other government agencies and adjusted to reflect the Group's internal perspective. The Group calculates expected credit losses based on three probability-weighted scenarios, which are a base scenario, best-case scenario and worst-case scenario. For the base scenario, the Group applies an unbiased market perspective that incorporates forecasts of macroeconomic factors.

For factoring, floor-plan loan and other receivables, the Group applies a simplified approach in calculating expected credit losses. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime expected credit losses at each reporting date. The Group has established a provision matrix of ageing that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

4.17 Leases

At inception of contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

4.17.1 The Group as a lessee

The Group applied a single recognition and measurement approach for all leases except for short-term leases and leases of low-value assets. At the commencement date of the lease, the Group recognises right-of-use assets representing the right to use underlying assets and lease liabilities based on lease.

Right-of-use assets

Right-of-use assets are measured at cost, less accumulated depreciation, any accumulated impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities initially recognised, initial direct costs incurred, and lease payments made at or before the commencement date of the lease less any lease incentives received.

Depreciation of right-of-use assets are calculated by reference to their costs, on the straight-line basis over the shorter of their estimated useful lives and the lease term.

	<u>Number of years</u>
Land	3 - 4
Building	1 - 7
Equipment	4

If ownership of the leased asset is transferred to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

Lease liabilities

Lease liabilities are measured at the present value of the lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be payable under residual value guarantees. Moreover, the lease payments include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising an option to

terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

The Group discounted the present value of the lease payments by the interest rate implicit in the lease or the Group's incremental borrowing rate. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Short-term leases and leases of low-value assets

A lease that has a lease term less than or equal to 12 months from commencement date or a lease of low-value assets is recognised as expenses on a straight-line basis over the lease term.

Accounting policies adopted before 1 January 2020

Leases of plant or equipment which do not transfer substantially all the risks and rewards of ownership are classified as operating leases. Operating lease payments are recognised as an expense in profit or loss on a straight-line basis over the lease term.

4.17.2 The Group as a lessor

A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset to a lessee. Lease receivables from operating leases is recognised as income in profit or loss 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 assets and recognised as an expense over the lease term on the same basis as the lease income.

4.18 Significant accounting judgements and estimates

The preparation of financial statements in conformity with financial reporting standards at times requires management to make subjective judgements and estimates regarding matters that are inherently uncertain. These judgements and estimates affect reported amounts and disclosures; and actual results could differ from these estimates.

Post-employment benefits under defined benefit plans

The obligation under the defined benefit plan is determined based on actuarial techniques. Such determination is made based on various assumptions, including discount rate, future salary increase rate, mortality rate and staff turnover rate.

Leases

Determining the lease term with extension and termination options - The Group as a lessee

In determining the lease term, the management is required to exercise judgement in assessing whether the Group is reasonably certain to exercise the option to extend or terminate the lease considering all relevant facts and circumstances that create an economic incentive for the Group to exercise either the extension or termination option.

Estimating the incremental borrowing rate - The Group as a lessee

The Group cannot readily determine the interest rate implicit in the lease, therefore, the management is required to exercise judgement in estimating its incremental borrowing rate (IBR) to discount lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment.

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Lease classification - The Group as lessor

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

Allowance for expected credit losses

Judgement is used in estimating the allowance for expected credit losses of debtors who are having problems making principal and/or interest payments, with management taking into consideration analysis of debtor status performed on an individual and a group basis, the probability of default, estimated losses arising from the default, historical collection experience, collateral value, statistical data and economic factors. These are used in determining assumptions and forward-looking scenarios, as well as probability weighted outcomes. In addition, the management sets aside an additional allowance for expected credit losses to account for the uncertainties around future events that have not yet been reflected in the model (Management overlay), based on the assessment and judgement of the management.

Impairment of non-financial assets

In the assessment of non-financial assets impairment, the management is required to exercise judgment in assessment of the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount.

Land, building and equipment/Depreciation

In determining depreciation of building and equipment, the management is required to make estimates of the useful lives and salvage values of the Company's building and equipment and to review estimate useful lives and salvage values when there are any changes.

In addition, the management is required to review land, building and equipment for impairment on a periodical basis and record impairment losses in the period when it is determined that their recoverable amount is lower than the carrying cost. This requires judgements regarding forecast of future revenues and expenses relating to the assets subject to the review.

Deferred tax assets

Deferred tax assets are recognised in respect of temporary differences only to the extent that it is probable that taxable profit will be available against which these differences can be utilised. Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of estimate future profits.

4. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Fair value of financial instruments

In determining the fair value of financial instruments that are not actively traded and for which quoted market prices are not readily available, the management exercise judgment, using a variety of valuation techniques and models. The input to these models is taken from observable markets, and includes consideration of credit risk, liquidity, correlation and longer-term volatility of financial instruments. Change in assumptions about these factors could affect the fair value and disclosure of fair value hierarchy.

5. CASH AND CASH EQUIVALENTS

(Unit : Baht)				
	Consolidated financial statements		Separate financial statements	
	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022
Cash on hand	157,692.00	145,466.25	154,912.00	142,977.50
Current accounts	18,645,670.58	32,510,025.07	18,624,764.12	32,480,025.07
Savings deposit	12,261,180.11	4,747,303.22	2,302,141.27	1,786,070.55
Total	31,064,542.69	37,402,794.54	21,081,817.39	34,409,073.12

6. HIRE PURCHASE RECEIVABLES

6.1 As at December 31, 2023 and 2022, the balances of hire purchase receivables classified by contractual due date are as follows.

(Unit : Baht)				
	Consolidated and Separate financial statements			
	Due within 1 year		Due over 1 year	
	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022
Hire purchase receivables	2,033,086,818.31	1,926,525,337.14	3,893,831,607.35	3,095,168,273.33
<u>Less</u> Unrealized interest income	(447,283,510.44)	(367,230,449.04)	(564,737,459.02)	(399,792,147.12)
Net	1,585,803,307.87	1,559,294,888.10	3,329,094,148.33	2,695,376,126.21
<u>Less</u> Allowance for expected credit losses	(58,422,620.87)	(42,031,855.48)	(160,967,912.25)	(128,272,410.33)
Hire purchase receivables				
– Net	1,527,380,687.00	1,517,263,032.62	3,168,126,236.08	2,567,103,715.88

6. HIRE PURCHASE RECEIVABLES (CONT'D)

6.2 As at December 31, 2023 and 2022, the balances of hire purchase receivables and allowance for expected credit losses by a general approach classified by the stage of credit risk are as follows.

(Unit : Baht)

	Consolidated and Separate financial statements			
	December 31, 2023		December 31, 2022	
	Balance of receivables		Balance of receivables	
	net of unearned interest	Allowance for expected	net of unearned interest	Allowance for
	income	credit losses	income	expected credit losses
Receivables with no significant				
increase in credit risk	4,236,457,725.37	67,237,842.51	3,744,861,340.68	61,638,134.24
Receivables with a significant				
increase in credit risk	396,086,339.58	45,998,380.70	307,949,985.08	34,162,607.76
Receivables that are credit-impaired	282,353,391.25	106,154,309.91	201,859,688.55	74,503,523.81
Total	4,914,897,456.20	219,390,533.12	4,254,671,014.31	170,304,265.81

As at December 31, 2023, parts of hire purchase receivables (before less by unrealized interest) amount of Baht 3,583,356,147.15 were used as collateral against loans from a bank as stated in note 21 and note 24. (As at December 31, 2022, parts of hire purchase receivables amount of Baht 2,956,449,102.25 were used as collateral against bank overdrafts and long-term loans from a bank).

7. LOAN RECEIVABLES

7.1 As at December 31, 2023, the balances of loan receivables classified by contractual due date are as follows.

(Unit : Baht)

	Consolidated and Separate financial statements		
	December 31, 2023		
	Due within 1 year	Due over 1 year	Total
Loan receivables	1,590,174.67	5,603,369.85	7,193,544.52
<u>Less</u> Deferred financing fee - net	(43,312.07)	(80,993.25)	(124,305.32)
<u>Add</u> Interest receivables	52,191.60	0.00	52,191.60
	1,599,054.20	5,522,376.60	7,121,430.80
<u>Less</u> Allowance for expected credit losses	(24,929.57)	(98,958.34)	(123,887.91)
Loan receivables - net	1,574,124.63	5,423,418.26	6,997,542.89

7.2 As at December 31, 2023 the balances of loan receivables and allowance for expected credit losses by a general approach classified by the stage of credit risk are as follows.

(Unit : Baht)

	Consolidated and Separate financial statements	
	December 31, 2023	
	Balance of receivables net of unearned interest income	Allowance for expected credit losses
Receivables with no significant increase in credit risk	7,121,430.80	123,887.91
Receivables with a significant increase in credit risk	0.00	0.00
Receivables that are credit-impaired	0.00	0.00
Total	7,121,430.80	123,887.91

8. ALLOWANCE FOR EXPECTED CREDIT LOSS

Allowance for expected credit loss for the year ended December 31, 2023 is as follows:

(Unit : Baht)

	Consolidated and Separate financial statements			
	Allowance for expected credit loss			Total
	Performing	Under-Performing	Non-Performing	
	(Stage 1)	(Stage 2)	(Stage 3)	
Balance as at January 1, 2023	61,638,134.24	34,162,607.76	74,503,523.81	170,304,265.81
Changes in staging	1,071,377.43	(5,439,542.34)	4,368,164.91	0.00
Changes in risk parameters	(24,881,693.97)	11,275,158.52	33,668,387.46	20,061,852.01
New financial assets originated or purchased	39,328,564.17	16,697,808.57	15,963,497.54	71,989,870.28
Financial assets derecognized	(8,639,087.06)	(5,499,056.43)	(2,666,882.49)	(16,805,025.98)
Written off	(1,155,564.39)	(5,198,595.38)	(19,682,381.32)	(26,036,541.09)
Balance as at December 31, 2023	67,361,730.42	45,998,380.70	106,154,309.91	219,514,421.03

8. ALLOWANCE FOR EXPECTED CREDIT LOSS (CONT'D)

Allowance for expected credit loss for the year ended December 31, 2022 is as follows:

(Unit : Baht)

	Consolidated and Separate financial statements			
	Allowance for expected credit loss			Total
	Performing	Under-Performing	Non-Performing	
	(Stage 1)	(Stage 2)	(Stage 3)	
Balance as at January 1, 2022	72,328,518.34	49,150,008.57	97,399,126.51	218,877,653.42
Changes in staging	13,322,815.30	(14,056,895.34)	734,080.04	0.00
Changes in risk parameters	(42,988,894.57)	2,564,476.78	21,429,831.48	(18,994,586.31)
New financial assets originated or purchased	29,922,415.94	6,463,373.34	4,632,414.79	41,018,204.07
Financial assets derecognized	(10,255,503.84)	(4,984,711.14)	(4,301,185.17)	(19,541,400.15)
Written off	(691,216.93)	(4,973,644.45)	(45,390,743.84)	(51,055,605.22)
Balance as at December 31, 2022	61,638,134.24	34,162,607.76	74,503,523.81	170,304,265.81

9. TROUBLED DEBT RESTRUCTURING/DEBTS UNDER THE MEASURES TO ASSIST DEBTORS

As at December 31, 2023 and 2022, the balances of hire purchase receivables of the Group for which troubled debt restructuring agreements have been made and which are debts under the measures to assist debtors were as follows.

	Consolidated and Separate financial statements	
	December 31, 2023	December 31, 2022
Total number of agreements		
at end of period/year	19,914	20,066
Troubled debt restructuring		
Number of agreements	53	44
Balance (Million Baht)	21.11	24.28
Pre-emptive debt restructuring		
Number of agreements	292	361
Balance (Million Baht)	75.23	134.79

10. OTHER CURRENT RECEIVABLES

	(Unit : Baht)			
	Consolidated financial statements		Separate financial statements	
	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022
Accrued value added tax	4,288,948.30	3,741,606.94	4,288,948.30	3,741,606.94
Accrued insurance premium			3,466,452.98	
discount income	6,433,515.30	5,202,007.72		2,407,176.80
Loans receivable to employee	2,235,250.00	2,100,996.05	2,235,250.00	1,984,341.05
Others	9,495,630.50	7,245,931.14	7,958,792.23	6,710,480.98
Total	22,453,344.10	18,290,541.85	17,949,443.51	14,843,605.77
<u>Less</u> Allowance for expected				
credit losses	(712,480.73)	(584,206.56)	(712,480.73)	(584,206.56)
Other current receivables – net	21,740,863.37	17,706,335.29	17,236,962.78	14,259,399.21

11. LOANS FOR JOINT VENTURE

	(Unit : Baht)	
	Consolidated and	
	Separate financial statements	
	December 31, 2023	December 31, 2022
Short – term loans	0.00	97,500,000.00
Total	0.00	97,500,000.00

As at December 31, 2023 and 2022, loans to ECL ASSET Co., Ltd (joint venture) to engage in business of providing credit, mortgage, sales with right of redemption of assets in the form of real estate by issued promissory note at call and interest at 7.25% per annum and has already repaid fully amount on November 16, 2023.

12. PROPERTIES FORECLOSED

	(Unit : Baht)	
	Consolidated and	
	Separate financial statements	
	December 31, 2023	December 31, 2022
Properties foreclosed	39,389,524.62	15,077,433.98
<u>Less</u> Provision for impairment - properties foreclosed	(20,143,890.15)	(4,869,235.63)
Properties foreclosed - net	19,245,634.47	10,208,198.35

13. OTHER NON-CURRENT FINANCIAL ASSET

No.	Company's name	Type of business	Paid-up share capital		Percentage of investment		Consolidated		Separate financial statements at cost method	
			(Thousand Baht)		(%)		(Baht)		(Baht)	
			December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022
Investments in equity instruments of non-listed companies										
1	Premium Services (Thailand) Co., Ltd. (Formerly named Eastern Premium Services Co., Ltd.)	Motor vehicles maintenance body repairing and printing	32,912.00	32,912.00	15.00	15.00	3,882,622.23	3,882,622.23	7,461,300.00	7,461,300.00
	<u>Less</u> Loss on measurement of investments						(3,882,622.23)	(3,882,622.23)	(7,461,300.00)	(7,461,300.00)
	Other non-current financial asset- net						0.00	0.00	0.00	0.00

13.1 On October 16, 2019, Premium Services (Thailand) Co., Ltd. increase its share capital from issued and paid - up shares amount of 224,400 shares, amount of Baht 12,342,000 that Eastern Commercial Leasing Public Company Limited agreed to invest in that increase share capital.

13.2 On July 31, 2019, the Company has disposed investments in Premium Service (Thailand) Company Limited For 147,900 shares, as a result, it incurred the decrease in shareholding proportion from 54.55% to 15% of the paid-up share capital. After the decrease of shareholding proportion that the Company has no significant influence over such company, the Company therefore reclassified investments accounts form investments in joint venture to Other non-current financial asset.

13.3 On November 16, 2016, the Company entered into joint venture agreement with Premium Service (Thailand) Company Limited in order to engage in business of motor vehicles maintenance, which held at 51% and on September 6, 2018, the increase its capital from the percentage of shareholding from 51% to 54.55%. Under the joint venture agreement, the Company agreed with another party to determine that both party commonly power to control such company.

14. INVESTMENT IN SUBSIDIARIES

No.	Company's name	Type of business	Paid-up share capital		Percentage of investment		Separate financial statements (Baht)	
			(Thousand Baht)		(%)		cost method	
			December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022
1	Mighty Broker Co., Ltd.	Insurance broker	5,000.00	5,000.00	100.00	100.00	5,000,000.00	5,000,000.00
Total							5,000,000.00	5,000,000.00

14.1 Mighty Broker Co., Ltd. was registered as a company limited on November 20, 2019, share capital from registered shares amount of 50,000 shares of Baht 100 each, share capital from issued and paid - up shares in fully amount.

14.2 According to the minutes of the Board of directors' meeting No.6/2022 held on June 27, 2022, passed the resolution to sell share capital of Mighty Broker Co., Ltd. to the group of Boon Rawd Supply Chain Co., Ltd. for 35,000 shares or equivalent to 70% in the price of Baht 150.00 per share, amounting to Baht 5,250,000.00 and already submitted to the shareholders' extraordinary meeting No. 1/2022 held on July 20, 2022, of Mighty Broker Co., Ltd.

15. INVESTMENT IN JOINT VENTURE

Investment in joint venture - under equity method										
No.	Company's name	Type of business	Relationship	Paid-up share capital		Percentage of investment		Consolidated		Separate financial statements
				(Thousand Baht)		(%)		(Baht)		at cost method
				December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022	(Baht)
1	ECL Asset Co., Ltd.	providing credit, mortgage, sales with right of redemption of assets in the form of real estate	Joint venture	60,000.00	60,000.00	60.00	60.00	65,864,166.59	59,913,641.43	36,000,000.00
Total								65,864,166.59	59,913,641.43	36,000,000.00

15. INVESTMENT IN JOINT VENTURE (CONT'D)

15.1. On May 23, 2019, ECL Asset Co., Ltd. has increased its share capital that Eastern Commercial Leasing Public Company Limited and Global Best Real Estate Loan Co., Ltd. agreed to invest in that increase share capital at the existing investment proportion.

15.2. ECL Asset Co., Ltd., is a joint venture by Eastern Commercial Leasing Public Company Limited (ECL) and Global Best Real Estate Loan Co., Ltd. Has jointly agreed for investment in order to engage in mortgaging credit, sale with right of redemption, asset as properties businesses on March 23, 2018 at the ratio of 60:40 which has representative from the joint companied to be director of such joint venture. The company and the joint venture have authorized to monitor stated company concurrently.

As at December 31, 2023, the Company recorded investment in joint venture at cost in separate financial statements and recognized share of profit in joint venture 1 company for the year ended December 31, 2023, amount of Baht 5.95 million.

16. OTHER NON-CURRENT RECEIVABLES

	(Unit : Baht)	
	Consolidated and Separate financial statements	
	December 31, 2023	December 31, 2022
Receivables under lawsuit	47,295,145.58	62,825,679.57
<u>Less</u> Allowance for expected credit losses	(45,403,339.75)	(60,445,476.06)
Net	1,891,805.83	2,380,203.51
Receivables under debt compromise agreement	973,534.39	1,883,644.36
<u>Less</u> Allowance for expected credit losses	(973,534.39)	(1,883,644.36)
Net	0.00	0.00
Receivables under debt mediation agreement	5,264,046.48	0.00
<u>Less</u> Allowance for expected credit losses	(5,264,046.48)	0.00
Net	0.00	0.00
Receivables - net	1,882,205.83	2,380,203.51
Others	360,854.00	311,858.70
<u>Less</u> Allowance for expected credit losses	(296,329.00)	(296,329.00)
Total	1,956,330.83	2,395,733.21

16. OTHER NON-CURRENT RECEIVABLES (CONT'D)

Receivables under lawsuit and allowance for expected credit losses.

		(Unit : Baht)	
		Consolidated and	
		Separate financial statements	
	Number of receivable		
	December 31, 2023	December 31, 2022	
			December 31, 2023
			December 31, 2022
Receivable after unrealized			
interest income	57	78	47,295,145.58
Receivable for provide			
Allowance for expected credit losses			47,295,145.58
%			96% - 100%
Allowance for expected credit losses			(45,403,339.75)
			(60,445,476.06)

Overdue receivable under debt compromise agreement and allowance for expected credit losses as at
December 31, 2023.

	(Unit : Baht)				
	Consolidated and Separate financial statements				
	Number of	Receivables less	Receivables for provide	% of allowance for	Allowance for
	<u>receivable</u>	<u>by unrealized</u>	<u>allowance for doubtful</u>	<u>doubtful accounts</u>	<u>expected credit</u>
		<u>interest</u>	<u>accounts</u>		<u>losses</u>
Undue 3 installments	3	77,481.93	77,481.93	100%	77,481.93
Overdue 4 – 11 installments	2	562,248.18	562,248.18	100%	562,248.18
Overdue 12 installments					
onwards	<u>2</u>	<u>333,804.28</u>	<u>333,804.28</u>	100%	<u>333,804.28</u>
Total	7	973,534.39	973,534.39		973,534.39

16. OTHER NON-CURRENT RECEIVABLES (CONT'D)

Overdue receivable under debt compromise agreement and allowance for doubtful accounts as at December 31, 2022.

					(Unit : Baht)
Consolidated and Separate financial statements					
	Number of receivable	Receivables less by unrealized interest	Receivables for provide allowance for doubtful accounts	% of allowance for doubtful accounts	Allowance for doubtful accounts
Undue 3 installments	5	1,158,613.90	1,158,613.90	100%	1,158,613.90
Overdue 4 – 11 installments	4	636,477.90	636,477.90	100%	636,477.90
Overdue 12 installments					
onwards	1	88,552.56	88,552.56	100%	88,552.56
Total	10	1,883,644.36	1,883,644.36		1,883,644.36

Receivables under debt mediation agreement and allowance for expected credit losses.

				(Unit : Baht)
Consolidated and				
Number of receivable		Separate financial statements		
	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022
Receivable after unrealized				
interest income	14	0	5,264,046.48	0.00
Receivable for provide				
Allowance for expected credit losses			5,264,046.48	0.00
%			100%	-
Allowance for expected credit losses			(5,264,046.48)	0.00

17. PROPERTY, PLANT AND EQUIPMENT

(Unit : Baht)

Consolidated financial statements

	December 31, 2023							
	Land	Building	Building improvement	Temporary building	Office equipment	Office furniture	Vehicles	Assets under construction
Cost								
As at December 31, 2022	7,324,162.50	8,977,783.71	3,263,283.82	13,596,770.99	18,102,005.94	13,846,999.24	32,660,759.38	0.00
Acquisition	0.00	0.00	694,470.48	712,734.93	1,152,592.33	272,650.38	119,081.00	0.00
Transfer in (out)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Written off	0.00	0.00	0.00	(150,000.00)	(506,024.32)	(129,967.30)	(5,529,000.00)	0.00
As at December 31, 2023	7,324,162.50	8,977,783.71	3,957,754.30	14,159,505.92	18,748,573.95	13,989,682.32	27,250,840.38	0.00
Accumulated depreciation								
As at December 31, 2022	0.00	8,788,593.77	764,169.37	12,672,484.39	16,238,818.89	12,203,727.43	19,054,924.04	0.00
Depreciation	0.00	33,775.60	377,798.06	449,202.01	1,114,974.77	1,012,934.59	3,122,660.86	0.00
Transfer in (out)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Written off	0.00	0.00	0.00	(149,999.00)	(480,096.63)	(120,617.71)	(3,824,275.47)	0.00
As at December 31, 2023	0.00	8,822,369.37	1,141,967.43	12,971,687.40	16,873,697.03	13,096,044.31	18,353,309.43	0.00
Net book value								
As at December 31, 2022	7,324,162.50	189,189.94	2,499,114.45	924,286.60	1,863,187.05	1,643,271.81	13,605,835.34	0.00
As at December 31, 2023	7,324,162.50	155,414.34	2,815,786.87	1,187,818.52	1,874,876.92	893,638.01	8,897,530.95	0.00

17. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

(Unit : Baht)

	Separate financial statements							
	December 31, 2023							
	Land	Building	Building improvement	Temporary building	Office equipment	Office furniture	Vehicles	Total
Cost								
As at December 31, 2022	7,324,162.50	8,977,783.71	2,374,717.03	12,450,717.10	18,102,005.94	13,764,632.18	31,268,196.38	94,262,214.84
Acquisition	0.00	0.00	0.00	9,500.00	1,152,592.33	207,575.61	119,081.00	1,488,748.94
Transfer in (out)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Written off	0.00	0.00	0.00	(150,000.00)	(506,024.32)	(129,967.30)	(5,529,000.00)	(6,314,991.62)
As at December 31, 2023	7,324,162.50	8,977,783.71	2,374,717.03	12,310,217.10	18,748,573.95	13,842,240.49	25,858,277.38	89,435,972.16
Accumulated depreciation								
As at December 31, 2022	0.00	8,788,593.77	659,975.79	12,344,677.03	16,238,818.89	12,191,832.79	18,717,881.50	68,941,779.77
Depreciation	0.00	33,775.60	118,650.94	66,794.93	1,114,974.77	988,218.12	2,844,148.21	5,166,562.57
Transfer in (out)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Written off	0.00	0.00	0.00	(149,999.00)	(480,096.63)	(120,617.71)	(3,824,275.47)	(4,574,988.81)
As at December 31, 2023	0.00	8,822,369.37	778,626.73	12,261,472.96	16,873,697.03	13,059,433.20	17,737,754.24	69,533,353.53
Net book value								
As at December 31, 2022	7,324,162.50	189,189.94	1,714,741.24	106,040.07	1,863,187.05	1,572,799.39	12,550,314.88	25,320,435.07
As at December 31, 2023	7,324,162.50	155,414.34	1,596,090.30	48,744.14	1,874,876.92	782,807.29	8,120,523.14	19,902,618.63

17. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

(Unit : Baht)

	Consolidated financial statements								
	December 31, 2022								
	Land	Building	Building improvement	Temporary building	Office equipment	Office furniture	Vehicles	Assets under construction	Total
Cost									
As at December 31, 2021	7,324,162.50	8,977,783.71	2,273,292.03	13,326,427.34	17,673,121.38	13,884,137.62	37,819,837.67	34,950.00	101,313,712.25
Acquisition	0.00	0.00	101,425.00	489,891.98	918,155.64	244,105.15	0.00	1,188,715.85	2,942,293.62
Transfer in (out)	0.00	0.00	888,566.79	296,697.00	0.00	38,402.06	0.00	(1,223,665.85)	0.00
Written off	0.00	0.00	0.00	(516,245.33)	(489,271.08)	(319,645.59)	(5,159,078.29)	0.00	(6,484,240.29)
As at December 31, 2022	7,324,162.50	8,977,783.71	3,263,283.82	13,596,770.99	18,102,005.94	13,846,999.24	32,660,759.38	0.00	97,771,765.58
Accumulated depreciation									
As at December 31, 2021	0.00	8,635,716.40	542,482.56	11,650,071.12	15,419,576.36	11,095,858.40	18,149,238.81	0.00	65,492,943.65
Depreciation	0.00	152,877.37	221,686.81	1,525,739.02	1,277,167.48	1,351,910.93	4,058,707.87	0.00	8,588,089.48
Transfer in (out)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Written off	0.00	0.00	0.00	(503,325.75)	(457,924.95)	(244,041.90)	(3,153,022.64)	0.00	(4,358,315.24)
As at December 31, 2022	0.00	8,788,593.77	764,169.37	12,672,484.39	16,238,818.89	12,203,727.43	19,054,924.04	0.00	69,722,717.89
Net book value									
As at December 31, 2021	7,324,162.50	342,067.31	1,730,809.47	1,676,356.22	2,253,545.02	2,788,279.22	19,670,598.86	34,950.00	35,820,768.60
As at December 31, 2022	7,324,162.50	189,189.94	2,499,114.45	924,286.60	1,863,187.05	1,643,271.81	13,605,835.34	0.00	28,049,047.69

17. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

(Unit : Baht)

	Separate financial statements							
	December 31, 2022							
	Land	Building	Building improvement	Temporary building	Office equipment	Office furniture	Vehicles	Total
Cost								
As at December 31, 2021	7,324,162.50	8,977,783.71	2,273,292.03	12,906,787.43	17,673,121.38	13,870,672.62	36,427,274.67	99,453,094.34
Acquisition	0.00	0.00	101,425.00	60,175.00	918,155.64	213,605.15	0.00	1,293,360.79
Transfer in (out)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Written off	0.00	0.00	0.00	(516,245.33)	(489,271.08)	(319,645.59)	(5,159,078.29)	(6,484,240.29)
As at December 31, 2022	7,324,162.50	8,977,783.71	2,374,717.03	12,450,717.10	18,102,005.94	13,764,632.18	31,268,196.38	94,262,214.84
Accumulated depreciation								
As at December 31, 2021	0.00	8,635,716.40	542,482.56	11,546,628.65	15,419,576.36	11,093,630.23	18,090,708.88	65,328,743.08
Depreciation	0.00	152,877.37	117,493.23	1,301,374.13	1,277,167.48	1,342,244.46	3,780,195.26	7,971,351.93
Transfer in (out)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Written off	0.00	0.00	0.00	(503,325.75)	(457,924.95)	(244,041.90)	(3,153,022.64)	(4,358,315.24)
As at December 31, 2022	0.00	8,788,593.77	659,975.79	12,344,677.03	16,238,818.89	12,191,832.79	18,717,881.50	68,941,779.77
Net book value								
As at December 31, 2021	7,324,162.50	342,067.31	1,730,809.47	1,360,158.78	2,253,545.02	2,777,042.39	18,336,565.79	34,124,351.26
As at December 31, 2022	7,324,162.50	189,189.94	1,714,741.24	106,040.07	1,863,187.05	1,572,799.39	12,550,314.88	25,320,435.07

17. PROPERTY, PLANT AND EQUIPMENT (CONT'D)

Depreciation(consolidated) for the year ended December 31, 2023 and 2022, amounted to Baht 6,111,345.89 and Baht 8,588,089.48 respectively.

Depreciation(separate) for the year ended December 31, 2023 and 2022, amounted to Baht 5,166,562.57 and Baht 7,971,351.93 respectively.

As at December 31, 2023, has fixed assets at cost of Baht 24,198,463.37 and net book value of Baht 3,041.00 which were fully depreciated but are still being (as at December 31, 2022, cost of Baht 21,321,845.29 and net book value of Baht 2,486.00).

Land and construction were mortgaged as guarantee for bank overdrafts and long-term loans from a bank as mentioned in notes 21 and 24.

18. RIGHT-OF-USE ASSETS

	(Unit : Baht)			
	Consolidated and Separate financial statements			
	December 31, 2023			
	Land	Building	Equipment	Total
Cost				
As at December 31, 2022	5,021,197.56	51,176,696.80	5,518,602.89	61,716,497.25
increase	0.00	3,977,929.65	0.00	3,977,929.65
write off	0.00	0.00	0.00	0.00
As at December 31, 2023	5,021,197.56	55,154,626.45	5,518,602.89	65,694,426.90
Accumulated depreciation				
As at December 31, 2022	2,237,284.96	20,480,414.83	2,377,931.27	25,095,631.06
Depreciation	737,120.79	6,985,179.13	774,557.52	8,496,857.44
write off	0.00	0.00	0.00	0.00
As at December 31, 2023	2,974,405.75	27,465,593.96	3,152,488.79	33,592,488.50
Net book value				
As at December 31, 2022	2,783,912.60	30,696,281.97	3,140,671.62	36,620,866.19
As at December 31, 2023	2,046,791.81	27,689,032.49	2,366,114.10	32,101,938.40
Write off depreciation for the year				
As at December 31, 2023	737,120.79	6,985,179.13	774,557.52	8,496,857.44
As at December 31, 2022	791,521.52	6,907,125.76	774,557.53	8,473,204.81

18. RIGHT-OF-USE ASSETS (CONT'D)

(Unit : Baht)

	Consolidated and Separate financial statements			
	December 31, 2022			
	Land	Building	Equipment	Total
Cost				
As at December 31, 2021	6,066,468.90	33,159,126.45	5,518,602.89	44,744,198.24
increase	0.00	19,606,992.87	0.00	19,606,992.87
write off	(2,634,693.86)	0.00	0.00	(2,634,693.86)
As at December 31, 2022	3,431,775.04	52,766,119.32	5,518,602.89	61,716,497.25
Accumulated depreciation				
As at December 31, 2021	2,471,375.46	13,573,289.07	1,603,373.74	17,648,038.27
Depreciation	791,521.52	6,907,125.76	774,557.53	8,473,204.81
write off	(1,025,612.02)	0.00	0.00	(1,025,612.02)
As at December 31, 2022	2,237,284.96	20,480,414.83	2,377,931.27	25,095,631.06
Net book value				
As at December 31, 2021	3,595,093.44	19,585,837.38	3,915,229.15	27,096,159.97
As at December 31, 2022	1,194,490.08	32,285,704.49	3,140,671.62	36,620,866.19
Write off depreciation for the year				
As at December 31, 2022	791,521.52	6,907,125.76	774,557.53	8,473,204.81
As at December 31, 2021	1,234,000.69	6,877,092.46	777,130.51	8,888,223.66

19. INTANGIBLE ASSETS

	(Unit : Baht)		
	Consolidated financial statements		
	December 31, 2023		
	Computer software	Computer software	
		under installation	Total
Cost			
As at December 31, 2022	6,544,760.00	5,507,500.00	12,052,260.00
Acquisition	747,524.30	31,000.00	778,524.30
Transfer in (out)	0.00	0.00	0.00
Disposal or write off	0.00	0.00	0.00
As at December 31, 2023	7,292,284.30	5,538,500.00	12,830,784.30
Accumulated amortization			
As at December 31, 2022	1,250,686.08	0.00	1,250,686.08
Amortization for the year	841,992.36	0.00	841,992.36
Transfer in (out)	0.00	0.00	0.00
Disposal or write off	0.00	0.00	0.00
As at December 31, 2023	2,092,678.44	0.00	2,092,678.44
Allowance for impairment			
As at December 31, 2022	0.00	5,100,000.00	5,100,000.00
Increase	0.00	0.00	0.00
As at December 31, 2023	0.00	5,100,000.00	5,100,000.00
Net book value			
As at December 31, 2022	5,294,073.92	407,500.00	5,701,573.92
As at December 31, 2023	5,199,605.86	438,500.00	5,638,105.86
Amortization for the year			
As at December 31, 2023	841,992.36	0.00	841,992.36
As at December 31, 2022	364,800.89	0.00	364,800.89

19. INTANGIBLE ASSETS (CONT'D)

	(Unit : Baht)		
	Separate financial statements		
	December 31, 2023		
	Computer software	Computer software	
		under installation	Total
Cost			
As at December 31, 2022	6,079,240.00	5,507,500.00	11,586,740.00
Acquisition	695,300.00	31,000.00	726,300.00
Transfer in (out)	0.00	0.00	0.00
Disposal or write off	0.00	0.00	0.00
As at December 31, 2023	6,774,540.00	5,538,500.00	12,313,040.00
Accumulated amortization			
As at December 31, 2022	1,205,981.85	0.00	1,205,981.85
Amortization for the year	777,071.92	0.00	777,071.92
Transfer in (out)	0.00	0.00	0.00
Disposal or write off	0.00	0.00	0.00
As at December 31, 2023	1,983,053.77	0.00	1,983,053.77
Allowance for impairment			
As at December 31, 2022	0.00	5,100,000.00	5,100,000.00
Increase	0.00	0.00	0.00
As at December 31, 2023	0.00	5,100,000.00	5,100,000.00
Net book value			
As at December 31, 2022	4,873,258.15	407,500.00	5,280,758.15
As at December 31, 2023	4,791,486.23	438,500.00	5,229,986.23
Amortization for the year			
As at December 31, 2023	777,071.92	0.00	777,071.92
As at December 31, 2023	336,629.70	0.00	336,629.70

19. INTANGIBLE ASSETS (CONT'D)

	(Unit : Baht)		
	Consolidated financial statements		
	December 31, 2022		
	Computer software	Computer software	
		under installation	Total
Cost			
As at December 31, 2021	1,651,960.00	5,100,000.00	6,751,960.00
Acquisition	4,892,800.00	407,500.00	5,300,300.00
Transfer in (out)	0.00	0.00	0.00
Disposal or write off	0.00	0.00	0.00
As at December 31, 2022	6,544,760.00	5,507,500.00	12,052,260.00
Accumulated amortization			
As at December 31, 2021	885,885.19	0.00	885,885.19
Amortization for the year	364,800.89	0.00	364,800.89
Transfer in (out)	0.00	0.00	0.00
Disposal or write off	0.00	0.00	0.00
As at December 31, 2022	1,250,686.08	0.00	1,250,686.08
Allowance for impairment			
As at December 31, 2021	0.00	5,100,000.00	5,100,000.00
Increase	0.00	0.00	0.00
As at December 31, 2022	0.00	5,100,000.00	5,100,000.00
Net book value			
As at December 31, 2021	766,074.81	0.00	766,074.81
As at December 31, 2022	5,294,073.92	407,500.00	5,701,573.92
Amortization for the year			
As at December 31, 2022	364,800.89	0.00	364,800.89
As at December 31, 2021	128,959.78	0.00	128,959.78

19. INTANGIBLE ASSETS (CONT'D)

	(Unit : Baht)		
	Separate financial statements		
	December 31, 2022		
	Computer software	Computer software	
		under installation	Total
Cost			
As at December 31, 2021	1,514,940.00	5,100,000.00	6,614,940.00
Acquisition	4,564,300.00	407,500.00	4,971,800.00
Transfer in (out)	0.00	0.00	0.00
Disposal or write off	0.00	0.00	0.00
As at December 31, 2022	6,079,240.00	5,507,500.00	11,586,740.00
Accumulated amortization			
As at December 31, 2021	869,352.15	0.00	869,352.15
Amortization for the year	336,629.70	0.00	336,629.70
Transfer in (out)	0.00	0.00	0.00
Disposal or write off	0.00	0.00	0.00
As at December 31, 2022	1,205,981.85	0.00	1,205,981.85
Allowance for impairment			
As at December 31, 2021	0.00	5,100,000.00	5,100,000.00
Increase	0.00	0.00	0.00
As at December 31, 2022	0.00	5,100,000.00	5,100,000.00
Net book value			
As at December 31, 2021	645,587.85	0.00	645,587.85
As at December 31, 2022	4,873,258.15	407,500.00	5,280,758.15
Amortization for the year			
As at December 31, 2022	336,629.70	0.00	336,629.70
As at December 31, 2021	116,004.15	0.00	116,004.15

20. PLEDGED DEPOSIT AT FINANCIAL INSTITUTION

As at December 31, 2023, the Group's has fixed deposit in the accompanying consolidated and separate financial statements amount of Million Baht 2.55 and Million Baht 0.08 respectively, is used as guarantee to the Office of Insurance Commission and guarantee against borrowings from bank and electricity usage, the brokerage guarantee with an insurer, guarantee the service rendering of a bank and also use as guarantee with the post office as mentioned in note 38 (as at December 31, 2022, the Group's has fixed deposit in the accompanying consolidated and separate financial statements amount of Million Baht 2.54 and Million Baht 0.08 respectively).

21. BANK OVERDRAFTS AND SHORT-TERM LOANS FROM FINANCIAL INSTITUTION

	(Unit : Baht)	
	Consolidated and Separate financial statements	
	December 31, 2023	December 31, 2022
Bank overdrafts	5,062,480.61	21,732.59
Short-term loans - promissory notes	640,000,000.00	640,000,000.00
Total	645,062,480.61	640,021,732.59
<u>Less</u> Deferred loans issuing costs	(1,000,052.82)	(1,105,350.05)
Total	644,062,427.79	638,916,382.54

21.1 As at December 31, 2023 and 2022, the Company has overdrafts line with 5 banks totaling Baht 100 million mortgaging land with its construction in note 17.

21.2 As at December 31, 2023 and 2022, has loans from 2 banks by issuing promissory notes due on term of payment for credit line total amount of Baht 640 million as detailed below:

21.2.1 Loans from the 1th bank for credit limit of Baht 200 million were closed the credit line on July 1, 2022.

21.2.2 Loans from the 2nd Foreign bank for credit line amount of Baht 600 million were withdrawn in full at the interest is charged at the rate of 3.65% - 3.70% per annum. These loans are guaranteed by related parties in foreign countries.

21.2.3 Loans from the 3rd bank for credit line amount of Baht 40 million were withdrawn in full at the interest is charged at the rate of 4.60% per annum. These loans are guaranteed by transferring the right on part of hire purchase receivable in note6.

21. BANK OVERDRAFTS AND SHORT-TERM LOANS FROM FINANCIAL INSTITUTION (CONT'D)

21.2.4 Loans from the 4th bank for credit limit of Baht 20 million were withdrawn in full and has already repaid and closed the credit line on April 7, 2022.

21.2.5 Loans from the 5th bank for credit limit of Baht 300 million were withdrawn in full at the interest is charged at the rate of 3.80% - 4.10% per annum. The loans are guaranteed by transferring the right on payment of hire purchase receivable as stated and mortgaging land with its construction as stated in note 6 and 17, has transferred to be long-term loans from financial institutions as stated in note 24.2.

22. TRADE AND OTHER CURRENT PAYABLES

	(Unit : Baht)			
	Consolidated financial statements		Separate financial statements	
	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022
Accrued interest expenses	1,712,007.47	1,833,348.13	1,712,007.47	1,833,348.13
Advance receipt	19,681,887.48	17,797,107.46	19,093,723.93	17,498,347.33
Revenue Department payable	12,245,203.57	12,695,231.34	12,245,203.57	12,695,231.34
Accrued expenses	4,298,448.11	3,781,265.32	3,382,392.81	3,391,266.14
Others	8,469,690.03	7,467,421.59	8,155,721.16	7,155,529.52
Total	46,407,236.66	43,574,373.84	44,589,048.94	42,573,722.46

23. TRANSACTION WITH RELATED PERSONS AND PARTIES

Parts of assets, liabilities, revenues and expenses arose from the transactions with related Parts of assets, liabilities, revenues and expenses arose from the transactions with related

Relationship of the Group and related persons is summarized as follows:

<u>Related person name</u>	<u>Relationship</u>	<u>Particulars and pricing policy</u>
Mr. Preecha Veeraphong	Major shareholder and president	Loans is repayable on maturity, interest is prepaid at the rate of 4.15 - 4.40 per annum
Mr. Prapakorn Veeraphong	Major shareholder and managing director	At the lease liabilities as agreed, averaged by the independent appraiser

23. TRANSACTION WITH RELATED PERSONS AND PARTIES (CONT'D)

<u>Related person name</u>	<u>Relationship</u>	<u>Particulars and pricing policy</u>
Premium Financial Services Co., Ltd. (Japaneses)	Shareholder at 25.40% shareholding	Borrowing guarantee fee at the rate of 0.85 per annum.
Hightechland Chonburee (2002) Co.,Ltd.	Common directorship	Lease liabilities at the agreed price.
ECL Asset Co., Ltd.	Associate	Loans are charged the interest at the rate of cost plus margin less than 1.75% Rental income at the agreed price.
Mighty Broker Co., Ltd.	Subsidiaries	Rental income at the agreed price. Commission income at the agreed price.

23.1 Loans for joint venture

				(Unit : Baht)
Consolidated and Separate financial statements				
	Balance			Balance
	December 31, 2022	Increase	Decrease	December 31, 2023
ECL Asset Co., Ltd.				
- Short-term loans	97,500,000.00	0.00	(97,500,000.00)	0.00
Total	97,500,000.00			0.00

23. TRANSACTION WITH RELATED PERSONS AND PARTIES (CONT'D)

23.2 Short-term loans from related person

	(Unit : Baht)			
	Consolidated and Separate financial statements			
	Balance			Balance
	December 31, 2022	Increase	Decrease	December 31, 2023
Mr. Preecha Veeraphong	165,000,000.00	30,000,000.00	(95,000,000.00)	100,000,000.00
<u>Less</u> Prepaid interest expenses	(616,788.47)	(5,482,758.85)	5,284,312.57	(815,234.75)
Total	164,383,211.53			99,184,765.25

As at December 31, 2023, loans from 1 related person by issuing bills of exchange matured in February 2024 to April 2024 at the interest rate of 4.15 - 4.40 per annum.

23.3 Other receivables

	(Unit : Baht)	
	Consolidated and	
	Separate financial statements	
	December 31, 2023	December 31, 2022
Premium Financial Services Co., Ltd.		
Borrowing guarantee fee	1,000,052.82	1,105,350.05
Mighty Broker Co., Ltd.		
Accrued commission income	3,464,076.17	2,347,029.76

23.4 Lease liabilities

	(Unit : Baht)	
	Consolidated and	
	Separate financial statements	
	December 31, 2023	December 31, 2022
Hitec Land Chonburi (2002) Co., Ltd.	4,299,642.37	2,031,544.45
Mr. Prapakorn Veeraphong	2,920,589.40	4,134,231.48

23. TRANSACTION WITH RELATED PERSONS AND PARTIES (CONT'D)

23.5 Revenues and expenses are as follows:

	(Unit : Baht)	
	Consolidated and	
	Separate financial statements	
	For the year ended	
	December 31, 2023	December 31, 2022
ECL Asset Co., Ltd.		
Rental income	480,000.00	480,000.00
Interest income	5,332,499.99	12,484,366.46
Premium Financial Services Co., Ltd.		
Borrowing guarantee fee	5,205,297.23	5,939,732.97
Mighty Broker Co., Ltd.		
Rental income	0.00	150,000.00
commission income	43,691,690.29	25,048,154.97
Mr. Preecha Veeraphong		
Interest paid	5,284,312.57	6,025,533.26
Mr. Prapakorn Veeraphong		
Interest paid	129,688.52	129,573.29
Hightechland Chonburee (2002) Co., Ltd.		
Interest paid	163,136.03	82,658.12

24. LONG-TERM LOANS FROM FINANCIAL INSTITUTIONS

Loans from 4 banks consist of:

As at December 31, 2023					
(Unit : Million Baht)			(Unit : Baht)		
	Credit amount	Credit remaining	Interest rate	December 31, 2023	December 31, 2022
1st bank	500	96.98	3.75% ถึง 5.30%, MLR-1.75%	403,018,000.00	370,355,500.00
2nd bank	2,340	300.00	Fixed Rate (IRS)(3.70 ถึง 4.40%) MLR – 1.25% ถึง 1.50%	944,423,000.00	691,427,000.00
3th bank	1,750	324.20	MLR – (1.405% ถึง 2.825%)	756,867,000.00	489,626,000.00
4th bank	500	0.00	MLR – 1.50%	95,800,000.00	72,812,000.00
Total	5,090	721.18		2,200,108,000.00	1,624,220,500.00
<u>Less</u> Deferred loans issuing costs				(3,656,904.55)	(1,023,637.67)
Net				2,196,451,095.45	1,623,196,862.33
<u>Less</u> Current portion of long-term debts				(817,490,431.63)	(852,193,072.95)
Long-term loans from financial institutions				1,378,960,663.82	771,003,789.38

The loans agreement have various limitation that must comply with the maintain of financial ratio etc.

Moments in long-term loan for the year ended December 31, 2023, are as follows:

	(Unit : Baht)
	Consolidated and Separate financial statements
Balance as at December 31, 2022	1,624,220,500.00
Additional proceeds during the year	1,620,000,000.00
Repayment during the year	(1,044,112,500.00)
Balance as at December 31, 2023	2,200,108,000.00

24. LONG-TERM LOANS FROM FINANCIAL INSTITUTIONS (CONT'D)

24.1 The first bank, loans from bank amount of Baht 500 million which were withdrawn. Where the repayment is made that the credit line can be reutilized. (remaining is Baht 96.98 million) These loans are guaranteed by transferring the right on part of hire purchase receivable as stated in note 6.

24.2 The second bank, loans from bank amount of Baht 2,340 million which were gradually withdrawn of each not exceeds 75% of hire purchase receivable. The principal and interest are monthly repayable within 4 years from the loans withdrawal date in fully amount. Credit line total amount of Baht 2,340 million dividend into credit line amount of Baht 240 million credit line amount of Baht 800 million credit line amount of Baht 900 million from the loans withdrawal date in fully amount and credit line amount of Baht 400 million (remaining is Baht 300 million). The loans are guaranteed by transferring the right on payment of hire purchase receivable as stated and mortgaging land with its construction as stated in note 6 and 17.

24.3 The third bank, loans from bank amount of Baht 1,750 million which were gradually withdrawn of each not exceeds 75% of hire purchase receivable under hire purchase agreement. The principal and interest are monthly repayable within 4 years from the loans withdrawal date. Credit line total amount of Baht 1,750 million dividend into credit line amount of Baht 1,050 million which were withdrawn in fully amount and credit line amount of Baht 300 million (remaining is Baht 200 million) and credit line amount of Baht 400 million were already withdrawn, when the repayment is made that the withdrawal can be renewed (remaining is Baht 124.20 million) The loans are guaranteed by transferring the right on payment of some hire purchase receivable as stated in note 6.

24.4 The fourth bank, loans from bank amount of Baht 500 million which were withdrawn in fully amount. which were gradually withdrawn of each not exceeds 75% of hire purchase receivable. The principal and interest are monthly repayable within 4 years. The loans are guaranteed by transferring the right on payment of some hire purchase receivable as stated in note 6.

25. LEASE LIABILITIES

	(Unit : Baht)	
	Consolidated financial statements	
	December 31, 2023	December 31, 2022
Lease liabilities	37,332,066.07	42,628,983.75
Less: Deferred interest expense	(2,925,544.07)	(3,795,282.97)
Total	34,406,522.00	38,833,700.78
Less: Current portion of lease liabilities	(8,736,225.50)	(8,000,393.81)
Lease liabilities - net of current portion	25,670,296.50	30,833,306.97

	(Unit : Baht)	
	Separate financial statements	
	December 31, 2023	December 31, 2022
Lease liabilities	36,887,204.07	41,941,469.75
Less: Deferred interest expense	(2,909,806.72)	(3,758,728.90)
Total	33,977,397.35	38,182,740.85
Less: Current portion of lease liabilities	(8,505,851.83)	(7,778,558.53)
Lease liabilities - net of current portion	25,471,545.52	30,404,182.32

The Group has entered into the land lease agreements, lease agreements to lease building and lease agreements to lease equipment for use in their operation. The terms of the agreements are generally between 3 to 6 years.

25. LEASE LIABILITIES (CONT'D)

(Unit : Baht)

Consolidated financial statements				
December 31, 2022				
	Less than			
	1 year	Over 1 - 5 years	Over 5 years	Total
Future minimum lease payments	9,392,507.62	31,377,580.13	1,858,896.00	42,628,983.75
Deferred interest expenses	(1,392,113.81)	(2,385,374.36)	(17,794.80)	(3,795,282.97)
Present value of future minimum				
lease payments	8,000,393.81	28,992,205.77	1,841,101.20	38,833,700.78

(Unit : Baht)

Separate financial statements				
December 31, 2022				
	Less than			
	1 year	Over 1 - 5 years	Over 5 years	Total
Future minimum lease payments	9,149,855.62	30,932,718.13	1,858,896.00	41,941,469.75
Deferred interest expenses	(1,371,297.09)	(2,369,637.01)	(17,794.80)	(3,758,728.90)
Present value of future minimum				
lease payments	7,778,558.53	28,563,081.12	1,841,101.20	38,182,740.85

The following are the amounts relating to lease contracts recognised in the income statements for the year ended December 31, 2023:

	(Unit : Baht)	
	Consolidated	Separate
	financial statements	financial statements
Depreciation expenses of right-of-use assets	8,734,117.48	8,496,857.44
Interest expenses on lease liabilities	1,503,427.25	1,482,610.53
Expense relating to short-term leases	0.00	0.00
Expenses relating to leases of low-value assets	887,005.12	395,000.00

Others

The Group had total cash outflows for leases of consolidated and separate financial statements for the year ended December 31, 2023 of Baht 9.91 million and Baht 9.67 million respectively.

26. NON-CURRENT PROVISIONS FOR EMPLOYEE BENEFIT

The changes in present value of employee benefit obligations for the year ended December 31, 2023 and 2022, as follows:

	(Unit : Baht)	
	Consolidated financial statements	
	December 31, 2023	December 31, 2022
Non-current provisions for employee benefit as at January 1	36,133,764.13	34,904,805.87
Recognition in profit or loss :		
Current cost of service and interest	3,120,776.38	1,246,614.26
Employee compensation - Retirement	(2,833,062.90)	0.00
Employee compensation - Layoff	0.00	(17,656.00)
Recognition in other comprehensive income :		
Actuarial loss for the period	(363,224.00)	0.00
Non-current provisions for employee benefit as at December 31	36,058,253.61	36,133,764.13

	(Unit : Baht)	
	Separate financial statements	
	December 31, 2023	December 31, 2022
Non-current provisions for employee benefit as at January 1	35,851,808.65	34,812,163.00
Recognition in profit or loss :		
Current cost of service and interest	2,665,162.35	1,057,301.65
Employee compensation - Retirement	(2,833,062.90)	0.00
Employee compensation – Layoff	0.00	(17,656.00)
Recognition in other comprehensive income :		
Actuarial loss for the period	(363,224.00)	0.00
Non-current provisions for employee benefit as at December 31	35,320,684.10	35,851,808.65

26. NON-CURRENT PROVISIONS FOR EMPLOYEE BENEFIT (CONT'D)

Long-term employee benefit expense for the year ended December 31, 2023 and 2022 presented in statement of comprehensive income.

Actuarial assumptions to use for calculation:

	<u>2023</u>	<u>2022</u>
	Percentage	Percentage
Discount rate	2.81	1.26
Salary increase rate	4.23	5.00
Mortality rate	Thailand TMO2017 tables	Thailand TMO2017 tables

The result of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligations as at December 31, 2023, are summarized below:

	(Unit : Baht)	
	Increase	Decrease
Discount rate (changed at 0.5%)	(1,270,813.10)	1,353,308.90
Salary increase rate (changed at 0.5%)	1,227,712.90	(1,164,542.10)
Turnover rate (changed at 10%)	2,290,752.90	8,990,069.90

27. SHARE CAPITAL

Reconciliation of issued and paid-up share capital

	Registered ordinary shares		Issued and paid-up ordinary shares		
	Number of	Amount	Number of	Paid-up	Premium on
	share		share	share capital	share capital
	(Share)	(Baht)	(Share)	(Baht)	(Baht)
As at January 1, 2023	1,478,478,669	1,478,478,669.00	1,108,859,002	1,108,859,002.00	279,958,858.40
Share capital increased	-	-	-	-	-
Increase from exercised					
of warrants	-	-	-	-	-
As at December 31, 2023	1,478,478,669	1,478,478,669.00	1,108,859,002	1,108,859,002.00	279,958,858.40

27. SHARE CAPITAL (CONT'D)

27.1 On June 30, 2022, At the Extraordinary General Meeting of the shareholders No.1/2022, the resolution to increase its share capital from registered shares amount of Baht 1,108,859,002.00 to new registered shares amount of Baht 1,478,478,669.00, by issuing new ordinary shares for 369,619,667 shares of Baht 1 each to support the exercise ration of warrants to purchase ordinary shares ECL-W4. The Company has registered such increased share capital with the Ministry of Commerce on July 8, 2022.

28. LEGAL RESERVE

According to the Public Company Limited Act B.E. 2535, the Company is required to set aside a legal reserve at least 5% of annual net profit after deduction with deficit brought forwards (if any) until the reserve reach an amount of 10% of the authorized share capital. Such legal real reserve is not available for dividend distribution.

29. DIVIDEND

29.1 According to the Board of Director meeting of the Company No. 4/2023 held on August 10, 2023, passed the resolution to pay interim dividend from operating result for the period as from January 1, 2023 to June 30, 2023 to the shareholders at rate of Baht 0.03 per share for 1,108,859,002 shares, totally amount of Baht 33.26 million. The dividend is scheduled to pay on September 8, 2023.

29.2 At the Annual General Meeting of shareholders for the year 2023 held on April 24, 2023, passed the resolution to pay dividend from retained earnings, at Baht 0.05 per share for 1,108,859,002 shares, totally amount to Baht 55.44 million. The dividend payment is made on May 12, 2023.

29.3 According to the Board of Director meeting of the Company No. 3/2022 held on August 11, 2022, passed the resolution to pay interim dividend from operating result for the period as from January 1, 2022 to June 30, 2022 to the shareholders at rate of Baht 0.05 per share for 1,108,859,002 shares, totally amount of Baht 55.44 million. The dividend is scheduled to pay on September 9, 2022.

29.4 At the Annual General Meeting of shareholders for the year 2022 held on April 25, 2022, passed the resolution to pay dividend from net profit for the year ended December 31, 2021, at Baht 0.08 per share for 1,108,859,002 shares, totally amount to Baht 88.71 million. The dividend payment is made on May 13, 2022.

30. WARRANTS

On June 30, 2022, At the Extraordinary General Meeting of the shareholders No.1/2022, the resolution to issue warrants to purchase ordinary shares (ECL-W4) for 369,619,667 units to the existing shareholders without offering price at the ratio of 3 existing shares per 1 unit of warrant and had the

right to purchase ordinary shares in the price of Baht 2.00 each. The exercise period of warrants is 2 years from the issuance date.

31. PROVIDENT FUND

The Company and employees have jointed to be member of provident fund in accordance with the Provident Fund Act B.E. 2530. Under the fund regulation, the employees have to contribute to the fund at the rate of 3% - 15% of their salaries and the Company's contribution at the rate of 3% - 10%. The benefits will be paid to the members upon the condition of length of work on their retirement, death or resignation from the members.

For the year ended December 31, 2023 and 2022, the Company paid the contribution to the fund of Baht 6,994,379.00 and Baht 6,235,858.00 respectively.

32. DIRECTORS' REMUNERATION AND MANAGEMENT BENEFIT EXPENSES

32.1 Directors' remuneration

Directors' remuneration is contributed to directors of the Company under Section 90 of the Public Company Act excluding salaries and related fringe benefit paid to directors.

32.2 Management benefit expenses

Management benefit expenses focuses expenses relating to salaries, remunerations and other benefits to the directors and management, in accordance with the definitions of the Office of the Securities and Exchange

Commission. Management under definition includes a chief executive officer, the next four executive levels immediately below that chief executive officer and all persons in positions comparable to these fourth executive levels.

33. FINANCIAL INSTRUMENTS

33.1 Financial risk management objectives and policies

The Group's financial instruments principally comprise cash and cash equivalents, hire purchase receivables, Loans and sale with right of redemption agreement receivables, loans, Pledged deposit at financial institution, Bank overdrafts and short-term loans from financial institutions, Trade and other current payables, Short-term loans from related persons, Long-term loans from financial institutions and debentures. The financial risks associated with these financial instruments and how they are managed is described below.

Credit risk

The Group has the risk with hire purchase receivables, cash and cash equivalents and other financial instruments. The maximum exposure to credit risk is limited to the carrying amounts as stated in the statement of financial position.

The Group manages the risk by adopting appropriate credit control policies and procedures and therefore does not expect to incur material financial losses. Outstanding trade receivables are regularly monitored. In addition, the Group does not have high concentrations of credit risk since it has a large customer.

33. FINANCIAL INSTRUMENTS (CONT'D)

An impairment analysis is performed at each reporting date to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar credit risks. The calculation of expected credit losses are considered the reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. The Group has a policy to write-off its receivables when a demand for payment has been properly made and clearly evidenced, and yet the debts remain unsettled.

Maximum exposure to credit risk

The maximum exposure is shown gross of financial instruments before taking into account collateral arrangements and any actions taken to improve. For financial assets that recognises in statement of financial position, the maximum exposure is shown gross, before taking into allowance for expected credit losses.

As at December 31, 2023 and 2022, the exposure to credit risk are as follow:

	(Unit: Baht)	
	Consolidated financial statements	
	December 31, 2023	December 31, 2022
Cash and cash equivalents	31,064,542.69	37,402,794.54
Pledged deposit at financial institution	2,547,100.18	2,539,736.20
Hire purchase receivables	4,695,506,923.08	4,084,366,748.50
Total exposure to credit risk	4,729,118,565.95	4,124,309,279.24

	(Unit: Baht)	
	Separate financial statements	
	December 31, 2023	December 31, 2022
Cash and cash equivalents	21,081,817.39	34,409,073.12
Pledged deposit at financial institution	76,000.00	76,000.00
Hire purchase receivables	4,695,506,923.08	4,084,366,748.50
Total exposure to credit risk	4,716,664,740.47	4,118,851,821.62

33. FINANCIAL INSTRUMENTS (CONT'D)**Credit quality analysis**

Credit risk refers to the risk that a customer or a counterparty will default on its contractual obligations resulting in a financial loss to the Group. The Group has adopted policies to mitigate this risk by analyst from customer information and monitoring status of customer.

Collateral and any operations to increase creditability

The Group has held collateral and any operations to increase creditability of exposure to credit risk. The details of the collateral held by the Group for each type of financial assets are as follows:

(Unit: Baht)

Consolidated and Separate financial statements		
Exposure to risk with collateral		
	December 31, 2023	Type of collateral
Hire purchase receivables	4,695,506,923.08	Car- Motorcycle -truck

Market risk

Market risk is the risk that changes in interest rates, foreign exchange rates and securities prices may have an effect on the financial position of the Group. As the Group has no foreign currency assets and liabilities and no investments in securities, market risk therefore consists of only interest rate risk. The Group manages the changes in interest rate risk by means of an appropriate structuring of holdings in assets and liabilities with different repricing dates, in order to generate a suitable yield while maintaining risk at acceptable levels.

Interest rate risk

The Group enters into a variety of derivatives to manage its risk exposure, including Bank deposit, Hire purchase receivables, loans, Bank overdrafts and loans.

As at 31 December 2023 and 2022, significant financial assets and liabilities classified by type of interest rate are summarised in the table below, with those financial assets and liabilities that carry fixed interest rates further classified based on the maturity date, or the repricing date if this occurs before the maturity date.

33. FINANCIAL INSTRUMENTS (CONT'D)

(Unit: Million baht)

	Consolidated financial statements					
	December 31, 2023					
	Fixed interest rate					
	Within	Over	Over	Floating	Non-interest	
	1 year	1-5 years	5 years	interest rate	bearing	Total
Financial assets						
Cash and cash equivalents	-	-	-	12.26	18.80	31.06
Hire purchase receivables	1,527.38	3,168.13	-	-	-	4,695.51
Loan receivables	1.57	5.42				6.99
Short-term loans for joint venture	0.00	-	-	-	-	0.00
Other non-current financial asset	-	-	-	-	-	0.00
Pledged deposit at financial institution	2.47	0.07	-	-	-	2.54
	1,531.42	3,173.62	-	12.26	18.80	4,736.10
Financial liabilities						
Bank overdrafts and short-term loans						
from financial institutions	639.00	-	-	5.06	-	644.06
Trade and other current payables	-	-	-	-	46.41	46.41
Short-term loans from related persons	99.18	-	-	-	-	99.18
Long-term loans	263.57	268.22	-	1,664.66	-	2,196.45
lease liabilities	8.74	25.24	0.43	-	-	34.41
	1,010.49	293.46	0.43	1,669.72	46.41	3,020.51

33. FINANCIAL INSTRUMENTS (CONT'D)

(Unit: Million baht)

	Separate financial statements					
	December 31, 2023					
	Fixed interest rate					
	Within	Over	Over	Floating	Non-interest	
	1 year	1-5 years	5 year	interest rate	bearing	Total
Financial assets						
Cash and cash equivalents	-	-	-	2.30	18.78	21.08
Hire purchase receivables	1,527.38	3,168.13	-	-	-	4,695.51
Loan receivables	1.57	5.42				6.99
Short-term loans for joint venture	0.00	-	-	-	-	0.00
Other non-current financial asset	-	-	-	-	-	0.00
Pledged deposit at financial institution	-	0.07	-	-	-	0.07
	1,528.95	3,173.62	-	2.30	18.78	4,723.65
Financial liabilities						
Bank overdrafts and short-term loans						
from financial institutions	639.00	-	-	5.06	-	644.06
Trade and other current payables	-	-	-	-	44.59	44.59
Short-term loans from related persons	99.18	-	-	-	-	99.18
Long-term loans	263.57	268.22	-	1,664.66	-	2,196.45
lease liabilities	8.51	25.04	0.43	-	-	33.98
	1,010.26	293.26	0.43	1,669.72	44.59	3,018.26

33. FINANCIAL INSTRUMENTS (CONT'D)

(Unit: Million baht)

	Consolidated financial statements					
	December 31, 2022					
	Fixed interest rate					
	Within	Over	Over	Floating	Non-interest	
	1 year	1-5 years	5 years	interest rate	bearing	Total
Financial assets						
Cash and cash equivalents	-	-	-	4.75	32.65	37.40
Hire purchase receivables	1,517.26	2,567.10	-	-	-	4,084.36
Short-term loans for joint venture	97.50	-	-	-	-	97.50
Other non-current financial asset	-	-	-	-	0.00	0.00
Pledged deposit at financial institution	2.46	0.07	-	-	-	2.53
	1,617.22	2,567.17	-	4.75	32.65	4,221.79
Financial liabilities						
Bank overdrafts and short-term loans						
from financial institutions	638.90	-	-	0.02	-	638.92
Trade and other current payables	-	-	-	-	43.57	43.57
Short-term loans from related persons	164.38	-	-	-	-	164.38
Long-term loans	440.62	342.42	-	840.15	-	1,623.19
lease liabilities	8.00	30.83	-	-	-	38.83
	1,251.90	373.25	-	840.17	43.57	2,508.89

33. FINANCIAL INSTRUMENTS (CONT'D)

(Unit: Million baht)

	Separate financial statements					
	December 31, 2022					
	Fixed interest rate					
	Within 1 year	Over 1-5 years	Over 5 year	Floating interest rate	Non-interest bearing	Total
Financial assets						
Cash and cash equivalents	-	-	-	1.79	32.62	34.41
Hire purchase receivables	1,517.26	2,567.10	-	-	-	4,084.36
Short-term loans for joint venture	97.50	-	-	-	-	97.50
Other non-current financial asset	-	-	-	-	0.00	0.00
Pledged deposit at financial institution	-	0.07	-	-	-	0.07
	1,614.76	2,567.17	-	1.79	32.62	4,216.34
Financial liabilities						
Bank overdrafts and short-term loans						
from financial institutions	638.90	-	-	0.02	-	638.92
Trade and other current payables	-	-	-	-	42.57	42.57
Short-term loans from related persons	164.38	-	-	-	-	164.38
Long-term loans	440.62	342.42	-	840.15	-	1,623.19
lease liabilities	7.78	30.40	-	-	-	38.18
	1,251.68	372.82	-	840.17	42.57	2,507.24

Analysis of effect to changes in interest rates

Analysis of effect to changes in interest rates shows the potential change in interest rates on the statement of comprehensive income and the equity of the Group by setting constant to other variables. However, financial assets and financial liabilities at the end of reporting period of the Group have constant interest rates. Effect to changes in interest rates does not have any significant impact on the financial statements.

33. FINANCIAL INSTRUMENTS (CONT'D)

Liquidity risk

The Group monitors the risk of a shortage of liquidity through the management of sufficient cash and cash equivalent, to reduce the effect of fluctuation of cash flows. The table below summarises the maturity profile of the Group's financial liabilities as at December 31, 2023 based on contractual undiscounted cash flows:

(Unit: Million baht)

Consolidated financial statements					
December 31, 2023					
	At call	Within 1 year	1 – 5 years	Over 5 years	Total
Financial liabilities					
Bank overdrafts and short-term loans from					
financial institutions	604.06	40.00	-	-	644.06
Trade and other current payables	-	46.41	-	-	46.41
Short-term loans from related persons	-	99.18	-	-	99.18
Long-term loans	-	817.49	1,378.96	-	2,196.45
lease liabilities	-	8.74	25.24	0.43	34.41
Total	604.06	1,011.82	1,404.20	0.43	3,020.51

(Unit: Million baht)

Separate financial statements					
December 31, 2023					
	At call	Within 1 year	1 – 5 years	Over 5 years	Total
Financial liabilities					
Bank overdrafts and short-term loans from					
financial institutions	604.06	40.00	-	-	644.06
Trade and other current payables	-	44.59	-	-	44.59
Short-term loans from related persons	-	99.18	-	-	99.18
Long-term loans	-	817.49	1,378.96	-	2,196.45
lease liabilities	-	8.51	25.04	0.43	33.98
Total	604.06	1,009.77	1,404.00	0.43	3,018.26

33. FINANCIAL INSTRUMENTS (CONT'D)**Fair values financial instruments**

The methods and assumptions used by the Group in estimating the fair value of financial instruments are as follows.

- a) For financial assets and liabilities which have short-term maturities, including cash and cash equivalents, Short-term loans, Bank overdrafts and short-term loans, the carrying amounts in the statement of financial position approximate their fair value.
- b) For fixed rate hire purchase and fixed rate debentures and long-term loans, their fair value is estimated by discounting expected future cash flow by the current market interest rate of the loans with similar terms and conditions.
- c) For long-term loans carrying interest approximate to the market rate, their carrying amounts in the statement of financial position approximate their fair value.

As at December 31, 2023, the Group had the assets and liabilities that were measured and disclosed at fair value using different levels of inputs as follows:

(Unit: Million baht)

	Consolidated financial statements				
	December 31, 2023				
	Fair values				
	Book value	Level 1	Level 2	Level 3	Total
Financial assets					
Cash and cash equivalents	31.06	31.06	-	-	31.06
Hire purchase receivables	4,695.51	-	-	4,693.98	4,693.98
Loan receivables	7.00	-	-	7.07	7.07
Short-term loans for joint venture	0.00	-	-	-	0.00
Other non-current financial asset	0.00	-	-	-	0.00
Pledged deposit at financial institution	2.54	2.54	-	-	2.54
Financial liabilities					
Bank overdrafts and short-term loans from					
financial institutions	644.06	-	644.06	-	644.06
Trade and other current payables	46.41	-	46.41	-	46.41
Short-term loans from related persons	99.18	-	99.21	-	99.21
Long-term loans	2,196.45	-	2,200.62	-	2,200.62
Lease liabilities	34.41	-	34.41	-	34.41

33. FINANCIAL INSTRUMENTS (CONT'D)

(Unit: Million baht)

	Separate financial statements				
	December 31, 2023				
	Fair values				
	Book value	Level 1	Level 2	Level 3	Total
Financial assets					
Cash and cash equivalents	21.08	21.08	-	-	21.08
Hire purchase receivables	4,695.51	-	-	4,693.98	4,693.98
Loan receivables	7.00	-	-	7.07	7.07
Short-term loans for joint venture	0.00	-	-	-	0.00
Other non-current financial asset	0.00	-	-	-	0.00
Pledged deposit at financial institution	0.07	0.07	-	-	0.07
Financial liabilities					
Bank overdrafts and short-term loans from					
financial institutions	644.06	-	644.06	-	644.06
Trade and other current payables	44.59	-	44.59	-	44.59
Short-term loans from related persons	99.18	-	99.21	-	99.21
Long-term loans	2,196.45	-	2,200.62	-	2,200.62
Lease liabilities	33.98	-	33.98	-	33.98

34. FINANCIAL INFORMATION BY SEGMENT

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the chief decision maker in order to make decisions about the allocation of resources to the segment and assess its performance.

The Company's operation involve virtually a single credit providing business in the form of hire purchasing to ordinary person and juristic person and operated in one geographical segment in domestic, hence, all of revenues, gain and assets presented in the financial statements are related to the said business and geographical segment.

35. EXPENSES ANALYZED BY NATURE

The significant expenses analyzed by nature are as follows:

	(Unit : Baht)			
	Consolidated financial statements		Separate financial statements	
	For the year ended			
	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022
Employees benefit expenses	139,114,470.08	121,538,635.23	126,474,284.95	113,495,714.31
Directors' remuneration	4,647,000.00	6,172,000.00	4,647,000.00	6,172,000.00
Management benefit expenses	37,999,011.00	35,350,800.00	37,999,011.00	35,350,800.00
Depreciation	15,450,195.69	17,426,095.18	14,440,491.93	16,781,186.44
Amortized commission expenses	33,794,458.83	32,247,592.81	33,794,458.83	32,247,592.81
Reversal of expected credit loss (loss)	86,577,379.38	36,776,061.28	86,577,379.38	36,776,061.28

36. INCOME TAX

36.1 Income tax expenses for the year ended December 31, 2023 and 2022, can be summarized as follows:

	(Unit : Baht)			
	Consolidated financial statements		Separate financial statements	
	For the year ended		For the year ended	
	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022
Current tax:				
Income tax for the year	32,360,578.21	32,379,880.64	30,357,225.79	31,026,998.52
Deferred tax:				
Deferred tax on temporary differences and reserved temporary differences	(6,277,947.26)	11,924,252.09	(6,277,947.26)	11,924,252.09
Income tax expenses presented in statement of comprehensive income	26,082,630.95	44,304,132.73	24,079,278.53	42,951,250.61
Income tax realized in other comprehensive income				
Deferred tax recognized to actuarial loss	72,644.80	0.00	72,644.80	0.00

36.2 Reconciliation amount between income tax expenses and multiplication of accounting profits and tax rates used for the year ended December 31, 2023 and 2022, can be presented as follows:

	(Unit : Baht)			
	Consolidated financial statements		Separate financial statements	
	For the year ended		For the year ended	
	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022
Accounting profit before income tax	134,294,342.62	228,870,557.41	118,783,309.79	235,590,243.17
Income tax rates	20%	20%	20%	20%
Accounting profit before income tax multiply by tax rates	26,858,868.52	45,774,111.48	23,756,661.96	47,118,048.63
Taxable effect for:				
Prohibited taxable items	5,501,709.69	(13,394,230.84)	6,600,563.83	(16,091,050.11)
Temporary differences from effect of deferred income tax	(6,277,947.26)	11,924,252.09	(6,277,947.26)	11,924,252.09
Income tax expenses presented in statement of income	26,082,630.95	44,304,132.73	24,079,278.53	42,951,250.61
Effective income tax rate (%)	19.42%	19.36%	20.27%	18.23%

36. INCOME TAX (CONT'D)

36.3 Deferred tax assets and liabilities components as at December 31, 2023 and 2022, consist of the following transaction.

	(Unit : Baht)			
	Consolidated financial statements		Separate financial statements	
	December 31, 2023	December 31, 2022	December 31, 2023	December 31, 2022
Deferred tax assets				
Allowance for expected credit losses - hire purchase receivable	43,878,106.63	34,060,853.16	43,878,106.63	34,060,853.16
Allowance for expected credit losses - Receivables under lawsuit	9,080,667.95	11,424,976.82	9,080,667.95	11,424,976.82
Allowance for expected credit losses - debt compromise receivables	194,706.87	376,728.87	194,706.87	376,728.87
Allowance for expected credit losses - debt mediation receivables	1,052,809.30	0.00	1,052,809.30	0.00
Allowance for expected credit losses - other receivables	59,265.80	62,459.01	59,265.80	62,459.01
Allowance for expected credit losses - Receivables under lawsuit – car loan	0.00	664,118.40	0.00	664,118.40
Provision for impairment of assets – foreclosed	3,947,778.03	793,247.13	3,947,778.03	793,247.13
Non-current provisions for employee benefit	7,064,136.82	7,170,361.73	7,064,136.82	7,170,361.73
Provision for impairment of investment	776,524.45	776,524.45	1,492,260.00	1,492,260.00
Reserve for allowance for doubtful accounts –	142,496.15	113,648.10	142,496.15	113,648.10
Accrued value added tax				
Right-of-use assets				
(Installment - Accumulated depreciation)	6,795,479.47	857,339.20	6,795,479.47	857,339.20
Provision for impairment of intangible assets	1,020,000.00	1,020,000.00	1,020,000.00	1,020,000.00
Total	74,011,971.47	57,320,256.87	74,727,707.02	58,035,992.42
Deferred tax liabilities				
The difference of the realized accounting and tax revenues	6,420,387.68	476,662.79	6,420,387.68	476,662.79
Deferred commission	14,447,616.77	9,904,929.52	14,447,616.77	9,904,929.52
Total	20,868,004.45	10,381,592.31	20,868,004.45	10,381,592.31
Net	53,143,967.02	46,938,664.56	53,859,702.57	47,654,400.11

37. EARNINGS PER SHARE

Basic earnings per share is determined by dividing the net profit (loss) for the year attributable to the shareholders (excluding other comprehensive income) by the weighted average number of common shares issued and paid-up during the year.

Diluted earnings per share is calculated by dividing the profit for the year attributable to shareholders (excluding other comprehensive income) by sum of the weighted average number of ordinary shares issue during the year which is increased shares by the weighted average number of additional ordinary shares that would result from the conversation of all dilutive potential ordinary shares to ordinary shares at the beginning of the year or at the potential ordinary shares issuance date.

Basic earnings per share for the year ended December 31, 2023 and 2022, can be presented as follows:

(Unit : Baht)						
Consolidated financial statements						
For the year ended						
	December 31, 2023			December 31, 2022		
	Profit (Loss)	Number of share	Earnings per share	Profit (Loss)	Number of share	Earnings per share
Basis earnings per share	108,204,259.67	1,108,859,002	0.0976	184,566,424.68	1,108,859,002	0.1664
Effects of dilutive potential						
ordinary shares	-	-	-	-	77,637,941	-
Diluted earnings per shares	108,204,259.67	1,108,859,002	0.0976	184,566,424.68	1,186,496,943	0.1556
(Unit : Baht)						
Separate financial statements						
For the year ended						
	December 31, 2023			December 31, 2022		
	Profit (Loss)	Number of share	Earnings per share	Profit (Loss)	Number of share	Earnings per share
Basis earnings per share	94,704,031.26	1,108,859,002	0.0854	192,638,992.56	1,108,859,002	0.1737
Effects of dilutive potential						
ordinary shares	-	-	-	-	77,637,941	-
Diluted earnings per shares	94,704,031.26	1,108,859,002	0.0854	192,638,992.56	1,186,496,943	0.1624

38. COMMITMENT AND CONTINGENT LIABILITIES

38.1 As at December 31, 2023, contingent liabilities from bank's issuance of letter of guarantee for electricity usage amount of Baht 76,000.00 (as at December 31, 2022, of Baht 76,000.00).

38.2 As at December 31, 2023, contingent liabilities from Office of Insurance Commission amount of Million Baht 1.00 (as at December 31, 2022, of Million Baht 1.00).

38.3 As at December 31, 2023, there is contingent liability arise from a brokerage guarantee with an insurer in the amount of Million Baht 0.20 (as at December 31, 2022, of Million Baht 0.20).

38.4 As at December 31, 2023, there is contingent liability arise from guarantee the service rendering of a bank in the amount of Million Baht 0.25 (as at December 31, 2022, of Million Baht 0.25).

38.5 As at December 31, 2023, there is contingent liability arise from bank issuance of letter of guarantee for a brokerage guarantee with an insurer in the amount of Million Baht 1.00 (as at December 31, 2022, of Million Baht 1.00).

38.6 As at December 31, 2023, there is contingent liability arise from applying for a credit card loan with a bank for credit in the amount of Million Baht 0.10 (as at December 31, 2022, of Million Baht 0.10).

38.7 As at December 31, 2023, liable on payment under rental agreement within 1 year in amount of Baht 0.83 million and over 1 year in amount of Baht 0.56 million.

39. CAPITAL MANAGEMENT

The objective of financial management is to preserve the ability to continue its operation as a going concern and capital structure to be properly appropriated.

As at December 31, 2023, the Company has debt to equity ratio as summarized below:

	Consolidated financial statements	Separate financial statements
Debt to equity ratio	1.63	1.67

40. EVENTS AFTER REPORTING PERIOD

According to the Board of Director meeting of the Company No. 1/2024 held on February 22, 2024, the meeting passed a resolution to request the approval from the General Shareholder Meeting to pay dividend to the shareholders at rate of Baht 0.02 per share for 1,108,859,002 shares, totally amount of Baht 22.18 million. The dividend is scheduled to pay on May 16, 2024.

41. APPROVAL OF FINANCIAL STATEMENTS APPROVAL

These financial statements were approved and authorized for issue by the Company's Board of directors on February 22, 2024.

Certification of the Accuracy of Information

The company has reviewed information as presented in this One Report with due care. The company certified that the information presented is true, complete without misrepresentation, not misguided, or lacking of information which should have been presented in all material respect. Furthermore, the company certified the followings:

1. The financial statements and financial information summarized in the One Report has been presented accurately, and complete in all material respect relevant to the financial position, the results of operations, and cash flow of the company and its subsidiaries.

2. The company has arranged for a good system of information disclosure to ensure that material information disclosure both of the company and its subsidiaries have been disclosed accurately, and complete including control to ensure compliance with such a system.

3. The company has arranged for a good system of internal control, and monitoring for compliance with such a system. And the company has reported internal control assessment information as at 31 December 2023 to the external auditor, and the Audit Committee of the company covering deficiency and material changes of the system of internal control including impropriety which may affect preparation of company and subsidiaries' financial reports.

In this regard, as evidence of the same set of the true and correct copies certified by the company, the company has assigned Mrs. Duangrat Jaengmongkol to affix her signature to all pages of this set of documents. Document lacking her signature shall be considered not to be company's information certified aforementioned.

Authorized Directors

Name	Position	Signature
1. Mr. Danucha Veerapong	Chairperson of the Executive Committee	Mr. Danucha Veerapong
2. Mr. Prapakorn Veerapong	Vice Chairperson of the Executive Committee	Mr. Prapakorn Veerapong

Assignee

Name	Position	Signature
Mrs. Duangrat Jaengmongkol	Executive Committee Member	Mrs. Duangrat Jaengmongkol

Certification of the Accuracy of Information

“We have reviewed information as presented in this One Report with due care as company directors. We have no reasonable doubt that the information presented is inaccurate, incomplete, misrepresented, misguided, or lacked material information which should have been presented.

In this regard, as evidence that this set of documents is the same set of documents which have been reviewed by us, we have assigned Mrs. Duangrat Jaengmongkok to affix her signature to all pages of this set of documents. Document (s) without her signature shall be considered not to be the information document (s) which has been certified by us aforementioned.”

Directors		
Name	Position	Signature
1. Mr. Wichai Maithong	Chairperson of the Board	Mr. Wichai Maithong
2. Mr. Masayuki Nozawa	Director	Mr. Masayuki Nozawa
3. Mr. Jaturong Phothirak	Director	Mr. Jaturong Phothirak
4. Mrs. Prapasri Permsup	Director and Chairperson of the Audit Committee	Mrs. Prapasri Permsup
5. Mr. Thailuck Leetavorn	Director and Member of the Audit Committee	Mr. Thailuck Leetavorn
6. Mr. Sorapas Sutreankul	Director and Member of the Audit Committee	Mr. Sorapas Sutreankul
Assignee		
Name	Position	
Mrs. Duangrat Jaengmongkol	Director, and Member of the Executive Committee	Mrs. Duangrat Jaengmongkol

Attachment 1

1. Details related to Directors, Management, individuals with controlling interests in the Company, and Company Secretary

1.1 Information regarding Directors, Management, individuals with controlling interests, and Company Secretary

1. Mr. Phiphat Phornsuan	
Position Title	Chairman of the Board ⁽¹⁾ (replacing Mr. Preecha Veerapong)
Age	75 years old
Date of Appointment	April, 25 2022
Resignation date ⁽²⁾	April, 29 2023
No. of years as director	1 Year
Proportion of Shares Held	-
Family relations between directors, executives or major shareholders / minor shareholders of the company	- None
Educational Background	- Master of Business Administration, Texas A & I University - Bachelor of Accountancy, Major in Statistics, Chulalongkorn University - National Defense College Class 4010
Training	- Professional training of the Institute of Directors (IOD) on the Directors Accreditation Program (DAP) Director Certification Program (DCP) Audit Committee Program (ACP)
1990	- Commercial Bank and Financial Institution Executive Seminar Class 1, Institute of Thai Commercial Bank and Financial Institution
1985	- Pacific Rim Bankers Program, University of Washington, USA
1978	- Advance Bank Management, Asian Institute of Management, the Philippines
Work Experiences	
2009 – 2021	Director and Advisor, YLG Billion and Future Co., Ltd.
2003 – 2018	Director, and Chairperson of the Audit Committee, Eastern Commercial Leasing PCL
1974 – 2002	Assistant Managing Director, Bank of Asia PCL Club Chairperson, Branch Management, Thai Bank Association Credit Club Secretary, Thai Bank Association Director, BSP Leasing Director, Asia Credit Finance Co., Ltd.

Position held in Other Listed Entities – None

Position held in Non-Listed Entities

2012 – Present Director, Edutainment Group Co., Ltd.

Present Director, The Christian Foundation for the Blind in Thailand (CFBT) under the Royal Patronage (Bangkok Metropolitan Branch)

Note: (1.) The Board of Directors' Meeting No. 1/2022 held on February 24, 2022.

It was resolved to approve the appointment of Mr. Phiphat Phornsuwan to assume the position of Chairman of the Company's Board of Directors. In place of Mr. Preecha Veerapong, effective from April 25, 2022.

(2.) The Board of Directors' Meeting No. 2/2023, held on April 27, 2023.

It was resolved to approve the resignation of the Chairman of the Company's Board of Directors. of Mr. Phiphat Phornsuwan Effective from 29 April 2023.

2. Mr. Wichai Maithong

Position Title	Chairman of the Board ⁽¹⁾ (replacing Mr. Phiphat Phornsuwan)
	Independent Director and Chairman of the Risk Management Committee
Age	63 Years old
Date of Appointment	April 23, 2018
Date of appointment as Chairman:	May 12, 2023
No. of years in position	5 Year 8 Months
Proportion of Shares Held	None
Family relations between directors, executives or major shareholders / minor shareholders of the company	-None
Educational Background	- Master of Business Administration (MBA), Dhurakij Pundit University - Bachelor of Business Administration (BA), Ramkhamhaeng University
Professional Training	- The Thai Institute of Directors Association (IOD) program: The Director Leadership Certification Program (DLCP) Class 7/2022 The Director Certification Program (DCP) (258/2018) The Advance Audit Committee Program (AACP) (30/2018) Executive Development Program (EDP) (12/2013)
Work Experiences	
2018 - 2023	Advisor to the Risk Management Committee, Doikham Food Products Co., Ltd.
2017 - 2022	Director, Prism Consulting Co., Ltd.

2012 - 2019	Director, and Advisor, Risk Management and Internal Control Group of the Association of Listed Companies
2016 – 2017	Manager, Sustainable Development, Thai Oil PCL
2008 – 2016	Manager, Organizational Risk Management, Thai Oil PCL
1993 - 2008	Administrative Manager, Thai Lube Base PCL
1986 – 1993	Purchasing official, Petroleum Authority of Thailand
Position held in Other Listed Entities	
2018 - Present	Independent Director, Chairman of the Risk Management and Member of the Audit Committee, Prosper Engineering PCL
Position held in Non-Listed Entities - None	

Note: (1) Meeting of the Board of Directors 3rd time/2023 The meeting held on May 11, 2023 resolved to approve the appointment of Mr. Wichai Maithong to assume the position of Chairman of the Company's Board of Directors. with effect from May 12, 2023

3. Mr. Danucha Veerapong

Position Title	Director, Chairman of the Executive Committee, Chief Executive Officer, and Authorized Director
Age	54 Years old
Date of Appointment	November 11, 2003
No. of years in position	20 Years 1 Month
Proportion of Shares Held	3.90 %
Family relations between directors, executives or major shareholders / minor shareholders of the company	-Son of Mr. Preecha Veerapong Elder brother of Mr. Prapakorn Veerapong and relative to Mrs. Duangrat Jaengmongkol
Educational Background:	- Master of Business Administration, Major in Marketing, University of Hartford, Connecticut, U.S.A., - Bachelor of Business Administration, Major in Economic/Finance, Bentley College, Massachusetts, U.S.A.,
Professional Training	- The Thai Institute of Directors Association (IOD) program: The Director Accreditation Program (DAP)
Work Experiences	
2007 – 2019	Director, Cool Solution Co., Ltd.
2002 – 2003	Director of Sales and Services, the Bank of Asia PCL
Position held in Other Listed Entities – None	

Position held in Non-Listed Entities

2018 – Present	Chairman of the Board, ECL Asset Co., Ltd.
2017 – Present	Chairman of the Audit Committee, Siam Syndicate Technology Co., Ltd
2016 – Present	Independent Director, Siam Syndicate Technology Co., Ltd
2002 – Present	Director, Hi-Tech Land (2002) Co., Ltd.

4. Mr. Prapakorn Veerapong

Position Title	Director, Vice Chairman of the Executive Committee, Managing Director and Authorized Director
Age	53 Years old
Date of Appointment	September 15, 2003
No. of years in position	20 Years 3 Months
Proportion of Shares Held	4.52 %
Spouse holding	0.25 %
Family relations between directors, executives or major shareholders / minor shareholders of the company	- Son of Mr. Preecha Veerapong Younger brother of Mr. Danucha Veerapong and relative to Mrs. Duangrat Jaengmongkol
Educational Background	- Master of Business Administration, Major in International Trade, Boston University - Bachelor of Business Administration, Major in Finance, University of Hartford, Connecticut, U.S.A.
Professional Training	- The Thai Institute of Directors Association (IOD) program: The Director Accreditation Program (DAP)
Work Experiences	
1994 – 1995	Business Development Officer, Pathra Leasing Co., Ltd.
Position held in Other Listed Entities – None	
Position held in Non-Listed Entities	
2019 – Present	Director, Mighty Broker Co., Ltd.
2003 – Present	Director, Thai Preda Industry Co., Ltd.
2003 – Present	Director, Eastern Estate Co., Ltd.
2003 – Present	Director, Prapakorn Business Co., Ltd.
2003 – Present	Director, Prasartporn Junior Co., Ltd.
2002 – Present	Director, Hi-Tech Land (2002) Co., Ltd.
1997 – Present	Chairman of the Board, Thai Preeda Trading Co., Ltd.

5. Mrs. Duangrat Jaengmongkol

Position Title	Director, Member of the Executive Committee, Member of the Nomination and Remuneration Committee, Authorized Director, and Company Secretary
Age	76 Years old
Date of Appointment	September 15, 2003
No. of years in position	20 Years 3 Months
Proportion of Shares Held	None
Spouse holding	0.27%
Family relations between directors, executives or major shareholders / minor shareholders of the company	- Relative to Mr. Preecha Veerapong Relative to Mr. Danucha Veerapong and Relative to Mr. Prapakorn Veerapong
Educational Background	- Bachelor of Accountancy, Thammasart University - Bachelor of Law, Thammasart University - Mini Master of Management, National Institute of Development and Administration (NIDA)
Professional Training	- The Thai Institute of Directors Association (IOD) program: The Director Accreditation Program (DAP) (8/2004) The Director Certification Program (DCP) (91/2007) Company Secretary Program (CSP) (28/2008) The Effective Minute taking (EMT) (12/2008) The Board Nomination & Compensation Program (BNCP) (7/2019)
Work Experiences	
1984-2003	Managing Director, Eastern Commercial Leasing Co., Ltd. (prior to merger)
Position held in Other Listed Entities	None
Position held in Non-Listed Entities	
2019 – Present	Director, Mighty Broker Co., Ltd.

6. Mr. Masayuki Nozawa

Position Title	Director, Member of the Executive Committee, and Managing Director
Age	59 Years old
Date of Appointment	May 15, 2020
No. of years in position	3 Years 7 Months
Proportion of Shares Held	0.05%

Family relations between directors,
executives or major shareholders /

minor shareholders of the company - None

Educational Background - Bachelor of Law, University of Kokukakuin, Japan

Professional Training - The Thai Institute of Directors Association (IOD) program:
The Director Certification Program (DCP) class 153/2011

Work Experience

2022 – Present	Managing Director, Eastern Commercial Leasing PCL
2018 – 2022	Deputy Managing Director, Eastern Commercial Leasing PCL
2016 – 2018	Director and senior executive, Acom Co., Ltd.
2009 – 2016	Director and executive, Acom Co., Ltd.
2006 - 2016	Managing Director, marketing planning, investor relation, customer service, Acom Co., Ltd.
2006	Assistant Manager, International Business, Acom Co., Ltd.
1996 – 2006	Managing Director, ISI Corporation Ltd.
1993 – 1996	Marketing Manager ISI Corporation Ltd.
1990 – 1993	Supervisor, credit card business planning, A-Plus Co., Ltd.
1986 – 1990	Employee, A-Plus Co., Ltd. Shisuoka Branch

Family relations

between directors, executives

or major shareholders / minor

shareholders of the company None

Position held in Non-Listed Entities

2019 – Present	Director, Premium Asset Management (Thailand) Co., Ltd
2019 – Present	Director, Premium Service (Thailand) Co., Ltd.

7. Mr. Sorapas Suttienkul

Position Title	Director, Independent Director, Member of the Audit Committee, and Chairperson of the Nomination and Remuneration Committee
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Age	54 Years old
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Date of Appointment	February 26, 2015
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No. of years in position	8 Years, 10 Months
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Proportion of Shares Held	None
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Family relations between directors,

executives or major shareholders /

minor shareholders of the company - None

Educational Background	<ul style="list-style-type: none"> - Master of Business Administration, University of Hartford, Connecticut, U.S.A. - Bachelor of Political Science, Chulalongkorn University - Certification – Financial Management, Faculty of Economics, Chulalongkorn University
Professional Training	<ul style="list-style-type: none"> - The Thai Institute of Directors Association (IOD) program: <ul style="list-style-type: none"> The Director Leadership Certification Program (DLCP) Class 7/2022 The Board Nomination & Compensation Program (BNCP) (6/2019) The Advance Audit Committee Program (AAP) (29/2018) The Director Certification Program (DCP) (184/2014) - The Thai Listed Companies Association program (TLCA): <ul style="list-style-type: none"> The Executive Development Program (EDP) (6/2010) - The Thai institutional investors, Thai Investor Association program: <ul style="list-style-type: none"> TIIP course, Class 9 - Institute of Business and Industrial Development (IBID), Business and Industrial Development, and Investment Executive course, Class 5
Work Experiences	
2019 – 2022	Chairman of Executive Director, Game Crafts Co.,Ltd.
2018 – 2020	Executive Director, Media Addict Co.,Ltd.
2016 - 2018	Vice Chairman, Executive Committee, Doikham Food Products Co., Ltd.
2016 - 2017	Director, Nomination and Remuneration Committee, Doikham Food Products Co., Ltd
2013 - 2017	Section Chief, Special Representative, Crown Property Bureau
2012 - 2017	Advisor Director, Phayathai Palace Conservation Foundation under the Royal Patronage of Her Royal Highness Princess Benjaratana Rajasuda
2013 - 2016	Company Secretary, Doikham Food Products Co., Ltd.
2008 – 2017	Eminent Director, The King Rama II Foundation under Royal patronage
Position held in Other Listed Entities	None
Position held in Non-Listed Entities	
2018 – Present	Advisor, Doikham Food Products Co., Ltd.
2018 - Present	Executive Director, Krungsiam Beverage Co.,Ltd.
2012 – Present	Chairman of the Board of Director, Singhathep Development Co.,Ltd.

8. Mrs. Prapasri Permsup

Position Title	Director, Independent Director, Chairman of the Audit Committee, Member of the Nomination and Remuneration Committee and Member of the Corporate Governance and Sustainability Committee
Age	74 Years old

Date of Appointment	April 23, 2018
No. of years in position	5 Year 8 Months
Proportion of Shares Held	-None
Family relations between directors, executives or major shareholders / minor shareholders of the company	-None
Educational Background	<ul style="list-style-type: none"> - Master of Business Administration (Public Accounting), St. John's University, New York, USA - Bachelor of Accountancy (Honored), Chulalongkorn University
Professional Training	<ul style="list-style-type: none"> - The Thai Institute of Directors Association (IOD) program: <ul style="list-style-type: none"> The Director Certification Program (DCP) (258/2018) The Advance Audit Committee Program (AACP) (29/2018) The Board Nomination & Compensation Program (BNCP) (6/2019) - Certificate, Advance Finance, Thammasat University - Certificate, Executive Development for The Experienced Manager University of Pennsylvania - Certificate, Siam Cement Management Development Programs University of Pennsylvania - Certificate, Personnel Management and Labor Relation, Faculty of Economics, Chulalongkorn University - Certificate, Marketing Management, Thailand Management Association - Certificate, Internal Auditor, Association of Internal Auditors
Work Experiences	
2017 – 2021	Audit and Assessment Director, Ministry of Public Health
2007 – 2015	Director of Audit Office, Red Cross Society Thailand
1980 – 2007	Assistant Director, Audit Department, Siam Cement PCL, Deputy Managing Director, Cement Thai Accounting, Director of Accounting and Finance, Siam Cement Group
1977 – 1979	Assistant Comptroller, ITT (Thailand) Co., Ltd.
1973 – 1976	Senior Auditor, Coopers & Lybrand
Position held in Other Listed Entities	-None
Position held in Non-Listed Entities	
2020 – Present	Director, Christian Foundation for the Blind in Thailand Under the Royal Patronage of H.M. the King

9. Mr. Thailuck Leetavorn

Position Title	Director, Independent Director, Audit Committee Member, Chairman of the Corporate Governance and Sustainability Committee
Age	75 Years old
Date of Appointment	August 15, 2017
No. of years in position	6 Years 4 Months
Proportion of Shares Held	-None
Family relations between directors, executives or major shareholders / minor shareholders of the company	-None
Educational Background	<ul style="list-style-type: none"> - Master of Art in Economics, Sul Ross State University, Texas, USA. - Bachelor of Accountancy, Faculty of Commerce and Accountancy (Statistics), Chulalongkorn University
Professional Training	<ul style="list-style-type: none"> - The Thai Institute of Directors Association (IOD) program: <ul style="list-style-type: none"> The Director Accreditation Program (DAP) (37/2005) The Director Certification Program (DCP) (64/2005) The Advance Audit Committee Program (AACP) (29/2018) - The Thai Listed Companies Association program: <ul style="list-style-type: none"> The Executive Development Program (EDP) (Class 1) CMA (Class 4), Capital Market Academy
Work Experiences	
2013 – 2016	Independent Director and Audit Committee Member, Porn Prom Metal PCL
2012 – 2013	Independent Director, Porn Prom Metal PCL
2006 – 2009	Director, Chief Executive Officer, Unimit Engineering PCL
1993 - 2005	Chairman of the Board, Unimit Engineering Co., Ltd.
Position held in Other Listed Entities	
2012 – Present	Independent Director and Chairman of the Audit Committee, Porn Prom Metal PCL
2009 – Present	Director, Unimit Engineering PCL
Position held in Non-Listed Entities	- None

10. Mr. Jaturong Phothirak

Position Title	Director
Age	46 Years old
Date of Appointment	April 30, 2023
No. of years in position	8 Years

Proportion of Shares Held 0.00%

Spouse holding 6.72%

Family relations between directors,
executives or major shareholders /
minor shareholders of the company - Son-in-law of Mr. Preecha Veerapong

Educational Background - Master of Business Administration, Assumption University
- Bachelor of Business Administration, Assumption University

Professional Training - The Thai Institute of Directors Association (IOD) program:
The Director Accreditation Program (DAP) (212/2023)

Work Experiences

2010 – 2012 Deputy Director of Strategy, Apple Wealth PCL

2008 – 2009 Assistant Private Fund Manager, BFIT Securities PCL

Position held in Other Listed Entities – None

Position held in Non-Listed Entities – None

2010 – Present Managing Director, Lucklaphutt Co., Ltd.

11. Mrs. Charatsang Yuampai

Position Title	Member of the Executive Committee, Deputy Managing Director and Chief Financial Officer (CFO)
Age	52 Years old
Date of Appointment	June 1, 2016
Proportion of Shares Held	None
Family relations between directors, executives or major shareholders / minor shareholders of the company	-None
Educational Background	- Bachelor of Business Administration, Major in Finance and Banking, Ramkamhaeng University
Professional Training	- CFO Course 2024 ESG and related taxes, course code A54. NYC Management Co., Ltd. - CFO Refresher Course 2023 (Online). Stock Exchange of Thailand - Course: Formula for success in planning, controlling, supervising and inspecting work for Accounting Managers. - Risk Prevention Tool Accounting, and Samples for Understanding, CPD 6509-06-058-032-01, 7 hours,

- CFO 2023, CPD6511-06-058-049-01, 6:30 hours

NYC Management Co., Ltd

Work Experiences

2016 – Present	Deputy Managing Director – Accounting and Finance Department, Eastern Commercial Leasing PCL
2014 – 2016	Director of Accounting and Finance, Eastern Commercial Leasing PCL
2012 – 2014	Assistant Managing Director – Finance and Accounting, Eastern Commercial Leasing PCL
2006 – 2012	Assistant Managing Director – Risk Analysis, Eastern Commercial Leasing PCL
2003 – 2006	Business Development Manager, Eastern Commercial Leasing PCL

Position held in Other Listed Entities - None

Position held in Non-Listed Entities – None

12. Mr. Tiratee Patipamwoham

Position Title: Member of the Executive Committee, Deputy Managing Director

Age 38 Years old

Date of Appointment November 1, 2016

Proportion of Shares Held None

Family relations between directors,
executives or major shareholders /

minor shareholders of the company -None

Educational Background - Bachelor of Law, Ramkamhaeng University

Work Experiences

2020 – Present	Deputy Managing Director – Marketing Department., ECL
2016 – 2020	Director of Marketing 2, ECL
2015 – 2016	Marketing Manager, ECL
2015 – 2016	Marketing Section Chief, ECL
2010 – 2015	Marketing staff, ECL

Position held in Other Listed Entities - None

Position held in Non-Listed Entities - None

13. Miss Kanchana Soponpongipat

Position Title: Member of the Executive Committee, Director of Accounting and Finance

Age 60 Years old

Date of Appointment November 1, 2016

Proportion of Shares Held None

Family relations between directors,
executives or major shareholders /

minor shareholders of the company -None

Educational Background - Bachelor of Accountancy, Ramkamhaeng University

Work Experiences

2016 – Present	Director of Accounting and Finance
2016	Assistant Director of Accounting and Finance
2015 – 2016	Assistant Company Secretary
2003 – 2014	Accounting Manager, Eastern Commercial Leasing PCL
1996 – 2002	Assistant Finance Manager, SMT Leasing Co., Ltd.
1990 - 1995	Assistant Controller, Eastern Commercial Leasing Co., Ltd.

Position held in Other Listed Entities – None

14. Mr. Mano Bunyasrisavasdi

Position Title: Member of Executive Committee/ Director of Insurance

Age 46 Years old

Date of Appointment January 17, 2018

Proportion of Shares Held None

Family relations between directors,
executives or major shareholders /

minor shareholders of the company -None

Educational Background - Bachelor degree, Faculty of Business Administration, University of Thai

Chamber of Commerce

Work Experiences

2019 – Present	Director of Insurance, ECL
2018 – 2019	Director of Organizational Development, ECL
2017 - 2018	Secretary to the Managing Director, ECL
2008 – 2010	Assistant Managing Director, Inter Spirits (LAOS) Co., Ltd.
2008 – 2010	Managing Director, 99 APlus Group
2001 – 2007	Assistant Managing Director, United Products Co.,Ltd.
2000 – 2007	Sale Manager, SPM Food and Beverage Co., Ltd.

Position held in Other Listed Entities - None

Position held in Non-Listed Entities

2019 – Present Director, Mighty Broker Co., Ltd.

15. Mr. Teera Chunchacha

Position Title: Member of Executive Committee/ Marketing Director – 3 (Eastern)

Age 43 Years old

Date of Appointment February 1, 2018

Proportion of Shares Held None

Family relations between directors,
executives or major shareholders /

minor shareholders of the company -None

Educational Background - Bachelor degree, Faculty of Business Administration, Ramkhamhaeng
University

Work Experiences

2018 – Present Marketing Director – 3 (Eastern), ECL

2015 - 2018 Marketing Manager, ECL

2005 - 2015 Section Chief, Marketing, ECL

Position held in Other Listed Entities - None

Position held in Non-Listed Entities

2019 – Present Director, Mighty Broker Co., Ltd.

16. Mr. Toonpitak Wongsan

Position Title: Marketing Director (Bangkok)

Age 50 Years old

Date of Appointment October 1, 2020

Proportion of Shares Held None

Family relations between directors,
executives or major shareholders /

minor shareholders of the company -None

Educational Background - Bachelor degree, Faculty of Public Administration,
Kamphaengphet Rajabhat University

Work Experiences

2020 – Present Marketing Director (Bangkok), ECL

2011 - 2020 Marketing Manager, ECL

2007 - 2010 Section Chief, Marketing, ECL

Position held in Other Listed Entities - None

Position held in Non-Listed Entities - None

17. Miss Yuwadee Thongthai

Position Title: Member of the Executive Committee, Credit Director 2

Age 42 Years old

Date of Appointment September 1, 2018

Proportion of Shares Held None

Family relations between directors,

executives or major shareholders /

minor shareholders of the company -None

Educational Background - Master's degree, MBA in Finance and Banking, Ramkhamhaeng University
- Bachelor's degree, Faculty of Finance and Banking Ramkhamhaeng University

Work Experiences

2018 – Present Director of Credit, ECL

2012 - 2017 Manager of Credit, ECL

2003 – 2012 Credit Analysis Officer, ECL

Position held in Other Listed Entities - None

Position held in Non-Listed Entities - None

18. Miss Sunee Kultrawut

Position Title: Credit consultant, Deputy Managing Director (Resigned on September 30, 2023)

Age 63 Years old

Date of Appointment October 1, 2018

Proportion of Shares Held None

Family relations between directors,
executives or major shareholders /

minor shareholders of the company -None

Educational Background - Master's degree, Faculty of Business Management, Thammasat University
- Bachelor's degree, Faculty of Economics, Thammasat University

Work Experiences

2018 – Present Director of Credit, ECL

1988 - 2018 Senior VP, Channels and Digitalization, UOB Bank PCL

Position held in Other Listed Entities - None

Position held in Non-Listed Entities

2019 – Present Director, ECL Asset Co., Ltd.

19. Mr. Nantachat Yingnok

Position Title: Director of Marketing (Bangkok)

Age 44 Years old

Date of Appointment August 1, 2021

Proportion of Shares Held None

Family relations between directors,
executives or major shareholders /

minor shareholders of the company -None

Educational Background - Bachelor's degree, Faculty of Computer Business Management

Work Experiences

2021 – Present	Director of Marketing (Bangkok), ECL
2012 – 2021	Marketing Manager, ECL
2010 – 2012	Credit Card Sales, Thai Standard Chartered Bank PCL
2006 – 2010	Call Center, Advance Info Service PCL
2010	Consignee Sale, Freight Link (Thailand)

Position held in Other Listed Entities - None

Position held in Non-Listed Entities - None

20. Miss Chamaipom Petchkhun

Position Title: Collection Director

Age 52 Years old

Date of Appointment July 1, 2022

Proportion of Shares Held None

Family relations between directors,
executives or major shareholders /

minor shareholders of the company -None

Educational Background - Bachelor 's degree, Faculty of Finance and Banking, Ramkamhaeng
University

Work Experiences

2022 – Present	Director of Collection, ECL
2020 – 2021	Deputy Director of Collection, ECL
1996 – 2019	Collection Manager, ECL

Position held in Other Listed Entities - None

Position held in Non-Listed Entities - None

21. Miss Klaytawan JaroenlaksaPosition Title: Director of Compliance & Legal
Chairman of The Subcommittee on Supervision of operations

Age 35 Years old

Date of Appointment January 25, 2023

Proportion of Shares Held None

Family relations between directors,
executives or major shareholders /

minor shareholders of the company - None

Educational Background - Master's Degree Faculty of Law Rangsit University
- Bachelor's Degree Faculty of Law Rangsit University

Certificate: - 2023 Diploma Program Risk Management in Organizations RISK

MANAGEMENT Class 23

- 2023 Training course on money laundering risks and risk assessment Financing terrorism and the proliferation of weapons of mass destruction.
- 2023 Academic training for hire purchase business on the Anti-Money Laundering Act, KYC/CDD and money laundering risk management
- 2023 Training course on BOT. regulations for credit business operators under supervision.
- 2023 Training course on litigation and enforcement of hire purchase businesses and financial institutions, online system
- 2023 Training course for safety officers at management level

Work Experiences

2022 – 2023	Director of Compliance & Legal Eastern Commercial leasing Public Company Limited
2018 – 2022	Execution Manager law and Litigation ISLAMIC BANK ASSET MANAGEMENT COMPANY LIMITED
2016 – 2018	Assistant Manager Debt adjustment formalities department, debt collection SUKHUMVIT ASSET MANAGEMENT COMPANY LIMITED
2015 – 2016	Assistant lawyer (Labor Litigation Department) ATTAWORADEJ AND ASSOCIATES COMPANY LIMITED
2014 – 2015	Legal department manager Legal section PAOLO MEMORIAL HOSPITAL SAPHAN KHWAI
2011 – 2013	Credit Loan Approval KASIKORN BANK PUBLIC LIMITED

Position held in Other Listed Entities - None

Position held in Non-Listed Entities - None

1.2 Duties and Responsibilities of the Company Secretary

The company appointed Mrs. Duangrat Jaengmongkol, Authorized Director, and member of the Executive Committee, as the Company Secretary.

- Educational background, qualification, and training record presented in Attachment 1, section 1.1

Information on directors, management, and company secretary (item 5)

- Duties and responsibilities of company secretary presented under the entity governance structure and important information regarding the Board of Directors, sub-committees, management, and other employees under item 7.6.1 company secretary

1.3 Chief Financial Officer (CFO) position

The company has appointed Mrs. Charatsang Yuampai, Deputy Managing Director – Accounting and Finance to perform the duties in charge of accounting and finance function, and responsible for all entity's financial reporting function in accordance with the Securities Exchange Commission requirement effective from 30 November 2018.

- Educational background and training record may be referred to attachment 1, section 1.1 Information regarding Director, management, and individual with control interest (item 11)

- Duties and responsibilities of the CFO may be referred to in entity governance structure and important information regarding the Board of Directors, sub-committees, management and other employee under item 7.6.1 entity controller

Attachment 2

2. Information on directors, management position held in related entities of the company

Directors and Management	Eastern Commercial Leasing PLC	Thai Preda Industry Co., Ltd.	Eastern Estate Co., Ltd.	Prapakorn Business Co., Ltd.	Prasartporn Junior Co., Ltd	Thai Preda Trading Co., Ltd.	Hitechland Chonburi 2002 Co., Ltd.	ECL Asset Co., Ltd.	Mighty Broker Co., Ltd.
1. Mr. Phiphat Phornsuan	X, /								
2. Mr. Wichai Maithong	X, /								
3. Mr. Danucha Veerapong	/, ///						/	X	
4. Mr. Prapakorn Veerapong	/, ///	/	/	/	/	X	/		X
5. Mrs. Duangrat Jaengmongkol	/, ///, /X								/
6. Mr. Masayuki Nozawa	/, ///								
7. Mr. Sorapas Suttienkul	/, //, /X								
8. Mrs. Prapasri Permsup	/, XX, /X								
9. Mr. Thailuck Leetavorn	/, //								
10. Mr. Jaturong Phothirak	/								

Note: X Chairperson / Director XX Audit Committee Chairperson // Audit Committee Member /// Management

/X Nomination and Remuneration Chairperson //X Nomination and Remuneration Committee

2. Information on directors, management position held in related entities of the company

Directors and Management	Eastern Commercial Leasing PLC	Thai Preda Industry Co., Ltd.	Eastern Estate Co., Ltd.	Prapakorn Business Co., Ltd.	Prasartporn Junior Co., Ltd	Thai Preda Trading Co., Ltd.	Hitechland Chonburi 2002 Co., Ltd.	ECL Asset Co., Ltd.	Mighty Broker Co., Ltd.
11. Mrs. Charatsang Yuampai	///								
12. Mr. Tirathee Patiphanwohan	///								
13. Miss Kanchana Soponpongpiat	///								
14. Mr. Mano Bunyasrisavasdi	///								/
15. Mr. Teera Chunchacha	///								
16. Mr. Toonpitak Wongsan	///								
17. Miss Yuvadee Thongthai	///								
18. Miss Sunee Kultrawut	///							/	
19. Mr. Nantachat Yingnok	///								
20. Mrs. Chamaiporn Petchkhun	///								
21. Miss Klaytawan Jaroenlaksa	///								

Note: X Chairman / Director XX Audit Committee Chairman // Audit Committee Member /// Management

/X Nomination and Remuneration Chairman //X Nomination and Remuneration Committee

Attachment 3

3. Details on Head of Internal Audit and Head of Operational Oversight /Compliance

1. Where internal audit function is under outsourcing arrangement

Name of Audit Firm: Improvis Co., Ltd.
 Address: 88/199 Mue Ban Dusit Grand Park, Soi 12
 Liab Klong Song Road, Bang Chan Sub-District,
 Sam Wah District, Bangkok
 Telephone: 0-2548-0153, 081-301-6799
 Facsimile
 E-mail: Chalat.Improvis@gmail.com

2. Individual assigned by Improvis Co., Lt. to perform the duty of head of internal audit

Name: Mr. Chalat Lokittajariya

Position title in Improvis Co., Ltd.: Director

Educational

- Master of Applied Management – Management Technology, National Institute of Development Administration, with honor
- Bachelor of Commerce and Accountancy, Major in Statistics
Chulalongkorn University

Professional certification

- Certified in Risk and Information Systems Control (CRISC):
ISACA Certificate number 1002894
- Certified in IRCA: ISMS (ISO 27001: 2013 Lead Auditor), Certificate number ENR-00311677

Certificate

- BOT Compliance Officer – Association of Thai Commercial Banks

Work history from the past to the present

- Year 2014 – present: Improvis Co., Ltd.
- Year 2012 – 2014: Thanaban Co., Ltd.
- Year 2005 – 2012: Thai Retail Credit Bank PLC
- Year 2003 – 2005: Thanachart PLC
- Year 1996 – 2003: SCB Asset Management Co., Ltd.
- Year 1993 – 1996: Laemthong Bank PLC (UOB PLC presently)
- Year 1985 – 1993 SCB PLC

3. Duties and responsibilities of the head of internal audit

To perform compliance audit on various departments' operations within the Company to be in accordance with rules, relevant regulations, compile, analyze information, and to provide advisory to various departments on such matters related to rules, regulations, and announcements, contact and coordinate with

company secretary, secretary of the Audit Committee, and the Chairperson of the sub-committee on operational oversight by:

- 3.1 Prepare annual audit plan to be presented to the Audit Committee
- 3.2 Perform audit activities for various departments per established audit plan regarding compliance with established procedures
- 3.3 Review operations of various departments, assess internal control, and risk management including provide process improvement/modification recommendation appropriately, and efficiently
- 3.4 Provide advisory regarding authority, and company's rules, regulation to various departments, and company's various sub-committees.
- 3.5 Contact, coordinate with company secretary for interview appointment with various departments, and submit reports to the Audit Committee

4. Individual assigned by the Company to be Head of Operational Oversight/ Compliance

The Company has formed a sub-committee of Operational Oversight/Compliance comprising the working committee (details per item 7.3 sub-committee information, caption the 9 sub-committees, item 6 subcommittee for operational oversight). The Company consequently assigns the Chairperson of the sub-committee for operational oversight/Compliance as representative of the function and coordination with Mr. Chalot Lokittajariya who has been assigned by Improvis Co., Ltd. to perform the duties of head of internal audit function with below details:

Head of Operational Oversight / Compliance

Name:	Mr. Buapan Arthawan
Positions in ECL:	Deputy Director of the Legal Department, Chairperson of the Sub-Committee for Operational Oversight / Compliance Department, Chairperson of the Sub-Committee of Compliance
Educational Background:	- Bachelor of Law, Ramkamhaeng University
Certificate:	
2022	Course on labor law, Labor Protection Act for Management, Manager, and Supervisor, Training and Seminar Office, Dhammaniti Co., Ltd.
2020	Training course on practice guideline in accordance with the prevention and suppression of money laundering act, and relevant announcement, prevention and suppression of financial support for terrorism act for entrepreneurs or car hire purchase and leasing businesses, Thai Hire Purchase Association.
2018	Training course – collection act.
2016	Training course – security officer at management level, Safety and Health at Work Promotion Association (Thailand)

Work Experiences

2002 – Present	Deputy Director of the Legal Department, ECL PLC
1997 - 2001	Attorney at Law – Nakarin Petroleum Co., Ltd.
1996	Attorney at Law – NP Petroleum Co., Ltd.

5. Duties and responsibilities of Head of Operational Oversight / Compliance

5.1 Study, compile laws, and various rules and regulations relevant to the company's business engagement as promulgated by authority and/or company's regulatory authorities, to be constantly up to date for example laws and/or regulations issued by the National Credit Bureau, Anti-Money Laundering Office, the Revenue Department, the Transport Department, Office of the Consumer Protection Board, debt collection act, and accounting act for example.

5.2 Prepare manual, rules and regulations of each section of the company to correspond to and compliance with laws and regulations

5.3 Enquire, compile information regarding problem relating to company's operations from various relevant operating units from individuals inside and outside of the company, for the purpose of improvement development, corrective action on interrupting work process, to achieve success and beneficial to the company, with the policy to enable the company to operate efficiently and in compliance with the laws.

5.4 Support education, knowledge and understanding of operational compliance at all levels namely the Board and executive, head and employees at all levels.

5.5 Arrange for responsibility and task assignment to entity's personnel throughout and complete for the tasked individuals to self-supervised and perform in accordance with manual, rules and regulations

5.6 Distribute written operating manual, with acknowledgement of receipt and strict compliance.

5.7 Perform the duties of audit, follow-up on progress, and assessment regarding supervisory efficiency in operational processes, and recurring error, discrepancy, and data loss.

5.8 Assess, analyze, and decide in intervention, suspension of activities, risk activities as necessary by reporting to the executive committee for further consideration

5.9 Consider employee training for relevant courses to be provided by external entity appropriately and timely.

5.10 Report progress of sub-committee on operational oversight and / or approval request to the executive committee

5.11 Provide advisory regarding existing rules or laws to be beneficial to the investment planning, new line of business expansion, and increasing new products for example.

Attachment 4

4. Assets Utilized in Business Engagement

4.1 Accounts Receivable

Asset utilized in business engagement of the company was hire purchase receivables which was the company's core business. As at 31 December 2023 hire purchase receivables net off unearned interest income (prior to doubtful debt provisioning) and loan receivable amounted to Baht 4,922.02 million with detailed hire purchase, and loan receivables as at the end of years 2021, 2022, and 2023 as follows:

	2023		2022		2021	
	Baht Million	Percents	Baht Million	Percents	Baht Million	Percents
HP Receivables						
- Passenger vehicles	2,684.58	54.54	2,154.70	50.64	1,869.15	41.33
- Motorcycles	1,214.13	24.67	1,218.96	28.65	1,746.34	38.61
- Pickup trucks	708.66	14.40	603.23	14.18	636.62	14.08
- Van and others **	314.65	6.39	277.78	6.53	270.55	5.98
รวม	4,922.02	100	4,254.67	100	4,522.66	100
Credit Installments						
- 12 months	2.24	0.05	2.03	0.05	2.18	0.05
- 18 months	0	0	0	0	0	0
- 24 months	41.76	0.85	45.63	1.07	40.92	0.90
- 30 months	0	0	0	0	0	0
- 33 months	0	0	0	0	0	0
- 36 months	225.08	4.57	197.40	4.64	210.66	4.66
- 37 months	0.06	0	0	0	0.05	0.001
- 43 months	0	0	0	0	0	0
- 48 months	1,287.40	26.16	1,160.01	27.26	1,243.62	27.50
- 49 months	4.93	0.10	0.15	0.004	0.34	0.01
- 51 months	0.15	0	0.20	0.005	0.00	0.00
- 60 months	2,384.18	48.44	2,118.17	49.78	2,286.89	50.57
- 61 months	0.54	0.01	0.97	0.02	1.48	0.03
- 72 months	963.27	19.57	725.78	17.06	736.14	16.28
- 73 months	0.00	0.00	0.04	0.001	0.07	0.002
- 96 months	12.40	0.25	3.98	0.09	0	0
-120 months	0.00	0.00	0.31	0.01	0.31	0.01
Total	4,922.02	100.00	4,254.67	100.00	4,522.66	100.00

Remarks: Part of the receivables were pledged against borrowings from financial institutions for value outstanding amounting to Baht 3,583.36 million as at 31 December 2023

Income Recognition Policy

The company recognizes income from hire purchase contract written from 1 January 2008 on an effective yield basis according to terms of each hire purchase contract. The company shall cease accruing income upon repayment overdue exceeding 4 installments. Other income is recognized on an accrual basis. Since the year 2022, the company recognizes interest income from hire purchase agreement on an accrual

basis throughout the term of the contract, using the effective rate method, with the calculation based on the gross book value of the receivables.

Doubtful Debt Provisioning Policy

For the year 2021 the company has modified computational procedure for doubtful debt provisioning to be consistent with TFRS9, and replaced the original terms with 'expected credit loss' proceeding with the followings:

The company recognized expected credit loss for hire purchase receivables, financial lease receivables, and loan receivables using a general approach considering changes in receivable credit risks in 3 levels as follows:

- Level 1: Receivables with no significant increase in credit risk (Performing) – The Group recognizes expected credit losses in an amount equal to the expected credit losses in the next 12 months. For receivables under loan agreements with remaining periods of less than 12 months, recognition is based on the probability of default over the remaining period.
- Level 2: Receivables with a significant increase in credit risk (Under – Performing) – The Group recognizes expected credit losses in an amount equal to the expected credit losses over the lifetime of the receivable.
- Level 3: Receivables that are credit – impaired (Non – Performing) – The Group expected credit losses in an amount equal to the expected credit losses over the lifetime of the receivable.
- The Group considers a significant increase in credit risk to have occurred when contractual payments are more than 30 days past due and considers a financial asset in credit – impaired when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to have a significant increase in credit risk and to be in default using other internal or external information.
- For the next accounting period, the credit quality of a receivable improves in a subsequent period and the assessment is that it is no longer a receivable whose credit risk has significantly increased since initial recognition, as assessed in a previous period, the Group will change the basis for recognising expected credit losses from the lifetime expected credit losses to the 12 months expected credit losses, or the remaining period if that is less than 12 months.
- The Group considers historically collected loss data, adjusted on the basis of current observable data. In addition, the Group applies forward-looking macroeconomic information that is supportable and reasonable and appropriately exercise judgement. At least once a year the Group also considers whether to adjust forward-looking information and weighting of the probability of each scenario used in determining the expected credit losses. Most of the information used by the Group is announced by

the Bank of Thailand or other government agencies and adjusted to reflect the Group's internal perspective. The Group calculates expected credit losses based on three probability-weighted scenarios. Which is a base scenario, best-case scenario and worst-cases scenario. For the base scenario, the Group applies an unbiased market perspective that incorporates forecasts of macroeconomic factors.

- For factoring, floor-plan loan and other receivables, The Group applies a simplified approach in calculating expected credit losses. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime expected credit losses at each reporting date. The Group has established a provision matrix of ageing that is based on its historical credit loss experience, adjusted for forward – looking factors specific to the debtors and the economic environment.
- A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Write-off Policy

The company has write-off policy in accordance with basis established by the Revenue Department as per Ministerial Announcement 374, considering receivables with long overdue period which has not been located and concurrently under litigation classified as follows;

- Debt of individual debtor with amount not to exceed Baht 200,000, the company may consider not to proceed with legal action.
- Debt of individual debtor with amount Baht 200,000 – Baht 2,000,000, and legal action has been filed with and accepted by the court of justice.
- Debt of individual debtor with amount exceeding Baht 2,000,000, with judgement issued by the court of justice.

4.2 Assets (repossessed vehicles) Pending Disposal

Repossessed Vehicles in Comparison with Total Receivables Exhibit

Year	Units of Vehicles Repossessed	Asset Value * (Baht million)	Total Receivables (# of contracts/ vehicles)	Percents
2023	481	133.59	19,914	2.42
2022	651	152.22	20,066	3.24
2021	1,495	361.47	22,771	6.57
2020	1,756	428.94	26,664	6.59
2019	1,097	296.82	28,617	3.83

Remarks: - * Asset value = A/R balance – Unearned interest + Repossession Costs

Detailed Repossessed Assets and Disposal Exhibit

	Year 2021			
	Assets Repossessed and disposed of (No of Vehicles)	Value of Assets (Baht million)	Value of Assets Disposed of (Baht million)	Profit (Loss) from Asset Disposal (Baht million)
- Passenger Vehicle	710	226.60	125.20	(101.40)
- Pickup Truck				
- Motorcycles	758	116.75	71.79	(44.96)
- Van and Others	27	18.12	6.64	(11.47)
Total	1,495	361.47	203.63	(157.84)

Remarks: - * Asset Value = A/R Balance – Unearned Interest + Delay Penalty + Cost of Reposition

	Year 2022			
	Assets Repossessed and disposed of (No of Vehicles)	Value of Assets (Baht million)	Value of Assets Disposed of (Baht million)	Profit (Loss) from Asset Disposal (Baht million)
- Passenger Vehicle	299	83.80	51.68	(32.12)
- Pickup Truck				
- Motorcycles	320	47.05	36.16	(10.89)
- Van and Others	32	21.37	6.07	(15.30)
Total	651	152.22	93.91	(58.31)

Remarks: - * Asset Value = A/R Balance – Unearned Interest + Delay Penalty + Cost of Reposition

	Year 2023			
	Assets Repossessed and disposed of (No of Vehicles)	Value of Assets (Baht million)	Value of Assets Disposed of (Baht million)	Profit (Loss) from Asset Disposal (Baht million)
- Passenger Vehicle	297	89.78	50.72	(39.06)
- Pickup Truck				
- Motorcycles	164	25.60	20.76	(4.85)
- Van and Others	20	18.21	5.11	(9.10)
Total	481	133.59	80.59	(53.01)

Remarks: - * Asset Value = A/R Balance – Unearned Interest + Delay Penalty + Cost of Reposition

4.3 Land, Building, and Equipment

Company's assets of land, building, and equipment as at 31 December 2023 consisting of:

Transactions	Ownership Type	Net Book Value (Baht)
1. Land where HO is located, at Soi Rama IX Hospital, Title Deed # 824, land area 55.80 square wah*	Owner	7,324,162.50
2. HO Building at 976/1 Soi Rama IX Hospital, Rimklong Sansaeb Road, Bangkapi Sub-district, Huay Kwang District, Bangkok with an area of 960 square meters *	Owner	1,751,504.64
3. Furniture and Fixture	Owner	782,807.29
4. Office Equipment	Owner	1,874,876.92
5. Vehicles	Owner	8,120,523.14
6. Leased Building (Branch)	Lessee	48,744.14
	Total	19,902,618.63

Remarks - * Land and building under registered mortgage as security against overdraft, and long-term loan from a commercial bank

- Authority valuation as at 31 December 2021 Baht 9,660,360

Furthermore, the company has entered into the asset lease agreement as follows:

(1) Land lease utilized as parking space for repossessed vehicles with total area of 130 square wah, located at Soi Ramkamhaeng 21, Ramkamhaeng Road, Bangkok, with contract details below:

Agreement date : 27 August 2022

Contract party : Mr. Prapakorn Veerapong (lessor)
: Eastern Commercial Leasing PLC (Lessee)

Relationship between parties : Mr. Prapakorn Veerapong, the Lessor as an individual, and at the same time Mr. Prapakorn Veerapong, the MD, and authorized director who may sign binding Eastern Commercial Leasing PLC, as the Lessee

Contract terms : 2 Years from 1 September 2022 to 31 August 2024

Rental rate : Total rental Baht 1,164,126.24, payable at a monthly rate of Baht 48,505.26

(2) Building space lease within floor 1, used as Cholburi Branch Office, located at 728/10 Sukhumvit Road, Bangprasoi Sub-district, Muang District, Cholburi Province, with an area of 244.05 square meters with contract details below:

Agreement date : 20 May 2023

Contract parties : Hi-Tech Land Cholburi (2002) Co., Ltd. (Lessor)
: Eastern Commercial Leasing PLC (Lessee)

Relationship between parties : Mr. Prapakorn Veerapong, and Mr. Danucha Veerapong held jointly 27% and are authorized signers binding the Lessor, and Mr. Prapakorn

Veerapong, and Mr. Danucha Veerapong jointly held
 Contract terms 7.86 equity and are authorized signers of the Lessee
 Rental rate : 1 Year from 1 June 2023 to 31 May 2024
 : Total rental Baht 564,252.60, Monthly rental Baht
 47,021.05

(3) A 3-floor commercial building lease, and used as Chantaburi Branch office, located at 307 Tachalab Road, Talad Sub-district, Muang District, Chantaburi Province, with contract details below:

Agreement date : 31 August 2022
 Contract parties : Miss Pornpan Suksampan (Lessor)
 : Eastern Commercial Leasing PLC (Lessee)
 Relationship between parties : Contract party is not a related entity
 Contract terms : 2 Years from 1 October 2022 to 30 September 2024
 Rental rate : Monthly rental of Baht 19,000 payable on 5th of each
 month

(4) Commercial building lease to be used as additional office, located at 976/2 Soi Rama IX Hospital, Rimklongsamsen Road, Bangkapi Sub-district, Huay Kwang District, Bangkok, title deed 825, a land area of 54.8 square wah, an 8-floor building with contract details below:

Agreement date : 20 January 2021
 Contract parties : Mr. Rachaen Kritsaram (Lessor)
 : Eastern Commercial Leasing PLC (Lessee)
 Relationship between parties : Contract party is not a related entity
 Contract terms : 3 Years from 20 January 2021 to 19 January 2024
 Rental rate : Monthly rental Baht 55,000 payable on 25th of each
 month commencing on 25 January 2021

(5) Equipment and asset lease for business engagement within Building 976/2 Soi Rama IX Hospital, Rimklongsamsen Road, Bangkapi Sub-district, Huaykwang District, Bangkok, with contract details below:

Agreement date : 20 January 2021
 Contract parties : Miss Orawan Kaewjinda (Lessor)
 : Eastern Commercial Leasing PLC (Lessee)
 Relationship between parties : Contract party is not a related entity
 Contract terms : 3 Years from 20 January 2021 to 19 January 2024
 Rental rate : Monthly rental of Baht 75,000, payable withn 25th of
 each month, commencing on 25 January 2021

(6) Parking space lease within building parking, located at 976/2, underground parking area behind building, 976/2 Soi Rama IX Hospital, Rimklongsamsen Road, Bangkapi Sub-district, Huaykwang District, Bangkok,

a common area on title deed 802, with parking right assigned by project owner for two vehicle parking with land area of approximately 36 square meters with below contract details:

Agreement date : 20 January 2021
 Contract parties : Miss Tanita Kritsaralam (Lessor)
 : Eastern Commercial Leasing PLC (Lessee)
 Relationship between parties : Contract party is not a related entity
 Contract terms : 3 Year from 20 January 2021 to 19 January 2024
 Rental rate : Monthly rental Baht 20,000, payable on 25th of each month commencing from 25 January 2021

- (7) Building lease of a 3-floor commercial building, for the Kanchanapisek branch office, located at 624/4 Kanchanapisek Road, Bangpai Sub-district, Bangkae District, Bangkok, with contract details below:

Agreement date : 6 October 2022
 Contract parties : Miss Napapat Suknantasak (Lessor)
 : Eastern Commercial Leasing PLC (Lessee)
 Relationship between parties : Contract party is not a related entity
 Contract terms : 3 Years from 10 October 2022 to 10 October 2025
 Rental rate : Monthly rental Baht 46,656, payable 1st of each month commencing on 1 October 2022

- (8) Land and building lease to be utilized as Pataya branch office, a commercial building located at 131/36 Mue 9, Nongprer Sub-district, and Banglamung District, Choburi Province, with contract details below:

Contract date : 6 October 2023
 Contract parties : Miss Nipa Suksawang (Lessor)
 : Eastern Commercial Leasing PLC (Lessee)
 Relationship between parties : Contract party is not a related entity.
 Contract terms : 3 years from 1 November 2023 to 31 October 2026
 Rental rate : Year 1, monthly rental Baht 30,000
 Year 2, and Year 3, monthly rental Baht 31,000
 Payable on 5th of each month

- (9) Space lease for AIA branch office, located at floor 12A, room 12A05 Ratchadapisek Road, Dindaeng Sub-district, Dindaeng District, Bangkok, an area of 399.72 square meters with contract details below:

Agreement date : 1 May 2022

Contract parties : AIA PLC (Lessor)
: Eastern Commercial Leasing PLC (Lessee)
Relationship between parties : contract party is not a related entity
Contract terms : 3 years from 1 May 2022 – 30 April 2025
Rental rate : Monthly rental of Baht 359,748 payable on the 1st of
the month commencing from 1 May 2022

(10) Space lease for warehouse building, 1st floor for business engagement, located at 38/3 Soi Navasri 5, Ramkamhaeng 21, Plabpla Sub-district, Wangtonglang District, Bangkok, with floor space of 233 square meters with contract details below:

Agreement date : 25 February 2022
Contract parties : Mr. Prapakorn Veerapong (Lessor)
: Eastern Commercial Leasing PLC (Lessee)
Relationship between parties : Mr. Prapakorn Veerapong, the Lessor as an individual
and at the same time Mr. Prapakorn Veerapong is the MD and authorized director who may sign binding the company, Eastern Commercial Leasing PLC as Lessee
Contract terms : 2 Years from 1 March 2022 to 29 February 2024
Rental rate : Total rental Baht 1,263,157.92 at the monthly rental of
Baht 52,631.58 payable on 5th of each month

(11) Space lease on 3rd floor of the building for business engagement, located at 728/10 Sukhumvit Road, Bangprasoi Sub-district, Muang District, Choburi Province, with an area of 311.75 square meters, and contract details below:

Agreement date : 28 February 2020
Contract parties : HiTech Land Choburi (2002) Co., Ltd. (Lessor)
: Eastern Commercial Leasing PLC (Lessee)
Relationship between parties : Mr. Precha Veerapong, Mr. Prapakorn Veerapong, and
Mr. Danucha Veerapong jointly held 27 % equity, and are jointly authorized directors of the Lessor; Mr. Prcha Veerapong, Mr. Prapakorn Veerapong, and Mr. Danucha Veerapong held in aggregate 7.86 % and jointly authorized directors of the Lessee who may sign binding the company
Contract terms : 3 Years from 1 March 2023 – 28 February 2026
Rental rate : Year 1 Baht 51,840.70 per month
Year 2 Baht 54,432.74 per month
Year 3 Baht 57,154.38 per month payable on the 5th of each month

Attachment 5

5. Entity Governance Policy and Business Ethics

Eastern Commercial Leasing PLC recognizes the importance of good corporate governance which means entity structure arrangement, internal entity administration, and good control, creating an efficient operational system for the company, engaging in business with moral value, transparent and verifiable with emphasis on good value add, and fairness to shareholders considering all relevant stakeholders, responsible for society and the environment which are fundamental to a sustainable growth.

To enable the entity achieves a system of good corporate governance, adherence to relevant regulation and the good governance principle of the Securities Exchange of Thailand, The Securities and Exchange Commission, The Board of Directors authorizes the preparation of the "Manual for Corporate Governance Policy and Business Ethics" consisting of vision, commitment, and various policies relevant to corporate governance, to communicate and advise directors, management and employees for acknowledgement, understanding, and recognition of the importance of standard individual conduct in accordance with duties and responsibilities that employees at all level have been assigned with integrity, moral value, and ethics including respect for rules and regulation of the company. The Board of Directors has established review requirement annually in which this version for distribution has been reviewed and modified for the Year 2024.

Manual for Corporate Governance and Business Ethics is to be enforced for directors, management, and employees with the word 'employee' means permanent, temporary, and special hiring contract employees.

Stakeholders, whom directors, management, and employees are held responsible for, consist of the company, shareholders, employees, customers, trade partners, trade competitors, trade creditors, financial institution creditors, regulatory authorities, the society, community, and the environment.

In the year 2023, the company has not experienced any incidents of non - compliance with its policies.

Corporate Governance Policy and Business Ethics may be referred to at the link below:
chromeextension://efaidnbmninnbpcjpcglclefindmkaj/https://www.ecl.co.th/img/file_upload/file20220624071955.pdf

Attachment 6

Audit Committee Report

The Audit Committee of Eastern Commercial Leasing PLC (ECL) consists of 3 independent directors with complete qualification in accordance with requirements of the Securities and Securities Exchange Commission (SEC), and the Securities Exchange of Thailand (SET) with knowledge, competence, and experiences in accounting and finance capable of performing duties, and expressing opinion freely without involvement in management as appointed by the Board of Directors namely:

- | | | |
|----|------------------------|---|
| 1. | Mrs. Prapasri Permsup | the Chairperson of the Audit Committee / Independent Director |
| 2. | Mr. Sorapas Suttienkul | an Audit Committee Member / Independent Director |
| 3. | Mr. Thailuck Leetavorn | an Audit Committee Member / Independent Director |

During the year 2023, the Audit Committee performed its duties as assigned by the Board of Directors as indicated in the Audit Committee Charter and corresponding with requirements of the Securities Exchange of Thailand, the Audit Committee convened 4 times, and for the year 2024 up to the report date convened 1 time totaling 5 times of which there was 1 meeting without management participation with important missions summarized below:

1. Reviewed company financial reports to ensure accuracy and adequate

Reviewed interim and fiscal annual financial statements for the year 2023 jointly with the auditor and management of the company by enquiries, listening to explanation, as well as providing advices and/or opinion in various issues related to financial report of the company prior to submission to the Board of Directors for disclosure approval consideration to the Securities Exchange of Thailand, and the Securities Exchange Commission.

Opinion: The Audit Committee was of the opinion that the financial reports for fiscal year 2023 were true and fair in all material respects in accordance with financial reporting standards and reliable.

2. Reviewed system of internal control and internal audit to ensure an appropriate system including reviewed the independence of internal audit firm, and appointment of the internal auditor

Provided approval for the audit plan, considered audit results and follow-up with management for process improvement recommendation regarding its operations in accordance with issues found by internal auditor.

Provided conclusive opinion on system of internal control of the company for the year 2023 in accordance with the adequacy of system of internal control assessment form provided by the Securities and Exchange Commission in conjunction with the self-assessment results as performed by the Audit Committee members in accordance with the good governance principles.

Considered selection of the outsourcing internal audit firm for the year 2024 including the assessment of results of internal audit activities performed by internal auditor during the year 2023.

Opinion: The Audit Committee was of the opinion that system of internal control and internal audit of the company has been sufficient and appropriate considering the company's business engagement, and audit results have been consistent with external auditor's opinion. The Company has engaged in improvement actions as per mutual consent regularly.

As for the approval consideration for internal auditor for the year 2024, the Audit Committee has appointed Mr. Chalot Lokitjariya of the firm - Improvis Co., Ltd. as internal auditor for the year 2024, with audit fee of Baht 540,000, an increase of Baht 20,000 from that of prior year, and additional specific NCB audit of Baht 60,000 p.a., and specific CAC system of internal control against corruption (if any) audit amounting to Baht 80,000. The internal audit firm and the auditor have been independent in its operation and results have been satisfactory during the year 2023.

3. Reviewed to ensure the company has been in compliance with the law related to securities and securities exchange of Thailand, the law related to the company' business including rules, regulations, announcement /order issued by authorities under those laws.

Reviewed performance and supervision of the operations of the company correctly in compliance with system and work rules established including the business engagement and supervision of the affiliated/subsidiary entities.

Acknowledged report regarding compliance with the law related to securities and securities exchange, law and regulation of the Bank of Thailand, relevant business law, and follow-up on development of such matters Acknowledged from auditor that no issues or observation needed to be reported to the Audit Committee in accordance with Article 89/25 of the Securities and Securities Exchange Act.

Opinion: The Audit Committee was of the opinion that the Company has monitored appropriately law compliance, and acknowledged law compliance report on a quarterly basis. For the year 2023, the Company has prepared draft policies, procedures, various form document design, and written advertisement related to the regulated personal credit business corresponding with law, rules, and order of the Bank of Thailand, as well as procedure review for client risk rating relevant to and consistent with the Anti-Money Laundering Office regulations and audit.

4. Reviewed company' s system of risk management

Reviewed the efficiency and appropriateness of the risk management process as arising from internal and external factors including risk management policies, planning, and risk management guideline affecting company's operations.

Reviewed policies and implementation regarding legal risks relevant to operations of the Company.

Opinion: The Audit Committee was of the opinion that the company has arranged for the system of risk management comprising strategy risks, operational risks, financial risks, compliance risks, corruption risks, and implementation of measures to close or mitigate risks regularly both short and long terms corresponding with the risk management policies and having managed risks at the acceptable level including reviewing risks in line with

current situation regularly. As the 3rd round CAC membership renewal has been delayed for incomplete submission of documents, the company is in process of preparation for announcement of its intent to participate as a Thai Private Sector Collective Action Coalition Against Corruption - CAC member.

5. Considered selection, proposed for appointment, and approval of audit fees for the company's external auditor

Considered selection and proposed to the Board for appointment consideration, and approval request at the Annual General Shareholders' Meeting for the year 2024 – Mrs. Suvimol Krittayakiern, CPA# 2982 and/or Mr. Viroj Sajathamnukul, CPA Registration # 5128, and/or Mr. Jumpot Prairatanakorn, Registration # 7645, and/or Mr. Nopaluek Pitsanuvong, CPA# 7764 all from DIA International Audit Co., Ltd., and Mrs. Suvimol Krittayakiern shall be the company's external auditor for the first year in 2024, with recommended audit fees for the year 2024 amounting to Baht 2,285,000 an increase of Baht 310,000 over prior year as a result of increasing the regulated personal credit system audit

Opinion: The Audit Committee was of the opinion that the proposed audit firm has performed satisfactorily applying auditing standards in accordance with Generally Accepted Auditing Standards, has performed with professionalism to the utmost capabilities, and being independent in its audit works. It is therefore appropriate to submit to the Board of Directors for appointment consideration to be further submitted to the shareholders' meeting.

6. Reviewed related party transactions or transactions which may have conflicting interests to ensure compliance with law related to securities and securities exchange and law related to business the company is engaged in including rules / regulation / announcement / order issued by authorities of those laws.

Reviewed related party transactions and requirement basis established for future related party transactions that they comply with transactions in the normal course of business. Reviewed compliance with practice guidance established by the Board of Directors as pertinent to basis and procedures for reporting vested interests of directors and executives of the company in accordance with announcement by the SEC for listed entities to perform.

Opinion: The Audit Committee was of the opinion that the company has performed in compliance with requirement and relevant laws with accurate, complete and sufficient information disclosure.

7. Others

Follow-up on progress in adhering to resolution passed by the Audit Committee

Self-assessment performed by the Audit Committee for the year 2023 to be submitted to the Board of Directors

Reviewed information disclosure to the Securities Exchange of Thailand and the Securities Exchange Commission in the Annual Report 2023 or One Report.

Reported summary performance of the Audit Committee for the year 2023 to the Board of Directors quarterly.

In summary, the Audit Committee has performed its duties fully as indicated in the Audit Committee Charter applying its knowledge, competence and being independent. The Audit Committee was of the opinion that the company has performed in accordance with good governance principles, managed risks which may materially impact on the entity, appropriate and adequate internal control arrangement, with an efficient and independent internal audit system, accurate financial report and reliable in accordance with auditing and financial reporting standards, adequate disclosure of related party transactions or transactions which may have conflicting interests, and compliance with law, rules, and regulation relevant to the company's businesses. The Audit Committee has found no deficiencies or material anomaly.



Mrs. Prapasri Permsup

The Chairperson of the Audit Committee

Attachment 7

Corporate Governance and Sustainability Committee Report

The Corporate Governance and Sustainability Committee has been appointed by the Board of Directors consisting of 3 directors namely:

- | | | |
|----|------------------------|---|
| 1. | Mr. Thailuck Leetavorn | Independent Director/ Chairperson of
the Corporate Governance and Sustainability Committee |
| 2. | Mrs. Prapasri Permsup | Independent Director |
| 3. | Mr. Jaturong Phothirak | Director (non-Executive) |

For the year 2023, the Committee has convened once with performance summary below:

Results of the Committee Performance:

1. Established plan and objective of the sustainable development of all departments including that of subsidiaries for company business strategic plan congruence, and greenhouse gas reduction plan preparation which shall be implemented within the year 2024 as follows:

Phase 1: Arrange for a reliable company or entity to perform measurement of company greenhouse gas release (carbon footprint) from various activities within the company to enable targeting of greenhouse gas reduction quantity.

Phase 2: Establish annual greenhouse gas reduction target, establish clear policy and practice guideline for the organization, directors, and employees for strict practice until it becomes corporate culture of the organization.

Phase 3: Establish various activities that shall reduce greenhouse gas clearly, and in accordance with company established annual target.

Phase 4: Monitoring and assessment of various activities that they are in accordance with company established target.

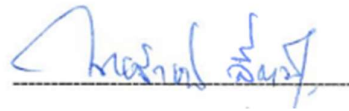
Phase 5: Training to provide knowledge related to carbon footprint in order to enhance employee understanding and practical application.

2. Supervise all departments to report assessment of impact which may have arisen on company's business engagement related to environment, society, and good corporate governance e.g. risks of climate change, increasing PM rate. The company may have been affected based on employee sick leave statistics or modification of business toward society with low carbon consumption. The company may have incurred expenses related to credit product development in response to consumer needs emphasizing environmentally friendly credit product, as well as operating costs which may have risen as a result of new law issuance and enforcement regulation related to greenhouse gas.

3. Monitor progress of operating plan and report to the Board of Directors on a quarterly basis including proposing to the Board for budgetary support, and resources appropriately and adequately to enable the plan achieving established objective.

4. Review policy related to sustainability development by proposed improvement in value chain administration, enhancing procurement guidelines for environmentally friendly goods and services, promoting employee exercise activities for good health including providing knowledge for product selection, consumption for environmentally friendly products which shall not adversely affect company's interest, and competitiveness in anywhere.

With cooperation of directors, management, and all employees in business engagement and entity administration under the good governance principles, for the best interests of the company shareholders and due care for the society, the environment which are important guideline toward sustainability.



Mr. Thailuck Leetavorn

Chairperson of the Corporate Governance and Sustainability

ATTACHMENT 8

RISK MANAGEMENT COMMITTEE REPORT

Eastern Commercial Leasing PLC Risk Management Committee recognizes the importance of risk management as the current situation risks occur all the time. Risk management represents the fundamental basis for business management. The Risk Management Committee manages risks corresponding with company's strategy and business plan within the good governance principles to strengthen confidence, creditability for shareholders, and stakeholders. The Risk Management Committee consists of company directors, executive committee members, and management totaling 6 individuals appointed by the Board of Directors namely:

- | | |
|-------------------------------|--|
| 1. Mr. Wichai Maithong | Chairperson of the Risk Management Committee
/ Independent Director |
| 2. Mr. Prapakorn Veerapong | Member of the Committee |
| 3. Mrs. Charatsang Yuampai | Member of the Committee |
| 4. Mr. Tirathee Patiphanwohan | Member of the Committee |
| 5. Miss Sunee Kultrawut | Member of the Committee |
| 6. Mrs. Chamaiporn Petchkhun | Member of the Committee |
| Miss Klaytawan Jaroenlaksa | Committee Secretary |

During the year 2023, the Risk Management Committee performed its duties as assigned and convened for 1 meeting with all members attended along with management as well as risk owner to consider the risk assessment process, a systematic risk management plan, and implementation of such plan to manage risks to the acceptable level, with important missions summarized below:

1. Risk Management Committee Charter

The Risk Management Committee has prepared the Risk Management Committee Charter for the Year 2023 to correspond with company strategy and current responsibilities along with environmental factors both internal and external having impact toward the entity, society, and the environment including approval of the annual risk management plan.

2. Risk Management and Oversight

The Risk Management Committee has arranged for the risk management meeting systematically for the entire organization, having analysis regarding important risk factors which may occur with risk assessment for work process within the established risk management framework, and considering risk management plan which shall manage risk at the acceptable level in the same direction including monitoring such plan on a quarterly basis, and providing additional improvement recommendation to enhance risk management efficiency further.

3. Risk Management Result Report

The Risk Management Committee reported results of risk management to the Board of Directors on a

quarterly basis in which the Risk Management Committee has supervised risk management on a systematic and organizational-wide basis within the company's risk management framework including reporting results in accordance with risk management plan continuingly to achieve effective risk management.

4. Self-Assessment

The Risk Management Committee has assessed performance of the Risk Management Committee itself to review completeness of the scope of duties and responsibilities for the past year, utilizing results of such assessment for improvement in committee performance effectiveness.

5. Risk Management Policy Review

The Risk Management Committee has reviewed risk management policies to cover risk factors – internal and external having impact on the entity, society, the environment, or the stakeholders and corresponding with company risk management strategies.

In conclusion, the Risk Management Committee was of the opinion that risk management for the year 2023 has been systematically performed, corresponding with good corporate governance practices to ensure that risk management enabling the company achieving its business objectives for the best interests of the company and shareholders, with due consideration for risks in various aspects covering the entire organization, with risk management results monitoring continuingly resulting in an efficient risk management, appropriate, and corresponding with the changing environment.



Mr. Wichai Maithong

Chairperson of the Risk Management Committee



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