



Annual Report 2023 (Translation)

(Form 56-1 One Report)

Chayo Group Public Company Limited

Asset Management

for Thai economy Let's move forward **sustainably.**





Company business

Service business

CHAYO GROUP provides tracking and collection services for non-performing debt. By operating in accordance with the Debt Collection Act 2015 and other laws, strictly and maintaining the image of the employer is very important.

Property & service

CPS provides call center services through the telephone system, informs information, and sells products. According to customer requirements, provide debt collection services to private companies (including debt collection for affiliated companies).

Loan business

CCAP has issued loans divided into 2 types, consisting of unsecured personal loans, which is regulated by the Bank of Thailand and secured loans operating under other laws related.

Asset management

CHAYO AMC and CHAYO JV operate debt purchasing business, from financial institutions to manage for maximum benefit to the company and debtors by following up Debt devaluation Debt settlement negotiations for case work Including investigating assets and auction By acting under Asset Management Company Act that has received permission from the BOT.





Labor Services

555 Service operates a business providing labor services by sending employees to industrial plants in industrial estates in Chonburi, Rayong, Pathum Thani, the company can answer the needs of companies that need workers at all skill levels. From production skills to high-level professional workers.

Vision

Professionally manage secured and unsecured debts
for customers and related parties

Mission

- 1  Professionally manage according to the law and the Debt Collection Act.
- 2  Strengthen and maintain the image of customers' and related persons
- 3  Lead with marketing, operate systematically across the processes completely
- 4  Manage with a moral system, emphasize debtor's solutions

Organizational culture

Chayo
Trust

T

Team

The professional debt management team with knowledge, ability and understanding of the work.

R

Responsibility

Be responsible for your duties dedication to the company, customers and society

U

Unity

Work as one with diligence, frugality, honesty, patience, and kindness.

S

Security

Have a plan to prevent risks so that the business can continue to operate (BCP Plan).

T

Technology

Use the process system and modern technology applied to increase work efficiency.



The company's income

Income YE2021 YE 2022 and 2023



Unit / MB

1,600.00

1,400.00

1,200.00

1,000.00

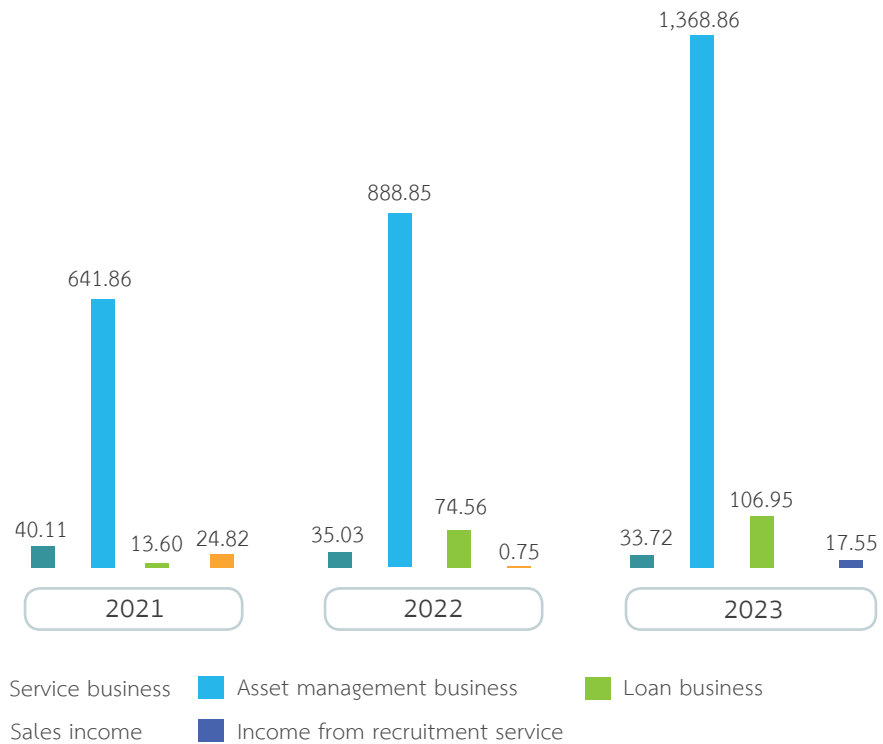
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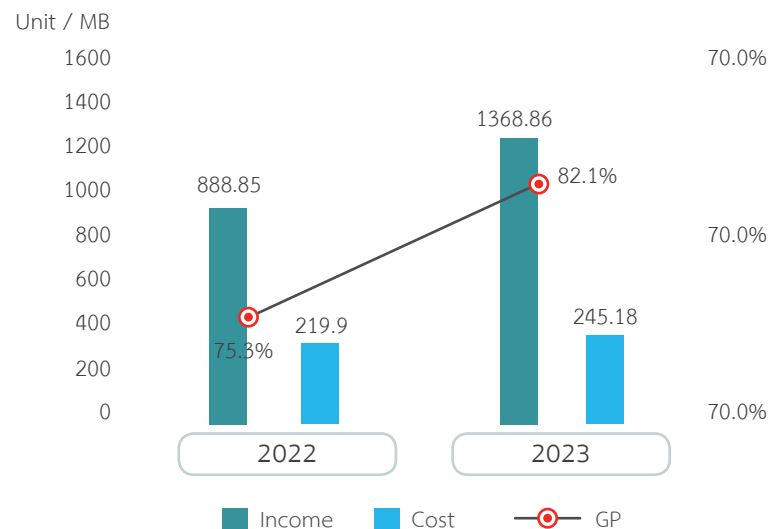
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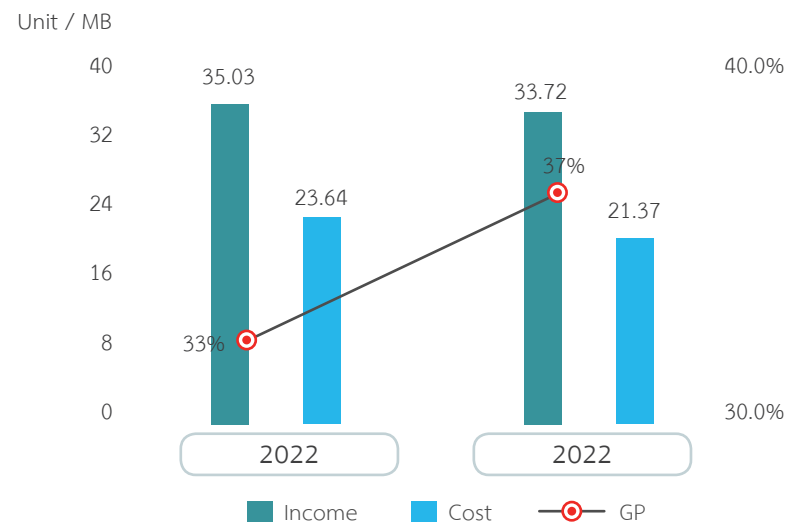
Asset Management Business

(Gross Profit Margin)



Service Business

(Gross Margin)



Loan business (Overview)

as at 31 December 2023

Type	Number of account	Loan originated (Baht)	Outstanding loan (Baht)	Interest rate
Secured	32	1,000,020,000	1,000,020,000	12% -15%
Unsecured	1,400	35,025,692	25,283,829	15% -33%
Total	1,432	1,035,045,692	1,025,303,829	n/a



Environment

The company is aware of energy conservation, the environment and focuses on reducing the amount of waste. The company has improved electrical equipment to increase efficiency in use and reduce environmental impact. Promote the reduction of the use of electrical energy and water resources. The company has posted a sign asking for cooperation to make all employees aware of the energy saving policy. Promote waste separation This is because every step of waste management has greenhouse gas emissions. Therefore, separating waste will help separate materials that are still useful. Until there is actually garbage left, resulting in less garbage disposal. Reduce greenhouse gas emissions even more.



Social

The company's goal is to purchase more non-performing loans to reduce bad debts and help customers gain financial freedom, including allowing assets to circulate again in the economy. In addition, BOT has implemented BOT measures and other measures to assist debtors and maintain long-term economic and social stability of the country.

Provide equal and non-discriminatory employment opportunities for people with disabilities, other vulnerable groups, and retirees through fair payment of compensation. It also helps with internal and external donations, promotes the career development of prison inmates, and provides loans to small and medium-sized enterprise clients to promote the career development of clients who want to own their own businesses.



Governance

The company has established a sound corporate governance policy, including a code of conduct, policies, regulations, announcements, and relevant company directives. Ensure that all directors, executives, and employees adhere to corporate governance principles.



1

Mr. Wutisak Lapcharoensap
Chairman of the Board/ Independent Director

2

Air Chief Marshal Arnon Jarayapant
Director/ Independent Director/ Chairman of the Audit Committee
/ Chairman of Nomination and Remuneration Committee

3

Mr. Teeranat Thangsatapornpong
Director/ Independent Director/ Audit Committee/ Chairman
of Risk Management Committee/ Nomination and Remuneration
Committee/ Chairman of the Corporate Governance Committee

4

Mrs. Rosporn Sooksomporn
Director/ Independent Director/ Audit Committee

5

Mr. Vitthaya Inala
Director

6



7



8



9



6

Mr. Seksan Rangsiyeranon

Director/ Executive Committee/ Risk Management Committee

7

Mr. Suksan Yasasin

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

8

Mr. Kittu Tungsiwong

Director/ Risk Management Committee/ Nomination and
Remuneration Committee/ Executive Committee/
Deputy Chief Executive Officer/ Company secretary

9

Mrs. Pim Pattamasing Na Ayutthaya

Director/ Risk Management Committee /Corporate Governance
Committee/ Executive Committee/ Managing Director
of Executive Support

Message from the Chairman

Our company's aim is

**“Take part in helping society, helping people, and
being a cog in driving the economy.”**

Therefore, our operations focus on helping customers, helping society, and helping drive the country's economic system forward in a sustainable and stable manner. By reducing the amount of bad debt in the system, asset recovery, and improving the quality of life of debtors so that they can become financially independent again, with access to legal sources of funds, have a stable career and financial duties, and are able to stand strong in society.

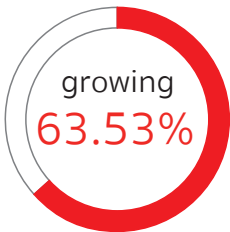
By operating in tandem with morality, our business to grow confidently and sustainably, along with using modern systems and technology to increase operational efficiency, organization management and data management, so that every process is accurate and fast. As a result, over the past 10 years or since 2014, the Company has continuously grown in revenue and profits.

2023 is considered another year of continuous growth for Chayo Group Public Company Limited and its subsidiaries (the “Company”), due to throughout the past nearly 3 decades, the Company has adapted and develop continuously. We are therefore able to adjust to survive and grow every year, even in the COVID-19 epidemic. As a result, the net profit from operations of the Company in 2023 is 448.83 million baht, growing 63.53% with a total income of 1.52 billion baht, increasing by 52.83%

Operations of the Company in 2023



Net profit
448.83
million baht



Total income
1.52
billion baht



In 2024, the Company still aims for continued growth, by setting a target for revenue growth of not less than 20%. The Company still sees an opportunity to continually purchase bad debt for management, forecasting that in 2024, commercial banks will continue to sell bad debt. This is due to the state of household debt that is still continuously high. In addition, the economic situation is still recovering gradually. Another business that the Company plans to do an IPO is Chayo Capital Public Company Limited, which operates a lending business. The registration of the transformation into a public company has been completed on January 12, 2024. This year, we aim to grant new loans approximately 600-1000 million baht, which will make the overall income of the Company Group to continue growing continuously.

In 2024



setting a target
for revenue
growth of not
less than
20%



aim to grant
new loans
approximately
600-1000
million baht

As a leader in the unsecured and secured asset management business, the Company is extremely proud to play an important role in helping society along with driving the country's economy forward without interruption. We strive to develop underperforming assets to return to circulation in the market again, and continue to create returns for investors, shareholders, and related persons as before. The aforementioned operations would not have been possible to succeed at all if the Company had not received support from customers, shareholders, investors, employers, financial institutions and related people. Therefore, the Company would like to take this opportunity to express our gratitude to everyone from our, Chayo's, hearts.



A handwritten signature in black ink, appearing to read 'Wutisak Lapcharoensap'.

Mr. Wutisak Lapcharoensap
(Chairman of the Board)

A handwritten signature in black ink, appearing to read 'Suksan Yasasin'.

Mr. Suksan Yasasin
(Chief Executive Officer)



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1. Structure and Operations of the Business Group

1.1 Policy and Business Overview

Chayo Group Public Company Limited (the “Company” or “CHAYO”) was transformed into a public limited company on 11 May 2017 and was listed on the Stock Exchange of Thailand (MAI) on 22 March 2018. By the company and its subsidiaries Its main business is managing non-performing assets and providing debt tracking and collection services. The business can be divided into 5 types according to the nature of operations, consisting of investment and non-performing asset management businesses. Business providing negotiation, tracking, collection and debt collection services. Customer service center business Lending business and labor service business The company has operated the business of providing negotiation, tracking, collection and debt collection services for over 27 years, having expanded to invest in the main business of managing non-performing assets. (or buying debt to manage) seriously in 2014 and in 2016 the company established a customer service center business to expand the scope of services to cover the needs of the customers that the company serves. And the company established a lending business in 2018 and later in 2020, the company established a product sales business through Call Center and/or TV Shopping and/or Online channels, but later the company has slowed down this business. Therefore, we have found new ways to conduct business. And has started a labor service business in early 2023, with the company planning to expand the market to grow continuously.

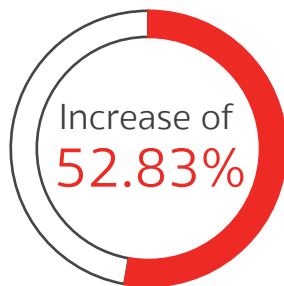
Business overview in 2023, the company had total income of 1,527.07 million baht, an increase from 2022 of 527.87 million baht or an increase of 52.83 percent. The reason for the increase in income was mainly due to An increase in interest income from loans to non-performing assets and interest income from loans amounting to 480.00 million baht and 32.38 million baht, respectively. In addition, in 2023, there will be income from the labor service business in the amount of 17.55 million baht.



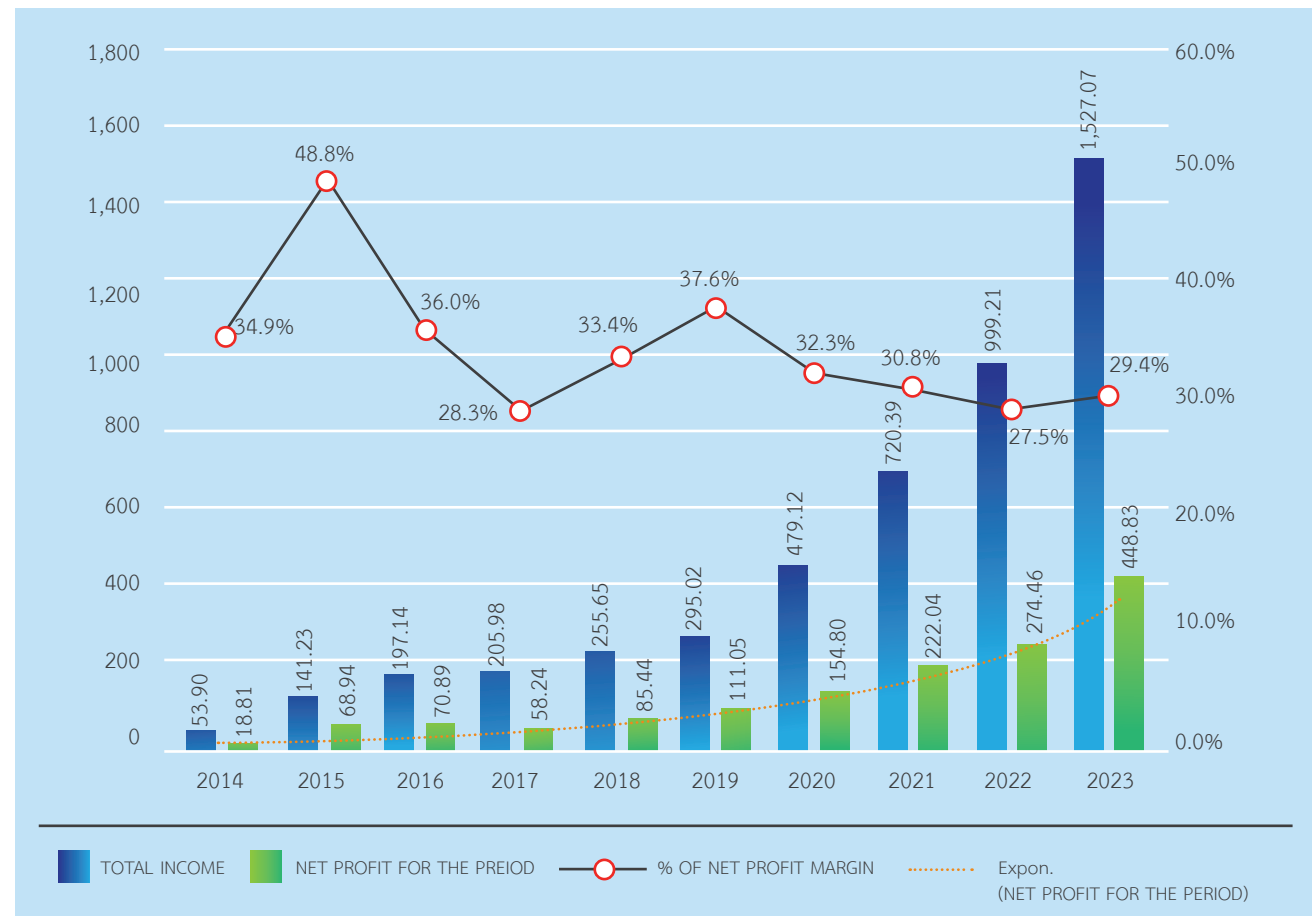
Total income
1,527.07
million baht



Increase from 2565
527.87
million baht



In this regard, from the graph below can be seen that from 2014 (after the Company engaged in investing and managing non-performing loans) to 2023, the Company has grown continuously in revenue and net profit from operations. The net profit margin of the company in the past 10 years is not less than 27.5%, compared to 29.4% in 2023.



Vision and Mission

Vision

“
Professionally
manage secured and unsecured debts
for customers and
related parties
”

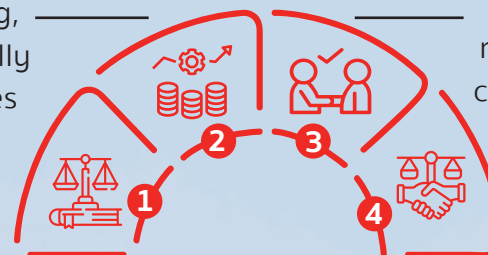
Mission

Lead with marketing,
operate systematically
across the processes
completely

Strengthen and
maintain the image of
customers' and related
persons

Professionally manage
according to the law and
the Debt Collection Act

Manage with a moral
system, emphasize
debtor's solutions



Business Goals

The Company has the following business goals:

- For non-performing loan investment and management business, the Company aims to operate under the Debt Collection Act, B.E. 2558, which consists of helping financial institutions and debtors. (The Company focuses mainly on debtors and maintains the reputation of financial institutions) and the Emergency Decree on Asset Management Company B.E. 2541
- For the business of negotiating, tracking, collecting, expediting debt, and customer service center, the Company aims to work according to employer's needs and goals under the relevant act and laws by focusing on performance and quality, as well as giving employer's reputation as a priority.
- For lending business (Pico Finance, Nano Finance, Personal Loan), the Company has a goal responding to government policies to increase access to formal sources of funding, create a good return for the Company and solve the informal debt problem for the customers.
- For real estate development business is selecting real estate assets of potential companies to develop further (both NPL and NPA The Company is mainly supervise the location of real estate. If the Company is determined that developing gives better return than selling, the Company will consider to develop and/or improve for sales. The projects may be a condominium project, housing estates, detached houses, townhouses, or commercial buildings, which may be developed by the Company or jointly invested.
- For the labor service business, the company's goal is to expand its business by dispatching employees to work in factories in the Chunwuli Industrial Zone. Rayong Pathumthani, the company can meet the needs of companies that require labor at all levels, from production skills to professional labor. The company plans to continuously expand its market.



For the overall goal, the Company is committed to expanding the operations in all aspects, especially investing in the core business, which is the non-performing loan investment and management, including auctions for non-performing loans with and without collaterals from financial and non-financial institutions, along with the continuous expansion of related services. For example, negotiation, follow-up and debt collection for financial institutions, and private companies, customer service, and product sales, lending and real estate development. With the management's vast experiences operating the business, the Company can continuously create opportunities in debt management along with other related services, ready to maintain service quality and good relationship with customers and partners, which will lead to the Company's sustainable growth. The business goals in various aspects are as follows:

1) Service and Investment

The Company aims to (1) grow in the investment and asset management business by focusing on continuous investment opportunities from secured and unsecured debt auctions, direct asset transaction and the purchase of non-performing loans (NPA). The investment depends on opportunity and a combination of factors such as economic condition, relevant regulations, debt selling of institutional, debt portfolio insights, competitors, bid prices and the worthiness of investment. The Company will use reasonable principles when considering the investment. (2) create sustainable growth debt negotiating, tracking, collecting, and expediting services business (which the Company has been doing for more than 23 years) and call center business by increasing and expanding the customer base in the service business, mainly focusing on the performance and service quality to achieve

the customer or employer's agreed goals, such as monthly/quarterly debt collection goals, monthly/quarterly sales, goods and services sales goals, and debt collection targets according to the monthly/quarterly promotional policy. (3) increase the access to funding sources by giving credit to businesses and people, including promoting loan for occupation. (4) Search for skilled and talented workers to respond to the needs of industrial plants in order to expand the labor service business to grow continuously and include Helping people earn income to support themselves and their families is one of our ways of giving back to society. and in the section helping business owners Or the organization needs people to work efficiently. and lead the company to grow more This includes applying new technology and innovations to the service so that the company's services are modern and in line with the changing business environment and debtor behavior, such as receiving or providing information and Services through mobile devices (Device) and various platforms through online social networks. In addition, the company will continue to focus on maintaining its existing customer base along with creating new customer bases. The company will continuously improve and develop its services to be better. To expand the scope of services to general companies that are not financial institutions and other financial institutions Including accepting work and participating in the auction of non-performing assets from financial institutions. and other financial institutions that are not the Company's current trading partners to ensure that the Company's services can respond to the needs and create the highest impression for all types of customers. This will allow the company to expand its service scope to new customer groups.

2) Management

The Company aims to continually increase revenue and profitability, generate revenue growth from investing and managing secured and unsecured debts, and other services that are related to the current core business of Company, such as auctions for more secured debt for management purposes, auction for the unsecured debts in credit card, personal loan debtors, hire-purchase debtor (cars and motorcycles) to be additionally managed according to the Company's expertise, properties sales acquired through auction, creating values and develop the assets acquired by the Company through auction, increasing the revenue that comes from existing customers by achieving debt collection goals, increasing the number of new customers through prudent lending, increasing the new customers' number who are the Company's former target customers in the information and communication technology group for the call center business or expanding the customer base to new target customers as opportunities, allow with the goal to maintain work efficiency, development of the debtor database system, and knowledge and competence of the Company's personnel development will be able to generate a higher rate of return, compared to the nature of the Company's past operations. In addition, the Company will continually improve and develop cost management in various areas to be more effective, for example, applying outbound dialer system, auto dialer, and finding ways to reduce bidding costs for secured and unsecured non-performing debts.

However due to the current economic situation, the bad debt at the end of 2023 was approximately at 2.66% or 492,833 million baht. The Company believes that 2022 will still be an opportunity to expand the non-performing loans investment and management business and debt negotiating, tracking,

collecting, and expediting services business. In 2023, the Company bought more than 19,497 million baht of debt to manage, using investments to buy the non-performing debt of approximately 1,520 million baht. The Company's total revenue in 2023 grew more than 52.83 percent compared to 2022. The revenue from non-performing loan management or debt management business grew 54 percent, increasing from 888.85 million baht to 1,368.86 million baht.

For the year 2024, the Company has set a revenue growth target of at least 20%, with a target of buying secured and unsecured non-performing debts to manage approximately 10,000 million baht, with an investment budget of approximately 1,000 - 1,500 million baht, (including Chayo JV) and plan to grow in debt negotiating, tracking, collecting, and expediting services business at least 5 - 1%. As for the lending business, the company aims for revenue growth of 100% and aims for total new loans to be approximately 600 - 1,000 million baht. As for the labor service business, it aims for growth of 10 - 15%



Significant Changes and Development



1997

Registered as a limited company on 11 March 1997 with an registered capital of 3.00 million baht under the name of Write & Clay Company Limited by operating business in debt negotiating, tracking, collecting, and expediting services business.



2015

- Registered the name change on 1 December 2015 to Chayo Group Company Limited (CHAYO).
- Restructuring the business by combining the business under a common control by acquiring the ordinary shares of Chayo Asset Management Company Limited (“Chayo AMC”) and Chayo Call Center Company Limited (currently named Chayo Property Company Limited) (“Chayo Property and Service”) on 23 December 2015.
- Registered the capital increase of 207.00 million baht with a total registered capital at 210.00 million baht on 23 December 2015.



2017

- Registering the transformation of the juristic person from a limited company under the Civil and Commercial Code to a public company limited under the Public Limited Companies Act B.E. 2535 and changed the name from Chayo Group Company Limited to Chayo Group Public Company Limited on 11 May 2017.
- Registered the change of par value and divide the Company’s ordinary shares from 21,000,000 shares with a par value of 10.00 baht to 420,000,000 shares with a par value of 0.50 baht per share.
- Registered for capital increase (On 11 May 2017) with the amount of 70.00 million baht as registered capital totaling 280.00 million baht.



2018

- On 22 March 2018, the Company was listed on the MAI Stock Exchange and traded on the market for the first day.
- On 14 September 2018, Chayo Capital Company Limited (a subsidiary



2019

- Registered the capital increase by issuing new ordinary shares in 15.00 million baht, with a total registered capital 315.00 million baht on 3 December 2019.



2020

- On 29 April 2020, the Company approved to increase the registered capital by issuing ordinary shares at 126 million baht to support a warrants issuance and stock dividend by issuing new ordinary shares at 252 million, from the original registered capital at 315.00 million baht to the total of registered capital of 441.00 million baht, which the Company paid a stock dividend for 42 million ordinary shares on 28 May 2020.
- On 29 May 2020, the Company established a subsidiary, namely 555 Shopping Company Limited, to sell products through call centers

and/or TV Shopping and/or online channels, such as food supplements, cosmetics, beauty supplements, food, and beverages, etc.

- On 25 September 2020, the Company approved the stock dividend at 44.10 million ordinary shares, paid on 21 October 2020.
- On 14 October 2020, the Company established a subsidiary, Chayo JV Company Limited (subsidiary) for investment purposes and/or jointly invest in asset management business and/or related business.
- On 21 October 2020, registered the increased of registered capital of the Company to 468,298,721.50 baht with paid-up capital of 352,799,064.50 baht.
- On 25 December 2020, the Company moved CHAYO's listed securities from the Market for Alternative Investment (MAI) to be listed on the Stock Exchange of Thailand (SET).



On 27 April 2021, the Company approved the registered capital reduction for 5.25 million baht by eliminating 10.50 million unissued registered shares and approved the registered capital increase for 599,987,721.50 baht to support (1) Stock Dividend that the Company paid on 21 May 2021 (2) The shares issuance to support the issuance and allocation of CHAYO-W2 warrants to the Company's shareholders, according to the Rights Offering and (3) The share issuance to support the adjustment of the rights of the CHAYO-W1 warrants.

On 18 October 2021, the Company approved the registered capital reduction of 2,203.50 baht by eliminating 4,407 unissued ordinary shares, and approved the registered capital increase of 23,500,000 baht by issuing 47,000,000 new common stocks to support the adjustment of rights and the future right adjustment of CHAYO-W1 and CHAYO-W2 warrants to maintain the benefit of CHAYO-W1 warrants

holder and CHAYO-W2 warrants will not be inferior to the original.

On 27 December 2021, the Company resolved to approve the Company's registered capital increase at 20,188,128.00 baht by issuing 40,376,256 new ordinary shares to support the Company's stock dividend ordinary shares, paid on 26 January 2022.



- On 27 April 2022 The company resolved to approve the reduction of registered capital in the amount of 3.9 million baht by cutting 7.7 million registered shares that have not yet been issued and resolved to approve the increase in registered capital in the amount of 20.9 million baht in order to support the dividend payment of common shares. The company paid stock dividends on May 27, 2022.
- The warrant to purchase common shares of Chayo Group Public Company Limited No. 1 (CHAYO-W1) expires on 27 May 2022.



- On December 27, 2022, the company approved a reduction of 14.9 unissued registered shares to reduce its registered capital by 7.5 million baht. The company has approved an increase of 16.1 million Thai baht in registered capital to support the payment of dividends on the company's common stock. January 26, 2023.
- The Board of Directors resolved to sell 30 percent of shares in 555 Shopping Company Limited to outsiders on March 17, 2023. After selling shares, the Company will hold 65 percent of shares (which as of December 31, 2023, the Company has not yet sold shares to outsiders) Later on March 29, 2023, 555 Shopping Company Limited changed its name to 555 Service Company Limited to support the business of labor consulting services, focusing on providing labor services to industrial factories.

- On April 24, 2023, the Company resolved to approve the registered capital reduction in the amount of 2.8 million baht by cutting 5.7 million registered shares that have not yet been issued and resolved to approve the registered capital increase in the amount of 13.2 million baht to support dividends paid on the Company's common shares. The Company paid stock dividends on May 26, 2023.
- On September 27, 2023, the Company resolved to issue and allocate warrants to purchase additional ordinary shares of Chayo Group Public Company Limited No. 3 ("CHAYO-W3 Warrants") in an amount not exceeding 113,719,653 units at the allocation rate of 10 original shares per 1 warrant unit. The CHAYO-W3 warrant is valid for 2 years from the date of issuance of the warrant. The exercise rate of CHAYO-W3 warrant is 1 unit with the right to purchase 1 common share at an exercise price of 9.00 baht per share.

- On September 27, 2023 the Company resolved to approve the registered capital reduction in the amount of 122.3 million baht by cutting 244.7 million registered shares that have not yet been issued and resolved to approve the registered capital increase in the amount of 68.0 million baht to support the exercise of warrant rights or CHAYO-W 3 and dividend payment in the form of the Company's common shares. The Company paid stock dividends on October 27, 2023.
- The Company's Board of Directors' Meeting No. 7/2023, held on November 10, 2023, resolved to approve the plan to issue and offer newly issued ordinary shares of Chayo Capital Company Limited, a subsidiary of the Company (The Company holds 71.25 percent of the total number of shares), by initial public offering (IPO) and listing CCAP's shares as securities on the Market for Alternative Investment (MAI) (Spin-Off plan)

General Information of the Company

**Company Name**

Chayo Group Public Company Limited and Its Subsidiaries

English Name

Chayo Group Public Company Limited and Its Subsidiaries

Stock Market Abbreviation

CHAYO

Company Registration Number

0107560000214

Established Year

1997

Transformed into a Public Limited Company Year

2017

**Nature of Business**

Operates debt negotiating, tracking, collecting, and expediting services business from auctions/buying/accepting transfers of secured and unsecured non-performing loans from financial institutions, buy/sell property and customer service center.

Industrial Group

Financial Business

Business Category

Capital and Securities

**Registered Capital**

On 31 December 2024, the registered capital is at 625,458,089.50 baht

Paid-up Capital

On 31 December 2021, the paid-up capital is at 568,595,136.00 baht consisting of 1,137,190,272 ordinary shares

Par Value Per Share

0.50 Baht

**Office Location**

44/543-544 Phaholyothin Road,
Anusawari Sub-district, Bang Khen
District, Bangkok 10220

**Telephone**

(66) 2004 5555

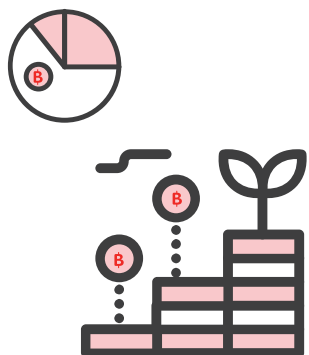
**Website**

www.chayo555.com

1.2 Nature of Business Operations

1.2.1 Revenue Structure

The Company's revenue structure is classified by business type according to the annual financial statements for the year ended on 31 December 2021, 2022, 2023, the Company and its subsidiaries have revenues from such operations as follows:



Operating Revenue	2019		2020		2021	
	Million Baht	Proportion	Million Baht	Proportion	Million Baht	Proportion
Non-Performing Loan Investment and Management	641.86	79.66	888.85	84.08	1,368.86	84.04
Debt Negotiating, Tracking, Collecting, and Expediting Services Business	40.11	4.98	35.03	3.31	33.72	2.07
Loan Business	13.60	1.69	74.56	7.05	106.95	6.57
Customer Service Center Business	-	-	-	-	-	-
Merchandising Business	24.82	3.08	0.75	0.08	-	-
Labor service business	-	-	-	-	17.55	1.08
Total Revenue from Services and Investments	720.39	89.40	999.19	94.52	1,527.08	93.76
Other Revenues	9.42	1.17	8.38	0.79	13.03	0.80
Profit from Foreclosed Properties Sales	75.98	9.43	49.52	4.68	88.68	5.44
Total Revenue	805.79	100.00	1,057.09	100.00	1,628.79	100.00



1.2.2. Product Information

(1) Characteristics of Products, Services and Innovation Development

CHAYO (Chayo Group Public Company Limited) whereas holding company is a service provider for negotiation and debt collection for financial institutions (Commercial Banks) and ordinary companies (Private Company in Information and Communication Technology Group) listed on the Stock Exchange of Thailand also the debt and non-performing loans auction both secured and unsecured from ordinary companies which are not financial institutions and are not under the Bank of Thailand's supervision.

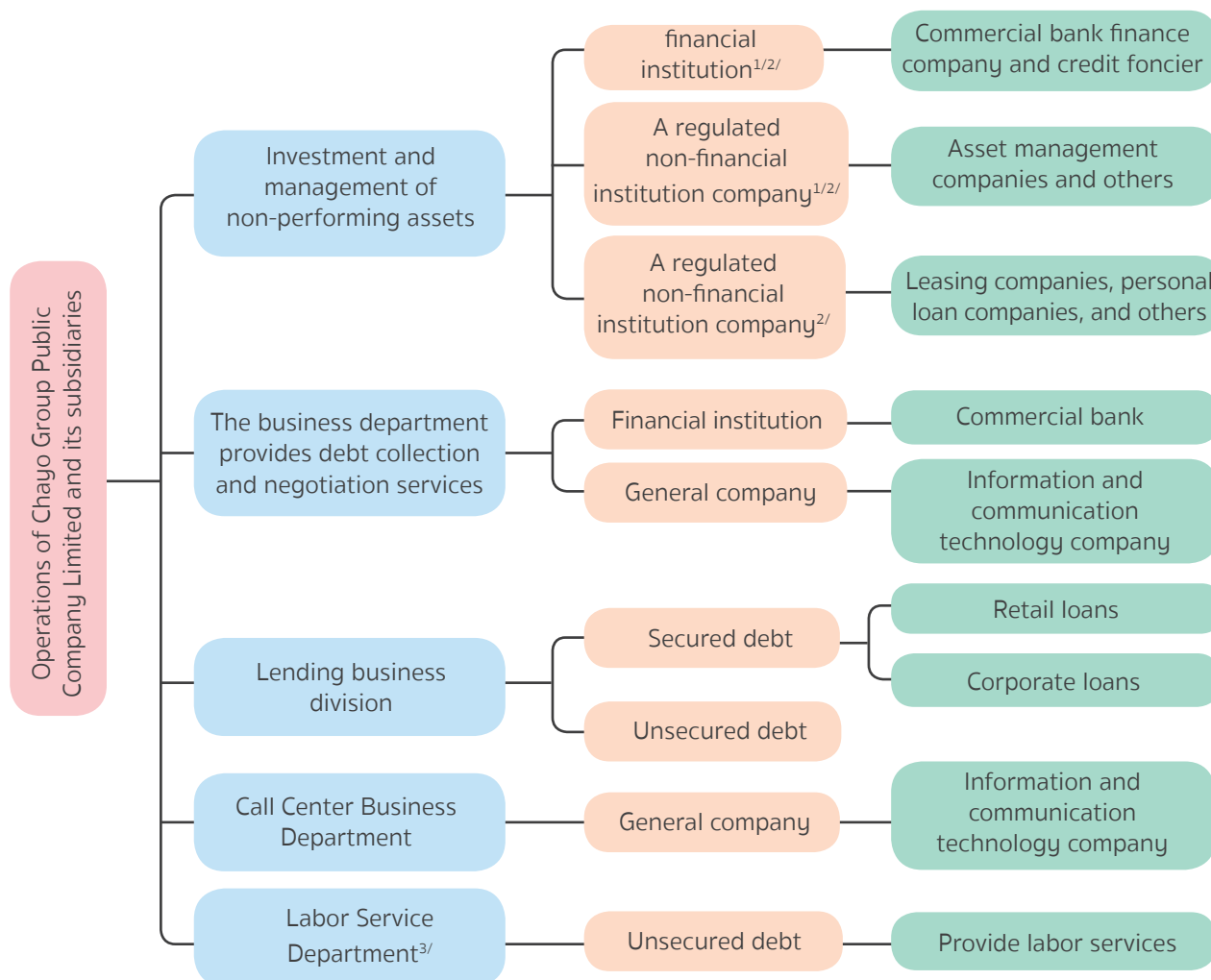
Chayo AMC (Chayo Asset Management Company Limited), as a subsidiary, is mainly engaged in the investing and managing non-performing loans business acquired from auctions or purchased from financial institutions.

Chayo Property and Service (Chayo Property and Service Company Limited) as a subsidiary is a service provider of customer information centers and/or sells products and services to employers, providing services for negotiating, tracking, and expediting debt to Chayo AMC, as well as ordinary companies (Private Company in Information and Communication Technology Group) listed on the Stock Exchange of Thailand. Chayo Property and Service is also a bidder to buy debt and manage non-performing loans that auction from ordinary companies that are not financial institutions and are not under the Bank of Thailand's supervision. Chayo Property and Service also operates a personal loan business under the Pico Finance warrants (which was licensed by the Ministry of Finance on 29 August 2019) and runs a real estate development business. Currently, the Company has not yet operates the aforementioned business.

Chayo Capital (Chayo Capital Company Limited) as a subsidiary, operates personal loans under supervision and microfinance business under supervision. The business operations must be under the Bank of Thailand's supervision, which the Company received a warrant from the Bank of Thailand in the loans business for NANO FINANCE and PERSONAL LOAN and the Company has additionally notified the personal loans business under supervision with vehicle registration as collateral to the Bank of Thailand.

555 Service (555 Service Company Limited), as a subsidiary company, operates labor service business by sending employees to industrial plants in industrial estates in Chonburi, Rayong, Pathum Thani. The company can answer the needs of companies in need of labor at all levels, from labor skills in production to professional labor. The company plans to expand the market to grow continuously. This is a business that helps society, both on the part of business owners and employees, due to current difficulty in finding work which causes more people to be unemployed. Losing job and lack of income lead to debt and the beginning of the cycle of bad debt. Helping people earn income to support themselves and their families is therefore one of our ways of giving back to society. In the aspect of helping business owners, every organization needs people to work efficiently and lead the company to grow further. Chayo JV (Chayo JV Asset Management Company Limited) as a subsidiary, set up for investment and/or jointly invest in asset management business and/or related business by focusing on bidding for secured debts.

However, the Company and its subsidiaries' nature of business can be classify into 5 categories: non-performing asset investment and management, debt negotiating, tracking, collecting, and expediting services business, customer service center business, lending business, and product sales business. The details are shown in the diagram below.



Remark :

^{1/}Financial institution (Commercial Bank, Finance Company, and Credit Foncier) and non-financial companies under supervision (Asset Management Companies, etc., consisting of representative offices of foreign commercial banks and non-financial service providers) as shown in the diagram above are financial institutions under the supervision of the Bank of Thailand. Financial institution under the supervision of the Bank of Thailand means an institution that provides financial services such as deposits, withdrawals, credit giving, payment, and other financial transactions as permitted to customers, whether they are the general public, companies, department stores, or government agencies, which operate financial institutions under the Financial Institution Business Act B.E. 2551 and supervised by the Bank of Thailand, consisting of

(1) Financial institutions divide into 3 types as follows:

- Commercial Bank

1) Thai Commercial Banks

2) Retail Bank

3) Commercial banks that are foreign commercial banks subsidiaries (Subsidiary)

4) Foreign Bank Branch / Full Branch

- Finance Company

- Credit Fancier Company

(2) Foreign Commercial Bank Representative Office

(3) Asset Management Company (AMC)

(4) Non-Bank

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

^{2/}Generally, Chayo AMC can buy non-performing loans from financial institutions and non-financial companies under supervision, while CHAYO, Chayo JV, and Chayo Property and Service can purchase non-performing loans of financial institutions and non-financial companies under supervision, as well as non-financial companies that are not under supervision. However in practice, financial institutions and non-financial companies under supervision will not sell non-performing loans to companies that are not asset management companies.

^{3/}The business began operations in March 2024, providing labor services. By sending employees to industrial plants in industrial estates in Chonburi, Rayong, Pathum Thani.

Non-Performing Loan Investment and Management

The Company invests in buying non-performing loans from financial institutions that are primarily commercial banks to manage by bidding through Chayo AMC and/or Chayo JV, which is a subsidiary authorized by the Bank of Thailand for business under the Royal Decree on Asset Management Companies B.E. 2541, to proceed with non-performing loans management, in case of non-performing loans auction from commercial banks or financial institutions under the Bank of Thailand supervision both secured and unsecured for further management including litigation, collateral auction, buying collateral as an investment property for improvement, and/or developed for sale and negotiating the appropriate agreement. (In this regard, asset management companies are obliged to operate their business within the defined framework by the Bank of Thailand, as well as deliver the financial statements to the Bank of Thailand according to the regulations clearly stated by the Bank of Thailand). For non-performing loan auction will be conducted by CHAYO or its subsidiaries in an auction to buy non-performing loans to manage for the most benefit in negotiating, collecting, and expediting debt as well as legal proceedings according to the procedure, includes discounting and negotiating debt reconciliation.

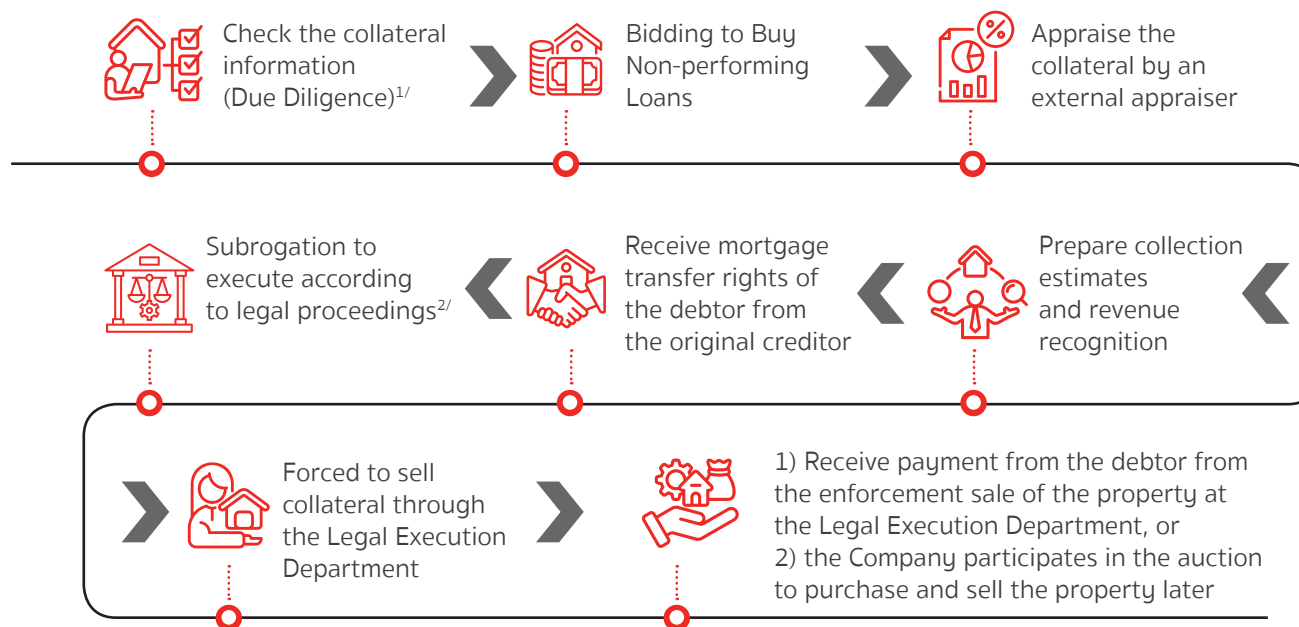
Most of the non-performing loans that the Company currently invests in and manages are non-performing loans that are mostly auctioned from financial institutions by Chayo AMC. Financial institutions will usually collect debts themselves first for the debtors with a short period of overdue about 90 days. However, financial institutions may start outsourcing companies (Outsource Agent: OA) to follow up on debt collection for debtors with default periods ranging from 30 – 360 days. Financial institutions may follow up on debt

collection for debtors with default periods of 30 – 360 days as well. Generally, financial institutions will start considering selling debts for debtors with a default period of 360 days or more (Debtors with a 90 days default period or more will be set aside in the proportion of 100.00 percent for the difference between the outstanding debt and the present value of expected cash flows from such debtor or disposal of collateral from such debtor). Financial institutions will consider the amount of debt sold in conjunction with the Capital Adequacy Ratio: CAR Ratio for Non-Performing Loan: NPL) of the financial institutions as well. In addition, if the debtor has already paid all outstanding debts, the Company will coordinate to send information or confirm the closing to National Credit Bureau Co., Ltd. (“Credit Bureau”) to facilitate or assist the debtor in information correction requesting with the credit bureau. As a result, the credit bureaus can adjust the account status in the debtors’ credit bureau report, to ensure fairness and create an opportunity to build credit for that debtor, including applying for new credit as required by law. The Company can only coordinate the closing status for debts under the management of the Company. The Company may negotiate or recommend asking the debtor for more information to help find a solution to repay a debt according to the Company’s operational goals.

Determining the auction price for each non-performing loans, the Company will estimate the Company’s debt collection by considering various factors, including the ability to collect each type of debt, debt type, non-performing loans age, collateral, legal status, including outstanding debt, etc. The Company has statistical data in the Company’s database available to determine the auction price appropriately. Currently, the Company can classify customers or sellers according to the type of non-performing loans as follows:

- Leading financial institutions are commercial banks in personal loans and juristic persons types. For example, Kasikorn Bank, Siam Commercial Bank, TMBThanachart Bank, UOB Bank, Sukhumvit Asset Management Company Limited, etc. Non-performing loans divide into 2 types are secured non-performing loans and unsecured non-performing loans.
 - (1) Secured non-performing loans are non-performing debts incurred by debtors with collateral for payment of debts, and has a condition that can be enforced by law with a clear and definite guarantee, for example, secured debt as real estates: corporate loans, SME loans, and mortgage loans, e.g. homes and land and condominiums, etc. Mostly, the auction price for the secured non-performing loans ranges from 30 percent to 70 percent of the collateral value depending on debts, legal status, and the initial value of the collateral which assessed by the financial institution that sells the non-performing debt (The collateral value is more or less depends on the location and assets quality). However, since quarter 3/2017, the Company had auctioned more and more secured non-performing loans by arranging a collateral appraisal by an external appraiser for collateral with a value of 10.00 million baht or more to be used in the collection estimates preparation and revenue recognition. The Company estimates that it will be able to receive deposits or forced to sell such collateral within approximately 1 - 5 years from the non-performing loans acquisition date. (The mentioned assumption is an assumption under the circumstances that the Company cannot negotiate a compromise with the debtor. If the Company can reach an agreement between the Company and the debtor, thus the

Company can sell or receive money faster) However, the Company will reevaluate the assets by external appraiser if the Company did not receive the payment or enforced sales within 3 years. In this regard, the secured non-performing loan has a slightly high auction value because they have real estates as collateral which can be enforced through the Legal Execution Department while the amount of debtors are less than the unsecured non-performing loans. As a result, the Company employs staff or personnel to manage, including negotiating, collecting, and expediting debt much less than the unsecured non-performing loan. However, the Company may have higher expenses related to legal proceedings and sales (which may include forcing to sell collateral). In addition, the Company may participate in an auction to purchase the non-performing loans sold by the Legal Execution Department. If there is no bidder or the offer cannot be made at the price that the Company wants, the Company may renovate such assets and/or develop for investment and/or sale. The advantages of the Company's bidding for collateral are as follows: The Company can maintain the price of the collateral not to be too low. In addition, the Company does not have to pay in full to the Legal Execution Department by putting down partial deposit (5.00%) of the selling price or the auction price. The remaining difference can be deducted from the outstanding debt that the debtor owes, which is called deductible. The process of the auction for secured non-performing loans are as follows:



Remark : ^{1/}Information examined from the due diligence, including debt balance, legal status, and the initial collateral value as assessed by the financial institution that sells the non-performing debt.

^{2/}The Company can negotiate a mutual agreement between the Company and the debtor to settle debt during subrogation and/or enforcement. The Company will allow the debtor to pay the debt to the Company according to the agreement and without the need to put the mortgaged assets up for auction resulting in the Company obtaining cash faster.

- (2) Unsecured non-performing loans are non-performing loans that the debtor borrows without collateral but has clear contractual obligations such as credit card debt, personal loans or liabilities that financial institutions have seized as collateral, and sold but the amount is insufficient for reimbursement, for example, remaining debt after the collateral sales, such as a house or a car, etc. Generally, the auction price for an unsecured non-performing loan is approximately 1 percent to 10 percent of the total loans. In the past, the Company mostly manages such assets. The Company will initially prepare an estimate or budget for unsecured non-performing loans collections within 5 years. (The debt collection period may extend if at the end of the 5th year, the non-performing loans still has the potential to continue collecting the debt.) The unsecured non-performing loan has a relatively low auction value for the outstanding debt because it is unsecured non-performing debt. However, from more than 20 years of experience in the business of negotiating, collecting debts, the Company has experienced personnel with ability and expertise to collect unsecured debt. The unsecured non-performing loan is better than secure non-performing loan because it is faster to know the cashflow.

Non-financial group are financial institutions that are not commercial banks, such as credit card service providers, personal loan service providers, etc.

In this regard, outstanding debt of the non-performing loans under the Company management classified by loan type in 2021 to 2023 are shown below.

Loan Type	2021		2022		2023	
	Billion Baht	Proportion	Billion Baht	Proportion	Billion Baht	Proportion
Credit Card Loans	13.83	18.88%	13.58	16.27%	14.33	14.03%
K- Express Cash	3.50	4.78%	3.35	4.01%	3.94	3.86%
Current Account	2.46	3.36%	2.45	2.94%	2.45	2.40%
Home Loans	18.44	25.18%	21.02	25.18%	22.15	21.69%
Letter of Identification	0.05	0.07%	0.05	0.07%	0.05	0.05%
Loan	5.47	7.47%	5.47	6.55%	5.47	5.36%
Loan Better Life	2.47	3.37%	4.86	5.82%	12.31	12.06%
O/D	0.46	0.63%	0.46	0.55%	0.46	0.45%
Other Consumer Loan	0.01	0.01%	0.01	0.01%	0.01	0.01%
Personal O/D	1.06	1.45%	1.05	1.26%	1.05	1.03%
Promissory Note	0.36	0.49%	0.36	0.43%	0.36	0.35%
Trade Finance	0.73	1.00%	0.73	0.87%	0.73	0.71%
Hire Purchase Contract	14.71	20.08%	20.05	24.02%	24.04	23.55%
After Sales Debt	9.69	13.23%	10.03	12.02%	14.75	14.45%
Total	73.24	100.00%	83.47	100.00%	102.10	100.00%

While the outstanding debt of the non-performing loans under the management of the Company can be classified by the type of consumer loans of commercial bank as defined by the Bank of Thailand in 2021 to 2023 are as follows:

Consumer Credit of Commercial Bank	2021		2022		2023	
	Billion Baht	Proportion	Billion Baht	Proportion	Billion Baht	Proportion
Home Loans	18.44	25.18%	21.02	25.18%	22.15	21.69%
Car Loans	14.71	20.08%	20.05	24.02%	24.04	23.55%
Personal Loans	26.26	35.85%	28.82	34.53%	41.58	40.72%
Credit Card Loans	13.83	18.88%	13.58	16.27%	14.33	14.04%
Total	73.24	100.00%	83.47	100.00%	102.10	100.00%

The Company operates in non-performing loans investment and management by having non-performing loans auctions to be managed continuously since 2011, starting from non-performing loans auctions from non-financial companies. However, on 21 March 2014, a subsidiary of the Company, Chayo Asset Management Company Limited, was approved by the Bank of Thailand to register as an asset management company. (According to the Ministerial Regulation (B.E. 2541) issued under the Royal Decree on Asset Management Companies B.E. 2541, as amended) Chayo AMC can participate in the auction and purchase of financial institution debt. The Company began to manage the remaining debt after the sale was auctioned at that time. However, at present, the Company is able to further manage other types of debt at the auction, for example, credit card debt, cash loan, overdraft loans (Overdraft: O/D), at present, the non-performing loans under the management of the Company mainly consist of credit card debt and cash card debt, on 31 December 2021, the Company has a pre-collateral loan at 73,238 million baht and the loan after collateral deduction amounted to 54,794 million baht. The overview of the Company's investment and asset management business is as follows:



Year	Annual Collection (Million Baht)	Contract Amount (Issue)	Non-Performing Loans (Million Baht)							
			Beginning of the Period	Update List ^{1/}	Increment During the Period	Accrued Interests	Investments Amortization	Transfer the Transaction to Non-Performing Loans	Expected Credit Losses ^{2/}	End of the Period
2011	0.12	649	-	-	4.32	-	(0.19)	-	-	4.13
2012	3.80	4,313	4.13	-	22.69	-	(7.74)	-	-	19.08
2013	6.71	4,273	19.08	-	-	-	(10.65)	-	-	8.43
2014	47.94	174,175	8.43	(4.74)	100.35	-	(4.70)	-	-	99.34
2015	142.49	234,537	99.34	9.93	118.51	-	(27.80)	-	(0.30)	199.68
2016	199.74	227,457	199.68	8.77	-	-	(48.11)	-	0.30	160.64
2017	222.32	220,613	160.64	-	181.50	-	(60.22)	-	(0.15)	281.77
2018	252.68	299,187	281.77	-	374.96	-	(39.80)	(13.63)	(9.16)	594.14
2019	267.43	293,000	594.14	-	643.97	-	(35.56)	(80.60)	-	1,121.95
2020	219.32	355,343	1,121.95	-	625.65	236.58	(40.32)	(163.92)	(87.06)	1,692.88
2021	321.69	385,078	1,692.88	-	1,192.26	366.84	(60.36)	(157.90)	(177.73)	2,855.99
2022	340.03	427,487	2,855.99	-	1,791.11	602.71	(67.13)	(37.20)	(217.42)	4,928.06
2023	439.06	748,611	4,928.06	-	1,510.46	995.40	(66.48)	(75.80)	(395.48)	6,896.16

Remark : ^{1/} The adjustment resulted from the change in the accounting method for calculating revenue from loans to non-performing loans from the portfolio method to the receivable manner.

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

Furthermore, if consider the non-performing loans by dividing the age since the non-performing loans was managed by the Company, the details are as follows:

The age since the acquisition of the NPLs	2021			2022			2023		
	Remaining costs at the end of period ^{1/}	accrued interest receivables ^{2/}	Allowance for Impairment Loss	Remaining costs at the end of period ^{1/}	accrued interest receivables	Allowance for Impairment Loss	Remaining costs at the end of period ^{1/}	accrued interest receivables	Allowance for Impairment Loss
Unsecured Non-Performing Loans									
0 – 1 year	446.42	66.48	(38.28)	630.04	18.74	(0.37)	655.76	74.13	(4.54)
1 – 2 years	302.34	55.59	(44.11)	427.18	113.60	(66.12)	615.78	170.88	(65.49)
2 – 3 years	0.03	-	-	295.38	229.15	(166.88)	417.22	223.89	(156.48)
3 – 4 years	48.57	31.61	(50.83)	0.03	-	-	289.74	338.39	(311.62)
4 – 5 years	-	-	-	47.54	39.94	(72.70)	0.03	-	-
More than 5 years	66.84	19.09	(85.93)	60.80	45.67	(79.21)	106.80	61.85	(163.74)
Total	864.20	172.77	(219.15)	1,460.97	447.10	(385.28)	2,085.33	869.14	(701.87)
Secured Non-Performing Loan									
0 – 1 year	735.80	24.70	-	1,154.75	33.04	-	844.15	13.42	(0.005)
1 – 2 years	294.68	29.79	-	729.31	84.85	-	1,132.24	195.02	-
2 – 3 years	495.83	222.87	-	278.89	51.39	-	716.64	149.67	-
3 – 4 years	133.65	20.94	-	465.49	374.82	(0.54)	273.37	79.12	-
4 – 5 years	45.49	83.06	(48.65)	129.30	21.81	-	455.84	573.85	(0.91)
Total	1,705.45	381.36	(48.65)	45.49	136.02	(99.35)	139.73	246.87	(175.43)
Total	2,569.65	554.13	(267.80)	2,803.23	701.93	(99.89)	3,561.97	1,257.95	(176.34)

Remark : ^{1/} The Company does not allocate costs for non-performing loans less than 100,000 baht. The Company will record them as an expense on the day of the auction.

^{2/} Allowance for impairment loss is recorded as an accrued interest receivables in accordance with TFRS9 accounting standard, effective from 1 January 2021.

Cost allocation assumptions, estimates of collection and revenue recognition

- (1) The Company allocates acquisition costs for the secured non-performing asset based on the collateral's appraised value. The Company also prepares an estimate of the collection amount and revenue recognition which were evaluated based on additional factors such as litigation status and collateral quality (location, asset attributes, and collateral), an appraisal from an independent third party appraiser approved by the Office of the Securities and Exchange Commission), and management's experience.
- (2) The Company allocates acquisition costs for the unsecured non-performing loans only to the Company's main revenue-generating loans by categorizing receivables based on debtor characteristics, which are debt types (e.g., mortgages, overdraft loans (O/D), credit card debt, etc.), the period of outstanding debt, and the status of litigation. Based on statistical data and previous experience, the Company will allocate costs to the group of debtors that are expected to be collected, then the Company will generate collection and revenue recognition estimates based on meet and pay rate and hair cut rate using statistical data and management's prior experience.
- (3) The Company considers unsecured non-performing loans other than (2) per portfolio basis without allocating costs per debtor due to the low initial cost and the chances of collecting the debt are slim. The Company had prepared an estimation revenue recognition for the non-performing loans as a portfolio by using statistical data and prior experiences

Review of Assumptions and Estimated Collections

The Company will assess the performance of each non-performing loan every month and the assumptions used in the accounting estimates will be reviewed every 6 months. According to the Company's policy, the estimated collection amount is distinguished from the actual collection amount by more than 5.00 percent.

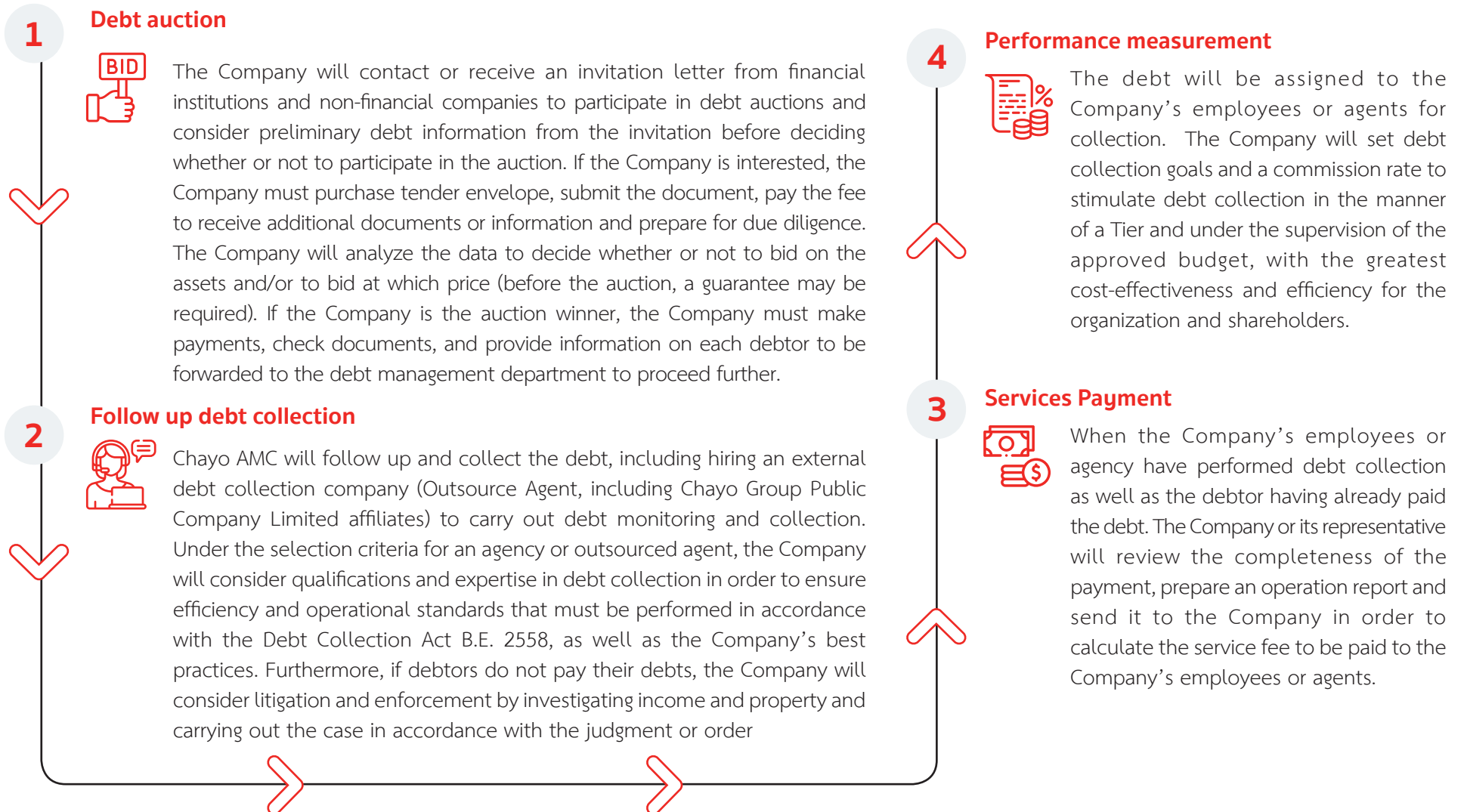
Estimating the Fair Value of the Non-Performing Loans

The Company considers and recognizes any expected credit losses that are objective with probability for forward-looking macroeconomic information that is supportive and reasonable, as well as to evaluate the unbiased and probability outcome, which is a comparison between the present value of expected future cash flows discounted by the real interest rate on non-performing loans and the book value of non-performing loans as of each reporting date. In the statement of comprehensive income, the predicted credit loss might be either a gain or an impairment loss.

Impairment Assessment of the Non-Performing Loans

The Company will assess the recoverable amount of the non-performing loan at the end of the accounting period for determining the impairment by using the discount rate, which is the original effective interest rate (OEIR). The Company operates according to the procedure for the consolidated financial statements for the year ended on 31 December 2020 onwards. In the case that non-performing loans are lower than the book value of each asset, the Company will acknowledge the allowance.

Operating procedures of the non-performing asset investment and management business



- **Debt Negotiating, Tracking, Collecting, and Expediting Services Business**

The Company provides collection and debt collection services by accepting debt collection assigned by employers, carry out the collection process for debtors to pay debt according to the employer's conditions, such as credit card debt, personal loan debt, which includes utility debt, service debt, and telephone debt, etc. Furthermore, the Company is a service provider for litigation and enforcement by investigating income and assets with debtors assigned by the employer in order to continue executing the case in accordance with the judgment or order. Employers will benefit from debt collection because the Company has over 23 years of business experience in this field. The Company's personnel are knowledgeable in the laws relating to the debt collection and skilled on expediting debt. The Company holds Thai Consultant License No. 2967, issued by the Public Debt Management Office Ministry of Finance, and strictly abided by Law and Debt Collection Act.B.E. 2558. The Company has a policy to emphasize and consider the reputation of the employer as the principle of operation.

The Company is compensated as a commission for the aforementioned services (by a percentage of debtor collection) as agreed with each employer. The revenue from negotiating collection and debt collection services will be calculated based on the amount collected from the employer so that the Company can track debt collection. The commission rate is determined by the agreement in the contract between the companies on a case-by-case basis, for example: Debtors who can be easily negotiated for collection, such as outstanding phone debt, will have

relatively low commission-to-collection rates because of the relatively low amount of outstanding debt and the short duration of the debt. Debtors with relatively high commission-to-collection rates, on the other hand, are outstanding debts from financial institutions. This is because the outstanding balance is relatively high and the maturity period is longer when compared to phone debt. At the moment, the Company can categorize its customers based on the type of employer as follows:

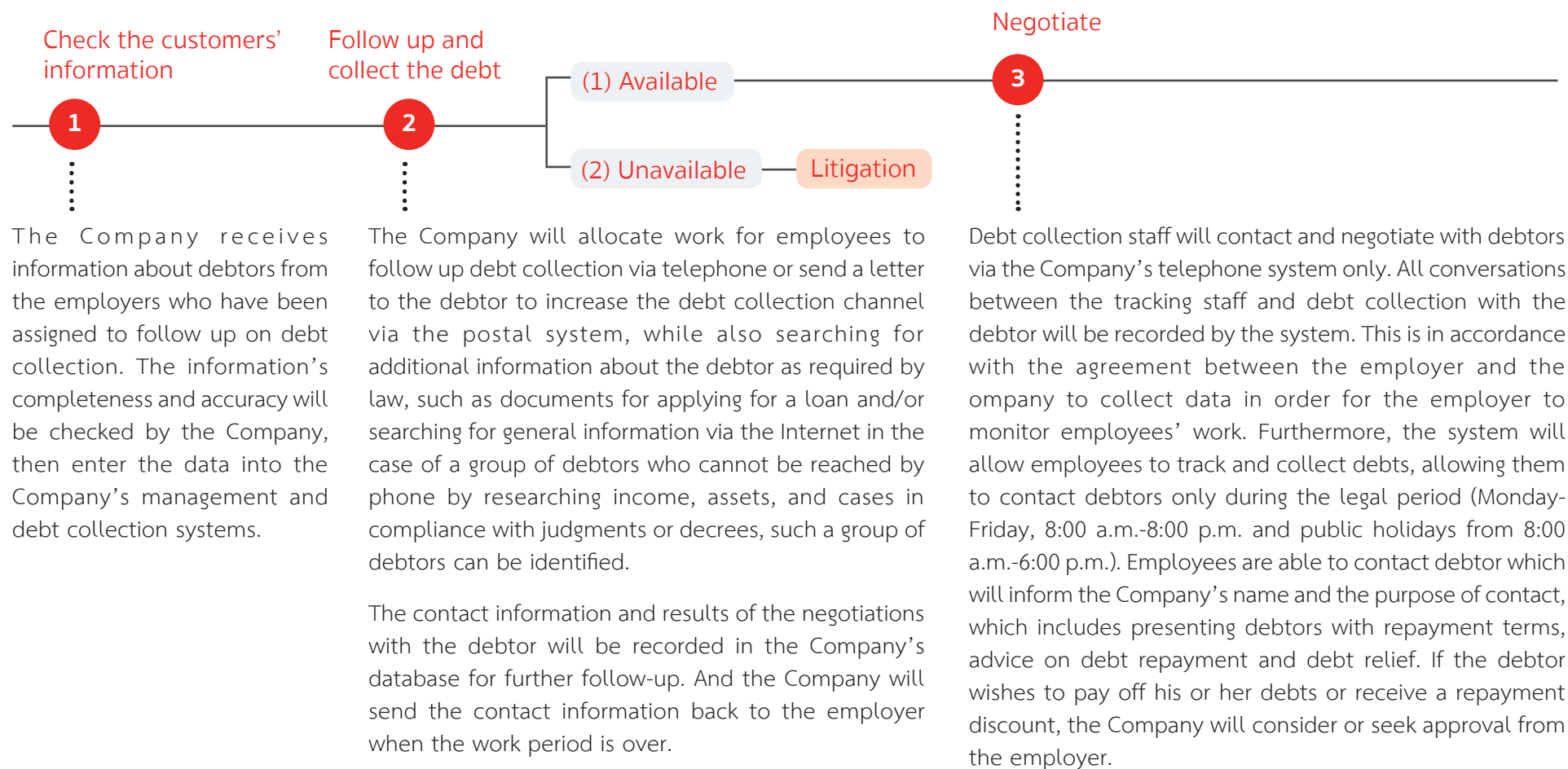
- Leading financial institutions are commercial banks in the category of personal loans such as Siam Commercial Bank, Government Savings Bank Thanachart Bank, Kiatnakin Phatra Bank, Kasikorn Bank, SME BANK and the Secondary Mortgage Corporation, Asset Management Company, Islamic Bank of Thailand Limited, Small Business Credit Guarantee Corporation(TCG) and Thiensurat Public Company Limited, etc.
- Leading companies in leasing business are Ayudhya Capital Auto Leasing Public Company Limited and T Leasing Company Limited, etc.
- Leading private companies in the IT communication group, which is a telephone service provider or a mobile phone signal service provider and the examples of customers are Advance Info Service Public Company Limited ("AIS"), etc.

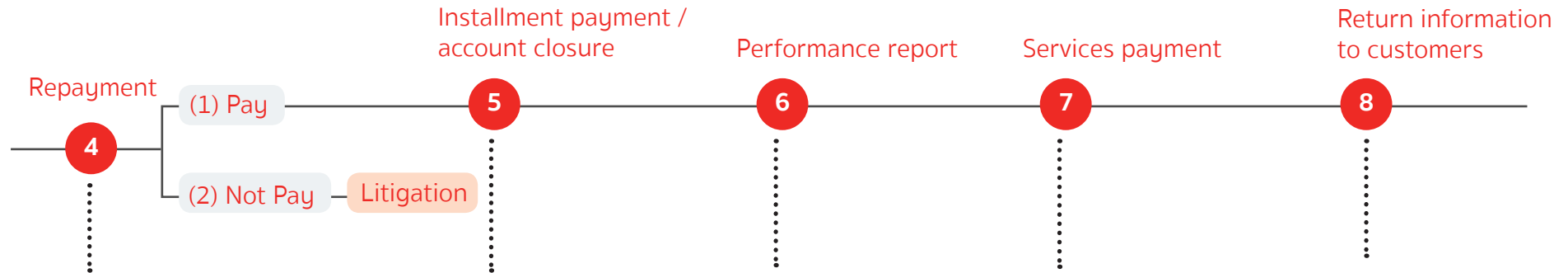
The Company's accounts receivable and the number of accounts receivable divided by type of employer from 2020 to 2023 explicate as follows.

Employer type	2020				2021				2022				2023			
	Amount Collected (million baht)	Revenue (million baht)	Number of Account (thousands)	Average commission fee	Amount Collected (million baht)	Revenue (million baht)	Number of Account (thousands)	Average commission fee	Amount Collected (million baht)	Revenue (million baht)	Number of Account (thousands)	Average commission fee	Amount Collected (million baht)	Revenue (million baht)	Number of Account (thousands)	Average commission fee
Financial institutions (Commercial bank)	170.39	20.95	43.43	12.30%	145.80	22.81	48.48	15.64%	137.02	22.50	37.87	16.42%	144.20	23.62	45.88	16.38%
General companies (The companies in IT Communication Group)	663.17	30.56	777.93	4.61%	400.80	17.30	550.67	4.32%	255.96	12.53	373.77	4.88%	189.82	10.09	260.07	5.32%
Total	833.56	51.51	821.36	6.18%	546.60	40.11	599.15	7.34%	392.98	35.03	411.64	8.91%	260.50	33.71	305.95	12.94%

Debt Negotiating, Tracking, Collecting, and Expediting Services Business

After the Company has been hired to negotiate, collect, and expedite debt, the procedures are detailed as follows.





Payment can be divided into 2 cases, which are the case where the debtor agrees to pay the debt and the debtor does not agree to pay the debt.

- (1) In the case of the debtor agrees to pay the debt, the Company will proceed to the step 5.
- (2) In the event that the debtor does not agree to pay the debt, if the employer has gather the lawsuit in the contract, the Company will proceed to the next step of the lawsuit.

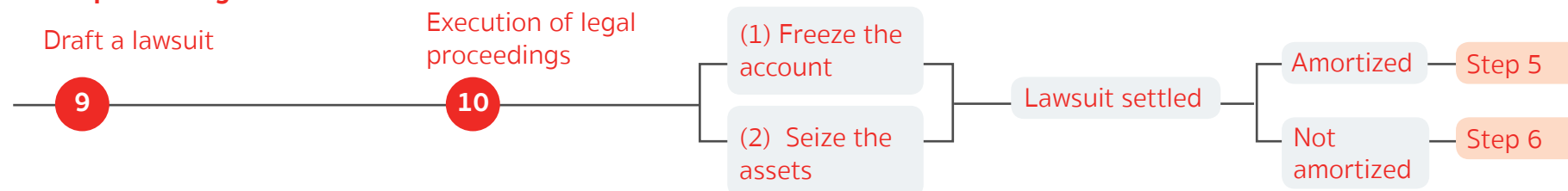
Settlement of debts, employees will notify the debtor that payments must be made directly into the debtor's account. The Company has no policy requiring employees to accept cash payments in order to avoid risks such as fraud, incompleteness, loss, etc. The employer will send the debtor's payment list to the Company for processing. The Company will enter payment information into the debt information management system in order to calculate the debt collection service agreed upon with the employer and to be the data for debt collection tracking for debtors who have missed payments.

Debt collection employees must report on the procedures to the Company's database because the Company will summarize the debt collection information to send to the employer on a monthly basis.

The Company will use the information recorded in the database of the debt management system to calculate the debt collection and tracking service that will be received from the employer. The service fee calculation will depend on the type of debtor and the Company will charge for the debt collection and collection service according to the debt collection report that has been confirmed by both parties.

At the conclusion of the debt tracking and collection services period, all information will be returned to the employer by the Company. In addition, the Company will remove all data from the management and debt collection systems. The employer will send personnel to inspect the contractor's work on a regular basis.

Case proceedings



In the event that the debtor does not cooperate in repaying the debt and the employer has included the employment case in the employment contract, the Company will pursue legal action. After receiving permission from the employer, the debtor's information will be verified by the employer and must prepare the debtor's documents and deliver to the Company. The Company's lawyer will send out notices to pay debts, schedule a court date, and draft a lawsuit. The lawyer will calculate the amount of debt sued and file a lawsuit in court to match the date of submission. After receiving a court judgment and issuing an execution warrant, if the litigants disagree with the Court of First Instance's decision, they may file an appeal and petition.

Execution of legal proceedings can be divided into 2 cases freeze the account and seize the asset.

- (1) Freeze the account, the legal department will assign the Company's legal execution officer to submit documents supporting the freezing to the Legal Execution Department and pay the cost to the executing officer. The officer will notify the freezing to third party (employer) to remit the frozen money. When receiving money from the third party (employer), the executing officer will send the money to the treasury department and send a notice to the Company to check the accounts for the frozen money. The Company's executing officer then submits a statement to request payment until the debt is completely paid. When the debt is fully paid, the Company's executing officer will proceed with the withdrawal of the debtor's execution.
- (2) Seize the assets. In addition to the creditor's obligation to pay the operation's expenses, the Legal Department will assign the executing officer to examine the property to be seized, as well as the details of the debtor's property, in order to file a case and schedule an appointment with the officer to consider the seizure request and proceed under the execution. After the executing officer proceeds to seize the property, the debtor, the registrar, and all stakeholders must be notified. In accordance with the procedure, the executing officer will determine the value of the seized property, notify the court of the intention to sell the case and begin the auction process. Before the auction, the debtor can settle his/her debt with the Company. The Company will proceed with the debtor's seizure withdrawal by allowing the debtor to pay the seizure withdrawal fee. However, when it is auctioned off and there is still debt from asset sales or the asset is missing but can be seized, the Company will follow up on the debt and look into the debtor's other assets. If the debt burden surpasses 1 million baht (for an individual), bankruptcy proceedings will be considered for the execution of a lawsuit against the debtor before the enforcement term expires. In the event that the debtor still does not pay the obligation, the Company will begin the repayment installment process (Step 5). The debtor will be returned to the employer by the Company, then begin the process of putting together the operational report (Step 6).

• Customer Service Center Business

The Company is a customer relationship center service provider from the employer, from the systematic product presentation and telemarketing, to offer products and services that are suitable for constantly changing consumer behavior. As a result, the employees of the Company are skilled at negotiating with customers and effectively presenting required information. The Company is compensated based on the success of the work as agreed with the employer. The Company categorizes the service into two types:

- Outbound is contacting an employer's customer to provide information about the employer's products or service. The Company will make every effort to contact the customer by phone in order to provide product information, product or service. This includes informing the employer's customers about various information that the employer expects them to consider when choosing or purchasing.
- Inbound is receiving phone calls by the employer's customers. The Company will answer the calls of costumers who inquire about the products and/or services of the employer for them to choose from or buy.

The Company has trained personnel who will be responsible for the customer service center, including skill development and continuous information about the employer's products and services both before and after obtaining the job. Employees must be educated on the products and services that the employer wishes to convey to its customers. This helps to avoid data discrepancies between employees and customers.

Procedures of Customer Service Business

1 Information check



In the event that a customer makes an offer of employment to the Company, the information provided by the customer will be verified, including customers' work types and the scope of work, as well as product knowledge that will be accountable, as well as income and project cost calculation.

Service of the Company divided into 2 types:

(1) Inbound

Inbound service is a job that the Company provides an answer to a customer's enquirers, including providing telephone sales services. Customers will be interested in the product and contact the Company and the employer will be the organizer of marketing or advertising.

(2) Outbound service

Outbound service is a service that the Company performs in which calls are made to customers on behalf of the employer. The goal is to sell products or services on behalf of the employer. If a customer places an order, the Company will sent the order and confirm the sales or service according the term with the employer and prepare an operational report as proof of the operation.

The Company will calculate the service fee and charge the Employer at the agreed rate once the service has been completed.

2 Service



3 Billing



- **Loan Business**

The Company has issued loans. The operation are divided into 2 types as follows:

1. Unsecured personal loan, which is supervised by the Bank of Thailand, operates under personal loans licenses under supervision and personal loan for occupation under supervision.
2. Secured Loans, the Company will conduct the business under related laws.

Procedures for unsecured personal loans

1. When customers contact the Company, the credit department will contact the customer to inform them of the documents used in the credit approval process, desired proportion of financing, including interest rates and installments as specified in the Company's products
2. If the customer has already completed the documentation, these documents will be forwarded to the credit department in order to determine the ability to pay debts. The policies that the Company has established for each product including regulations that The Bank of Thailand has established the Supervised Personal Loan Business License such as Criteria for lending according to the borrower's income and the maximum number of financial institutions that provide personal loans, etc.
3. After acknowledged the results of the credit consideration, the credit department will notify the approval results via phone call and SMS to let customers know the date of receiving the loan, approved credit, installment and interest rate.
4. An appointment is made for customers to sign a loan agreement, confirm the transaction and inform them of payment options via mobile banking, including informing them of information according to the Bank of Thailand.
5. After the customer has received the loan successfully, customers must pay on the specified date each month. In the event that the customer does

not pay the debt according to the due date, the credit department will follow up on payment. However, if exceed 30 days, the credit department will assign an external team, namely subsidiary company to follow up

The lending business is run by Chayo Capital Company Limited, which is a subsidiary of National Credit Bureau Co Ltd., therefore every debtor will be required to report payment information every month as a rule that all members must follow.

The operating procedure of a secured personal loan

1. In the event that customers make contact with the Company, the credit department will contact the customer to inquire about the credit limit and type of collateral required to apply for a loan, as well as the collateral's address
2. If the customer has already prepared the necessary documents, the documents will be sent to the credit department to determine capacity to pay debt, as well as the collateral's appraised value. Initially, an internal assessment team will assess the condition of the collateral. The, the Company will schedule a meeting with an external appraisal company to re-evaluate the collateral.
3. After knowing the outcome of the credit consideration, the credit department will contact the customer to inform them of the outcome, including the approved credit limit, installment, and interest rate.
4. The customer is scheduled to sign the credit agreement to confirm the transaction. (this includes the mortgage collateral) and specify the payment method including the mortgage collateral's date.
5. After the customer has successfully received the loan, the customers must pay on the specified date every month. In the event that the customer fails to pay the debt by the due date, the credit department will follow up on the payment. If the overdue exceeds 30 days, the

credit department will assign an external team, namely subsidiary company to follow up.

The loan business is run by Chayo Capital Company Limited, which is a member of National Credit Bureau Co., Ltd., therefore every debtor will be required to report payment information every month, as a rule that all members must follow.

- **Product sales through call center service**

The Company is a service provider for selling products and/or services through Call Center, TV Shopping, online channels and/or related channels by extending from the Company's call center to sell products and/or services that meet the consumers' needs, such as health and beauty products, food supplements, cosmetics, and new products, and by selling through the Call Center channel 24 hours a day. The Company categorizes the service into 2 categories:

1. Inbound service is when The Company will response customers who have seen product advertisements on shopping TV channels and online shopping channels. They are able to call the Company to inquire about the products, then The Company take a customer's order and deliver the products.
2. When contacting the customers to sell products and/or services (Outbound), the Company will be responsible for contacting customers via phone to inform them of product promotions and/or services, as well as various information that they should consider when purchasing.

- **Recruitment Service Business**

Due to the loan business operations of subsidiary companies for further completing the business group's ecosystem and expanding the loan business, the Company expanded the labor service business by sending employees to

industrial plants in industrial estates in Chonburi, Rayong, Pathum Thani. The company can answer the needs of companies in need of labor at all levels, from labor skills in production to professional labor. The company plans to expand the market to grow continuously. This is a business that helps society, both on the part of business owners and employees, due to current difficulty in finding work which causes more people to be unemployed. Losing job and lack of income lead to debt and the beginning of the cycle of bad debt. Helping people earn income to support themselves and their families is therefore one of our ways of giving back to society. In the aspect of helping business owners, every organization needs people to work efficiently and lead the company to grow further.

(2) Marketing and Competition

- **Competitive strategy**

The Company specializes in negotiating, collecting, and expediting debt collection services. In the past, the Company has been trusted by many large groups of customers. This includes leading financial institutions and commercial banks in the country who have been using our services continuously for many years. This is the result of the commitment of the Executive Committee and employees that adhere to the policy with efficiency and standardized services. The competitive strategy of the Company can be divided into 5 categories as follows:

- **Competitive Strategies for Investment and Asset Management Business**
1) Investment Planning and Asset Consideration

The Company has a clear asset consideration policy and an investment planning policy. The Company has always conducted a feasibility study of the project before investing to be able to foresee trends and investment revenue, obtaining accurate, dependable, and valuable data for when making the decision on

policy regarding financial analysis, market risks, the economic, social, and environmental impacts. The operations can be traced back at every step in order for the management to be efficient. This reduces the likelihood of errors while also allowing for future adjustments.

2) Consideration of negotiation as the main of non-performing loans management

The Company has a policy in debt collection by using negotiating as a preliminary process. This involves providing debt-relief assistance and seeking solutions for customers, suggestions on payment options. This includes assisting with debt payments as well as providing discounts (if any), having methods for persuading or encouraging debtors to settle their obligations for the debtor's future financial benefits. If an agreement cannot be achieved through negotiation, the Company will utilize legal tools to achieve the most satisfactory results for employers.

3) Focusing on discovering a solution with debtors

The Company has a policy to track and collect debts that emphasize mainly on the debtor. The Company will find a solution together with the debtor in repayment by adjusting the payment balance to suit the debtor's income. Our debtor's solution is based on the debtor's ability to pay off the debt. The Company may consider giving a discount to the debtor. The discount will be in the criteria that the Company is still able to operate the business that covers the incurred costs.

4) Managing non-performing loans with marketing strategies

Every year, the Company organize sales promotions such as discount, free giveaways to the customers to encourage the debtors to pay the debt. For example, giving discounts to the payment on special festivals such as free movie tickets when there are repayment or closing the account. The Company will also consider the economic and social environment by

promoting the benefit to the debtor through 2 channels: by calling to the debtor and on the Company's website.

5) After-sales or after payment of debt service

The Company has a policy to help debtors or customers in coordinating the releasing the status of outstanding debtors from National Credit Bureau Co., Ltd. (NCB) after the customer has paid back the debt according to the agreement, so that the debtor can return to normal financial transactions after the release of the debtor. The debtor will be able to do transactions such as applying for a mortgage or credit card authorization. This will increase the chances of stability and financial freedom for debtors again.

6) Management and collection of non-performing debt under the Debt Collection Act

The Company manages and collects non-performing debt by adhering to the law and the debt collection act. Furthermore, the Company has adopted the Bank of Thailand's debt collection guidelines as a guideline for work to prevent corruption and wrongdoing. In cases where the debtor or customer must pay only through the bank, the debtor and/or related person will be able to contact the Company directly without the fear of fraud issues arising from debt payments.

7) Outsource Agent (OA)

The revenue from collection is the major source of income for the non-performing loan investment and management business. As a result, to motivate and reward external organizations (Outsource Agent (OA)) to collect the debt according to the established target and received compensation in the form of commission based on the amount of the outsource agent (OA)) money collected, and set a commission rate in a tier basis. The commission rate will be higher according to the amount collected.

8) Management with a moral system to find a solution for the debtor

The Company has a policy to track down and collect debts mostly through negotiation, and will assist consumers in finding a solution by taking into account their income, costs, and ability to pay, as well as their ability to live in their daily lives. For example, in case of the Company's client has a home that is used for insurance purposes and the customers are still living there, the Company may decide to reduce the installment payment from the 30,000 baht originally agreed with the bank to 15,000 baht, so that the customer can stay and pay the installment without undue hardship. If the customer is unable to pay and agrees to have the debt transferred after the collateral has been moved or sold, the Company may consider offering a discount or not charging the difference in debt. The Company will follow moral standards and assist consumers in resuming their lives.

- **Competitive Strategies for Negotiating, Collection and Debt Expediting Services**

1) Mainly use negotiation when expediting debt

The Company has a policy of negotiating, following up and collecting debts by using negotiations as the main principle. This involves providing debtors with repayment guidance and quick, rapid, and non-burdensome payment channels, including allowing debt payback with a discount (if any) according to the employer's policy.

2) Maintaining quality and service standards

The Company has a policy to negotiate, follow up and collect debts according to standards, rules and regulations according to the Debt Collection Act, B.E. 2558 and debt collection instructions published by The Bank of Thailand. The Company has earned the trust of the employer and/or major financial institutions throughout the years. The Company has trained employees in debt collection procedures and processes with standard tracking, in compliance with

the Debt Collection Act B.E. 2558 and related laws. There is a policy for employees to use polite ,not intimidating, demeaning, or distressing words to the debtor, as well as inputting debt collection data in the system at all times. Each employee will only have access to the debtor's information for whom they are responsible. As a result, the employer and/or financial institutions have placed their trust in the Company and are confident in the Company's ability to provide high-quality service, negotiation, and debt collection in accordance with the Company's standards and quality and will not harm the employer's or organization's reputation.

3) Compensation for employees based on the amount collected

The main source of revenue for the debt collection and negotiation businesses is commission from the collected amount in order to motivate employees to be able to collect debt and to reach the target set by the employer. Therefore, the Company has paid compensation in the form of commission based on the amount collected including the commission rate, which is set in tiers. The commission rate will increase as the amount collected increases.

4) Being a professional debt collection company

By using the Debt Collection Act and the guidelines for debt collection issued by the Bank of Thailand in conjunction with the Company's debt collection policy to find a suitable solution for each customer with the characteristics of the debtor, This is another important marketing policy resulting in the debtor or the customer being more willing to contact the debtor and will significantly increase the employer's confidence in the Company.

- **Competitive Strategies for Call Center Business**

- 1) **Training employees to have knowledge and understanding**

The Company give importance to the knowledge and understanding of the products or services that the employer access. The Company provides extensive training to employees in relation to customer products and/or services. in order to prepare for the actual performance, including issues which customers may have questions and also the answers. Since the customer service industry necessitates agility and tact in service, problem-solving is essential. Alternatively, the ability to refer customers. As a result, the Company prioritizes communication and providing customers with accurate and reliable information. as well as the most effective service.

- 2) **Customer Satisfaction Assessment**

The Company periodically held customer satisfaction survey before and after received the service and use the information to analyze and process to improve, develop and implement in quality service improvement in the future as well as adapting the information to promote to the customers.

- **Competitive Strategies for Loan Business**

- 1) **Studying the loan market**

The overall market for loan business is constantly and increasingly growing every year resulting from the government's informal debt suppression policy encouraging people to take out formal sector loans or borrow through agencies or companies under government regulations. In addition, the overall economy of the country in 2021 is still inadequate, leading to the increased the demand for economic loans for production and services and, in turn, the increase in the Company's opportunities for issuing loans.

- 2) **Adding channels for advertisement agents of goods and services**

The Company's operations in 2021 is considered to be in a progressive direction, surpassing the goals we have set partly due to our growing expertise as well as our adjustment to marketing strategies and methods with the addition of new marketing tools. We have brokers to aid in the acquisition and screening of debtors as well as screen collateral assets by having brokers has lead to our work being more efficient, faster, and of higher quality.

As the economic and social conditions have not recovered and with our increasing market capabilities, it is a good opportunity for lending businesses to expand. However, the Company takes caution in considering lending loans since we do not wish for the occurrence of NPLs. We also predict that post-COVID-19 crisis, which is a period of economic recovery for households and businesses, will see the increased demand in borrowing for business circulation and improvement from the current situation.

- **Competitive Strategies for Labor Service Businesses**

The Company began operating a labor service business in early 2023 by selecting personnel with knowledge and ability and responding to the needs of all target groups of customers. The Company has focused on various factories with a need for people with different skills for various jobs. There may be more channels expanded in the future. The Company provides labor services by recruiting personnel according to the qualifications that the factory requires under the regulations of the establishment and labor law to create flexibility in business operations, reduce labor shortage problems and entry and exit of employees, making it possible to control production capacity continuously and effectively and can increase efficiency which is an important factor in business operations. The Company is therefore committed to providing quality labor services to business establishments in order to develop and improve administrative

efficiency and management of the customer's organization with the ability and experience of a professional team.

Industry Conditions and Competition

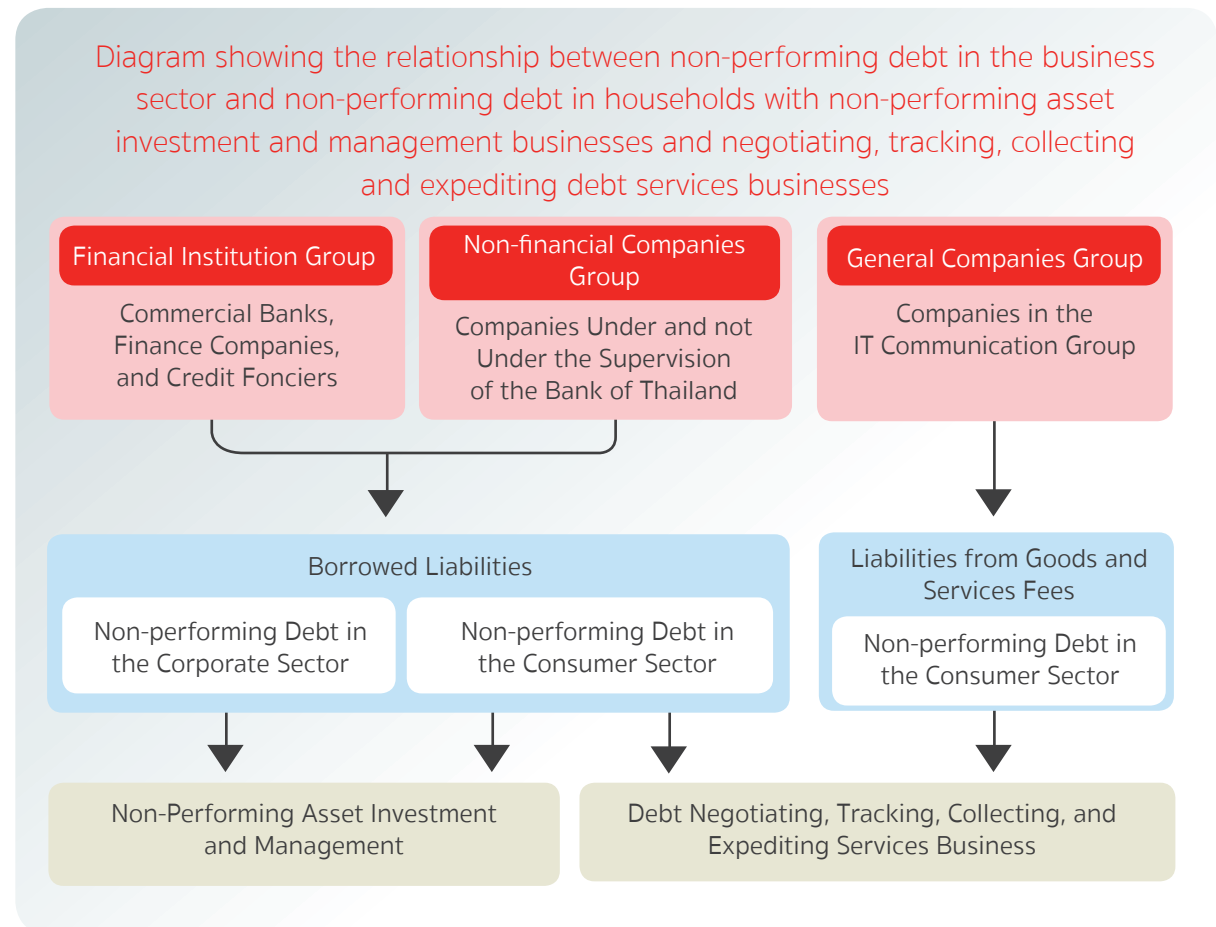
Industry Conditions

- Non-performing asset investment and management businesses**

Non-performing asset investment and management businesses have a significant demand, which is the need for the amount of non-performing debt of financial institutions, non-financial institutions, and general companies with emphasis on non-performing debt of commercial banks, since commercial banks must appropriately control non-performing loans in accordance to related policies. Such demand is distinct from debt negotiating, tracking, collecting, and expediting services businesses where the core demand derives from the Company itself. Companies in the IT communication and employment from financial institutions groups and/or commercial banks has demand for debt collection based on the overall economic conditions.

Non-performing assets of sellers can be distinguished into 2 categories namely non-performing debt in the consumer sector and non-performing debt in the corporate sector. The majority of non-performing assets

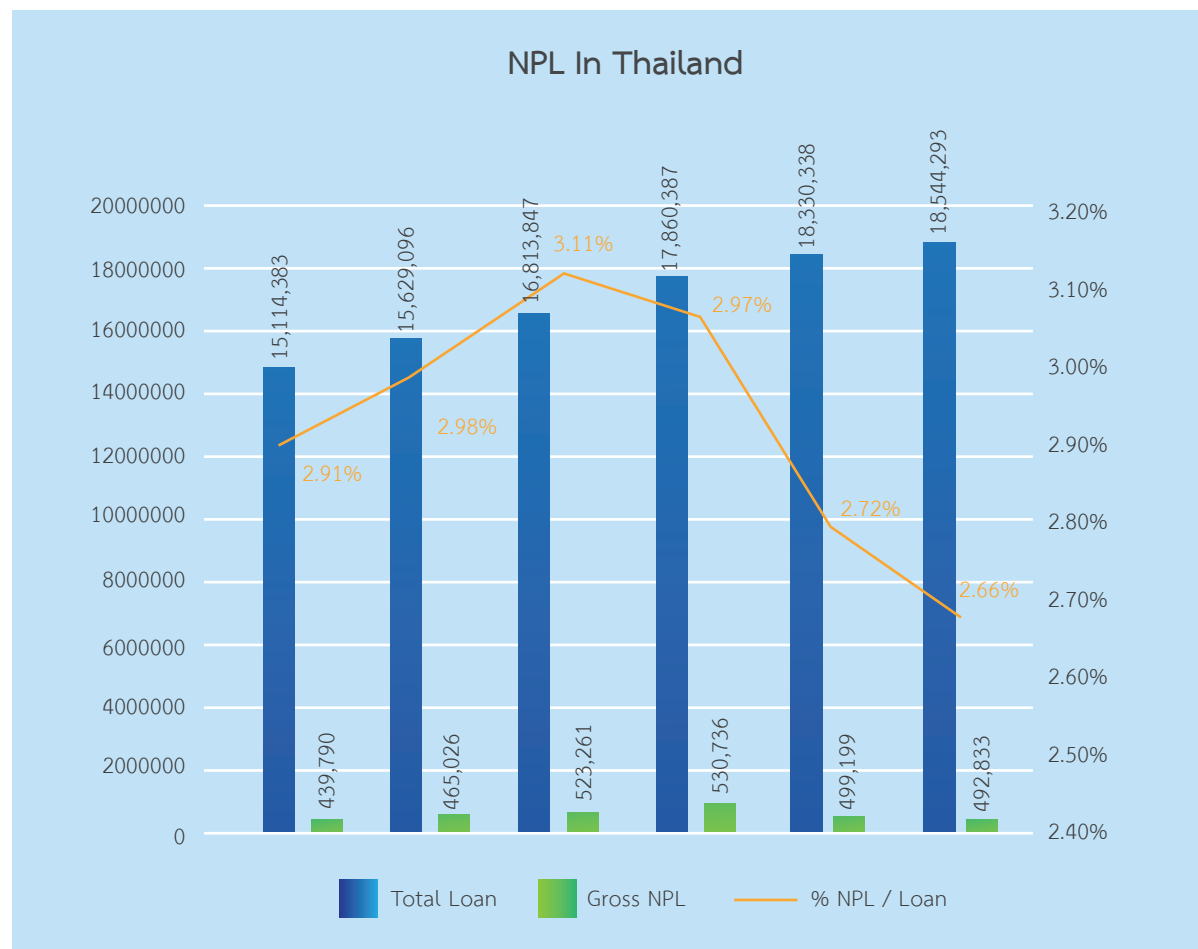
that businesses for negotiating, tracking, collecting, and expediting debts as well as buying debts at auctions for further management comprises of mortgage loans, home loans, credit card loans, cash card loans, hire purchases, and personal loans. Non-performing debt in the corporate sector comprises of



Factors affecting the non-performing asset investment and management businesses

A factor affecting the industrial conditions related to the Company's business is economic expansion. The amount of debt has an inverse correlation with economic conditions, wherein economic expansion or growth results in the decrease of NPLs to formal loans proportion due to debtors possessing more capability to repay loans. Conversely, economic recession results the increase in of NPLs to formal loans proportion due to the possibility of debtors being unable to repay loans from financial institutions. Therefore, the auctioning of overdue loans or NPLs by financial institution loan issuers have increased.

However, consider the total loan and non-performing loans and the proportion of non-performing loans to credit within the system of commercial banks, which is another important factor used in considering the Company's business opportunities.



Source : “Loans as classified by debtor type and credit type within the system of commercial banks” and “Accrued debt information, loans to related parties, and fines as classified by financial institution type” from the Bank of Thailand at www.bot.or.th , 2021

According to data from the Bank of Thailand, which discloses loans as classified by debtor type and loan within the system of commercial banks, it was observed there were 13.63 trillion baht, 14.73 trillion baht, 15.11 trillion baht, 15.63 trillion baht, 16.81 trillion baht and 17.86 trillion baht in 2016.

2017, 2018, 2019, 2020 and 2021, respectively in Thailand. Meanwhile, the amount of non-performing loans in Thailand amounted to 0.39 trillion baht, 0.43 trillion baht, 0.44 trillion baht, 0.47 trillion baht, 0.52 trillion baht and 0.53 trillion baht in 2016, 2017, 2018, 2019, 2020 and 2021 respectively, accounting for 2.84 percent, 2.91 percent, 2.91 percent, 2.98 percent 3.11 and 2.97 percent of total loans in the system in 2016, 2017, 2018, 2019, 2020 and 2021 respectively.

In 2022 and 2023, Thailand's total economic loans were 18.33 trillion baht and 18.54 trillion baht, respectively. Thailand's non income loans are 0.50 trillion baht and 0.49 trillion baht, respectively. In 2022 and 2023, the total amount of system loans was 2.72% and 2.66% respectively.

However, considering debts related to the Company's current business operations, it was observed that the Company mainly provides services related to the management of debts from commercial banks. Therefore, debts from commercial banks or financial institutions that are both customers of debt negotiating, tracking, collecting, and expediting services businesses and auctioneers of debt to non-performing asset investment and management businesses are significant factors to the Company's operations.

At the end of 2023, Thailand's accrued commercial bank loans totaled at 18.54 trillion baht, compared to 2022 and 2021 at 18.33 trillion baht and 17.86 trillion baht, respectively. In 2022, the increase from 2021 was 0.47 trillion baht (accounting for a growth rate of 5.75 percent) and in 2023, the increase from 2022 was 0.21 trillion baht (accounting for a growth rate of 0.15 percent), respectively. This is mainly due to the growth of loans in the consumer and business sectors, which continue to grow.

Non-Performing Loans (NPL) ^{1/}	2021		2022		2023	
	Billion Baht	Proportion to NPL	Billion Baht	Proportion to NPL	Billion Baht	Proportion to NPL
Home loans	92.0	16.91%	81.06	16.24%	91.04	18.47%
Car loans	17.7	3.25%	22.29	4.46%	25.12	5.10%
Personal loans	27.9	5.13%	29.78	5.97%	32.94	6.68%
Credit card loans	6.1	1.12%	7.3	1.46%	8.58	1.74%
Total	143.7	26.41%	140.43	28.13%	157.68	31.99%

Source : Documents for the press release titled "Performance of the Commercial Banking System from 2021 – 2023" at www.bot.or.th

Remark : ^{1/} Loan data based on the press release of commercial bank performances with industries categorized from the website (Bank of Thailand (Statistical data) FI_NP_003_S2 Accrued Gross NPLs classified by business type (ISIC Rev.4) 1/ (bot.or.th))

When considering the volume of non-performing loans according to the four types of consumer loans, it is found that the volume in 2023 of non-performing loans is from home loans. Car, personal and credit card loans The volume has increased compared to 2022.

As of December 31, 2023, if we consider only non-performing loans that directly affect the company's core business operations, which consists of non-performing loans, personal loans and credit cards, it is found that the loan volume Non-performing income from personal loans has a volume of 32.94 billion baht and 8.58 billion baht, respectively. It can be seen that every loan volume tends to increase from 2022.

The increase of non-performing loans is due to 4 factors namely (1) the spread of the COVID-19 virus directly affecting global economy including Thailand with impacts on tourism and others; (2) global financial market volatility; (3) economic recession and contraction; and (4) increasingly strict rules and regulations of the Bank of Thailand resulting in the increase of non-performing debt. Countries with a relatively high economic growth rates such as the ASEAN region, especially Thailand face problems from the spread of the COVID-19 virus resulting in the 90 percent reduction of tourists. Additional issues include those of the state investment (including disbursement from the state budget), private sector, politics, Thai Baht currency value, or even natural disasters and disease outbreaks affecting the country's economy.

The aforementioned factors yield a positive opportunity for the Company to buy and manage debt, as the Company plays an important role in preventing pointless debt loss from the economic system. The Company provides debt negotiating, tracking, and collecting services from commercial banks as well as buying debts at auctions for further management. The opportunity for revenue from such services has a positive correlation with non-performing debt, which also suggests more customers for the Company.

- **Debt Negotiating, Tracking, Collecting, and Expediting Services Business**

In 2019 - 2023, the group of employers determining the direction of debt negotiating, tracking, collecting, and expediting services operations of the Company comprises of companies in the information and communication technology group and commercial banks. The results of operation revenues are shown in the following table:

Revenue by type of employer	2020		2021		2022		2023	
	Million Baht	Proportion	Million Baht	Proportion	Million Baht	Proportion	Million Baht	Proportion
Financial institutions (Commercial banks)	20.95	40.67%	22.81	56.87%	22.50	64.23%	23.62	70.07
General companies (Companies in the Information and Communication Technology group)	30.56	59.33%	17.30	43.13%	12.53	35.77%	10.09	29.93
Total	51.51	100.00%	40.11	100.00%	35.03	100.00%	33.71	100.00

From the above information that in 2023, the revenue from the business is mainly from the debt collection from financial institutions and companies in the IT communication group. It can still be observed in 2023 that the Company has decreased revenue from debt collection from financial institutions as compared to 2019 with a decrease of approximately 1.12 million baht or 4.98 percent. This is because in 2023, employers of financial institutions have increased their employment in debt collection. But revenue from services in the information and communications technology group decreased. Or representing a decrease of approximately 24.18 percent, resulting in income from the company's debt negotiation, tracking, collection and debt collection service business decreasing from 2022 by 1.32 million baht. Therefore, the company has adjusted its strategy. They participated in the auction to buy bad debt from financial institutions to manage themselves. To increase more income for the company.

Factors affecting the industry of debt negotiating, tracking, collecting, and expediting services

The business of debt negotiating, tracking, collecting, and expediting services is a business sector related to both domestic and international economic conditions. Economic recession (due to the spread of the COVID-19) causes customers and/or entrepreneurs whom are borrowers face difficulty in repaying and/or unpaid payments for goods and services resulting in accrued loan payments as well as accrued goods and services fees. This has a tendency to increase and not only with financial institutions, but also with

installment payments and other product and service monthly fees as well.

An economic factor positively affecting the debt negotiating, tracking, collecting, and expediting services business is economic expansion. During economic recession, such as disease outbreaks or stagnations, the layoff and unemployment rates will increase, leading to the decrease in the population's income and the increase in accrued debt of customers in the IT communication group and commercial banks which, in turn, leads to more non-performing debt in the system. Eventually, the employment rate in the debt negotiating, tracking, collecting, and expediting services business will increase. During economic expansion or growth, the rate of accrued debt occurring is lower than during economic recession leading to less non-performing debt in the system.

In this regard, the factors affecting the business of negotiating, collecting and collecting debts of the Company from direct employment of commercial banks are the amount of non-performing debt in the household sector. The accrued balance of non-performing loans (NPL) in the system by business type can be classified as follows:

Accrued balance of non-performing loans	2020	2021	2022	2023
Agriculture, forestry, and fisheries	9,486	9,998	8,094	10,064
Mining and quarrying	3,539	4,037	551	623
Production	109,565	116,927	99,294	93,014
Construction	22,309	24,132	27,512	28,504
Wholesale, retail, and repairs of automobiles	122,425	126,326	125,771	113,136
Finance and insurance	9,693	10,623	8,314	7,377
Real estate	30,916	32,605	24,712	19,497
Utilities and transportation	29,058	16,329	21,128	19,655
Services	41,880	46,030	43,358	43,251
Personal consumption	144,380	143,717	140,432	157,677
Others	10	11	34	34
Total	523,261	530,736	499,199	492,833

Source : Information on “Gross NPLs accrued in the system as classified by business type” from the Bank of Thailand for the 4th quarter of 2023 at www.bot.or.th/

From the accrued balance of non-performing loans in the system by business type, it was observed that the system of non-performing loans in Thailand amounts to 523,261 million baht in 2020 and 530,736 million baht in 2021 and 499,199 million baht in 2022. For 2023, it was found that non-performing loans throughout the system in Thailand amounted to 492,833 million baht.

The main non-performing loans related to the Company’s debt collection and debt expediting business are personal consumer loans from commercial banks.

Considering the accrued balance of non-performing personal loans in the system, it was observed to be increasing every year with the increasing trend of total non-performing loans in the system. Non-performing loans for personal consumption were equal to 144,380 million baht in 2020 and 143,717 million baht in 2021 and 140,432 million baht in 2022. For 2023, it was found that non-performing loans for personal consumption amounted to 157,677 million baht.

The main income of the debt negotiating, tracking, collecting, and expediting services business comes from providing services to companies in the information and communication technology group. Therefore, the information and communication technology industry is another industry that directly affects the operating results of the Company’s business.

Companies in the information and communication technology group are the main customers of the debt negotiating, tracking, collecting, and expediting services business. In 2023, the wireless telecommunication market in Thailand is continuously expanding from 2022, driven by the growing market for information communication and online digital services. The main driving force is the introduction of mobile broadband internet services through 3G, 4G and

5G networks among consumers. This along with intense marketing strategies among wireless telecommunication operators under intense competition to attract consumers to use more information services. The aforementioned factors have increased the opportunity of the Company's debt negotiating, tracking, collecting, and expediting services business in providing services as well. This was because borrowers of goods and services loans of companies in the information and communication technology group have increased with the number of customers using the services.

In addition, the mobile phone industry in Thailand has been growing steadily for several years in a row with service providers expanding their networks and increasing digital services to gain more market share. These industries have issued sales promotions and marketing plans for subsidizing the cost of mobile phones or issuing packages and new services to attract customers. Service providers are aware of the fact that the current price of mobile phones are at the level that is accessible to by consumers of all genders/age groups as well as the increasing trends of receiving news and information through mobile phones, and has in turn provided promotional policies that are responsive to the needs of customers in order to expand their market.

Nonetheless, due to the modernization of technological development along with the network service technology of employers' companies such as the development of overdue notification systems, automated notifications, and direct debt tracking with customers will greatly affect the Company's employment because if the employer company can perform such roles by themselves, the role and revenue of the Company's services will be reduced. At present, such effect has already taken place and the Company

is in the midst of finding solutions to maintain this role and to increase capabilities by applying technologies and expertise of employees for a higher level of service.

- **Customer service center business**

At present, private companies are increasingly prioritizing the quality of services for maximal customer satisfaction. An accepted way of doing so among businesses of all sizes is the use of call-center services to support the numerous needs of customers. The solution of providing such services is outsourcing experts due to the lower cost of operations, which is especially true for call-center services. Such services are an important tool for managing customer relations and essential for businesses for responding to customers in a timely manner. In addition, the economic crisis has driven businesses to outsource call-center services to create satisfaction and maintain customers base. Businesses highly prioritizing call-center services include commercial banks, financial institutions, and companies in the information and communication technology group. These companies have massive customer base and customer behavior habitually includes studying information before making a decision. According to Frost & Sullivan Company Limited, a global market research company, it is observed that call-center services in Thailand at present has a total market value of over 4,000 million baht with an average growth rate of 11 percent per year. In Thailand, customer call-center services can be classified into 4 main types as follows:

- (1) Outsourced contract solutions services, wherein the main customers are government agencies and private sectors of various businesses such as retailers, commercial banks, financial institutions, consumer goods, and airlines.

- (2) Total turnkey solutions services, providing services ranging from installation of IT systems and software related to call-center services to the delivery of ready to use work. The main customers of this service includes large government agencies and private sectors with demand for expert installations but will self-manage said systems.
- (3) Sales of goods and services through various channels including telemarketing services including various businesses from selling credit cards, insurances, memberships, utilities, cosmetics, food supplements, drugs, and others. This marketing trend focuses on generating profit from providing services.
- (4) In-house contract centers refers to large government agencies or private sectors that procure and manage call-centers by themselves. The majority are companies with highly confidential information.

It is observed that the call-center business at Chayo call-center, a subsidiary of CHAYO GROUP established in 2016, has the business opportunity to expand into a variety of call-center services in the future if able to be developed for acceptance in the industry. The Company has the strength of being a service provider for companies in the IT communication group recognized at a national level, resulting in a high chance of being accepted. The customer call-center service industry is growing steadily into the future. The globalization of the business world makes data as valuable as gold, therefore all business entities must focus on providing accurate, fast, and verifiable information. The aforementioned opportunity had a positive impact on the Company's business. In case the Company expands the market into the wholesale and retail industries, the Company is able to develop customer relations which in turn generates more jobs in the debt tracking and collection as well.

Competition Conditions

- **Non-performing asset investment and management businesses**

In 2023, the number of companies operating asset management businesses increased from 2022 to approximately 19 companies, but most of them were companies established by the original owners. or established according to law to purchase bad debt directly from the financial institution that is the original owner. Therefore, there may be more competition, but it is competition with the same group of asset management companies and/or some new groups. This does not affect the competition much because there are quite a lot of bad debts in the system. In addition, the competition must use knowledge, ability, and experience. The company is well equipped with personnel who have sufficient knowledge, ability and potential to be able to compete in the market.

- **Debt Negotiating, Tracking, Collecting, and Expediting Services Business**

At present, there are approximately 20 companies registered for debt tracking and collection services. Due to the Company being prepared in terms of personnel, database systems, standardized work operations, and 23 years of experience in the debt tracking and collecting services, resulting in the Company being able to continuously provide debt negotiating, tracking, collecting, and expediting services. The main customers of the Company are companies in the IT communication group, commercial banks, and financial institutions that have consistently provided good feedback. In addition, with the Ministry of Finance issuing the Fair Debt Collection Act, debt collection business operators are obliged to work with more standards, such as installing a recording system while talking to debtors. The Company predicts that companies providing such services must establish a standardized tracking system. Therefore, competitors of this type of business require large investments. Furthermore, due to the nature of such

business, employers seldom hire only a single company to negotiate, track, collect, and expedite debts. Several companies are usually hired at once, with performance performances being recorded and a ranking system of debt collections for consideration in assigning additional tasks to companies with a history of achieving goals or dismissing companies that do not meet goals or with a bad ranking.

In the event that the number of assignments is reduced, the Company is confident in the ability to maintain the advantage in this type of business operation. This is owing to the Company's possession of modern tools, standardized debt collection and tracking system, as well as sufficient capital for running the business from which the Group will receive from raising funds in the Market for Alternative Investment (mai) to be used for developing business potential.

- **Customer service center business**

Customer call-center businesses is changing according to consumer behavior and technological advancements. Several companies have adopted a variety of technologies as an important part of doing business, as well as facilitating the training to develop employee efficiency in providing services. Running a customer call-center business requires expertise, investment, and experience of personnel.

- (1) At present, the competitors of the Company's call-center business can be divided into 2 types: outsource call-center services companies providing a variety of services, such as contacting target customers to make product recommendations, telemarketing sales, marketing survey services, as well as customer satisfaction survey services. These companies operate a call-center business resulting in more intense and

diverse industry competition.

- (2) The employing company's own call-center services. Currently, the businesses that prioritizes customer relations management are commercial banks, financial institutions, and businesses in information and communication technology. These businesses are becoming more aware of the importance in facilitating internal departments to manage customer relations information for their own customers resulting in more intense competition in the industry may arise due to the fact that businesses with their own internal department no longer has the demand for outsources.

In addition, due to the increasing trend of competition, any companies that operates a call-center business must build trust to the employer to be confident that the employer will be facilitated and receive quality service rather than the operation themselves, saves costs and resources. Including having to create a good image for the organization. With the knowledge and expertise of the personnel of the Company and its subsidiaries including experience in related business operations can make the Company credible in the eyes of customers / employers in the industry. However in 2021, the Company's revenue from customer call-center business is not very high due to the impact of the COVID-19 pandemic. At present, customer call-center employees have been moved to collect debts for affiliated companies and perform other duties as necessary.

- **Loans and credit business**

The overall market for lending businesses is continuously growing. In 2021, the growth has exceeded expectations from customer demands

for loans and from market conditions where financial institutions are lending with caution and strictness. This is also coupled with informal debt suppression policies where the government encourages people to borrow formal loans or through agencies or companies regulated by the government and the adjusted marketing strategies appropriate to current situations. In 2021, the extreme economic recession since 2019-2020 has caused the household and corporate sectors to be lacking in working capital. This results in the increased demand in relative to previous years for credit or loans for consumption and, consequently, the increase in market competition. Although the Company has expanded, the Company still uses caution in lending of loans or credit since a high amount of NPLs is undesired.

- **Call-center product sales business**

The business of selling products through call-centers has changed according to the behavior of consumers as well as the inclusion of technology and innovations in production and services. Several companies have implemented product research and social media to become an important part in promoting more marketing and sales as well as training to develop employees to be skilled in enhancing consumer satisfaction. The business of selling products through call-centers requires knowledge, expertise, product attractiveness, trend market analyses and/or services, investments, and the work experience of

personnel. Such market is very competitive at present time, and the Company has thus delayed this business.

(3) Procurement of products and services

- **Procurement of Funding Sources**

Chayo Group Public Company Limited and its subsidiaries (the Group) operates mainly in businesses related to the management of non-performing assets including buying debts at auctions and managing non-performing assets, both secured and unsecured. The Group also operates a loan business, therefore the source of services derives from the procurement of capital for the Company's business operations. The Company's source of capital is shareholders, borrowing from financial institutions, as well as the issuing and offering of debentures. As of 31 December 2021, 2022 and 2023, the Company has sources of funds as follows:

Source of Funds	2021		2022		2023	
	Million Baht	Percentage	Million Baht	Percentage	Million Baht	Percentage
Loans/debentures	-	-	1,642.07	93.97	1,537.06	100.00
Stockholder's equity	2,117.52	100	105.30	6.03	-	-
Source of funds total	2,117.52	100	1,747.37	100.00	1,537.06	100.00

(4) Assets used in business operations

- **Main fixed assets used in business operations**

As of 31 December 2023, fixed assets used by the Company in business operations have a net value after deducting accumulated depreciation equal to 51.33 million baht, which can be presented as follows:

Asset Types	Ownership Types	Net Worth (million baht)	Encumbrance
Property, buildings, and equipment			
Property			
Location : 44/499-504 Anusawari Subdistrict, Bang Khen District, Bangkok Province For use as an office building . Note: Reclassified as investment property.	Owned by the Company	-	No encumbrance
Location : 44/551-554 Anusawari Subdistrict, Bang Khen District, Bangkok Province For use as an office building . Note: Reclassified as investment property.	Owned by the Company	3.36	No encumbrance
Buildings and building improvements	Owned by the Company	35.36	No encumbrance
Office supplies	Owned by the Company	1.15	No encumbrance
Computer equipment	Owned by the Company	5.81	No encumbrance
Furnishings and fixtures	Owned by the Company	5.10	No encumbrance
Vehicles	Owned by the Company	0.55	No encumbrance
Property, buildings, and equipment total		51.33	
Real estate for investment			
No. 1/44 Location : Watcharaphon Road, Tha Raeng, Bang Khen, Bangkok Unspecified purpose of use	Owned by the Company	1.40	No encumbrance
Vacant land Location : Bang Chan Subdistrict, Min Buri District, Bangkok	Owned by the Company	2.94	No encumbrance
Vacant land Location : Bueng Subdistrict, Si Racha District, Chonburi	Owned by the Company	2.25	No encumbrance
3 booths commercial building Location : Chokchai Si Road Soi 22, Lat Phrao, Lat Phrao, Bangkok	Owned by the Company	3.38	No encumbrance
4 booths commercial building Location : 44/499-504 Anusawari Subdistrict, Bang Khen District Bangkok Province Note : Reclassified as investment property in 3Q2023.	Owned by the Company	19.87	No encumbrance
Real estate for investment total		29.84	

• Intangible Assets Used in Business Operations

As of 31 December 2021, the Company has net intangible assets amounting to 4.53 million baht, which were items of rights to use computer programs such as personnel management systems, general office programs, customer data management programs and office programs to expand the system to support the increased telephone systems according to the Company's plan. The Company has a policy to write off intangible assets throughout the estimated useful life within a period of 3 years.

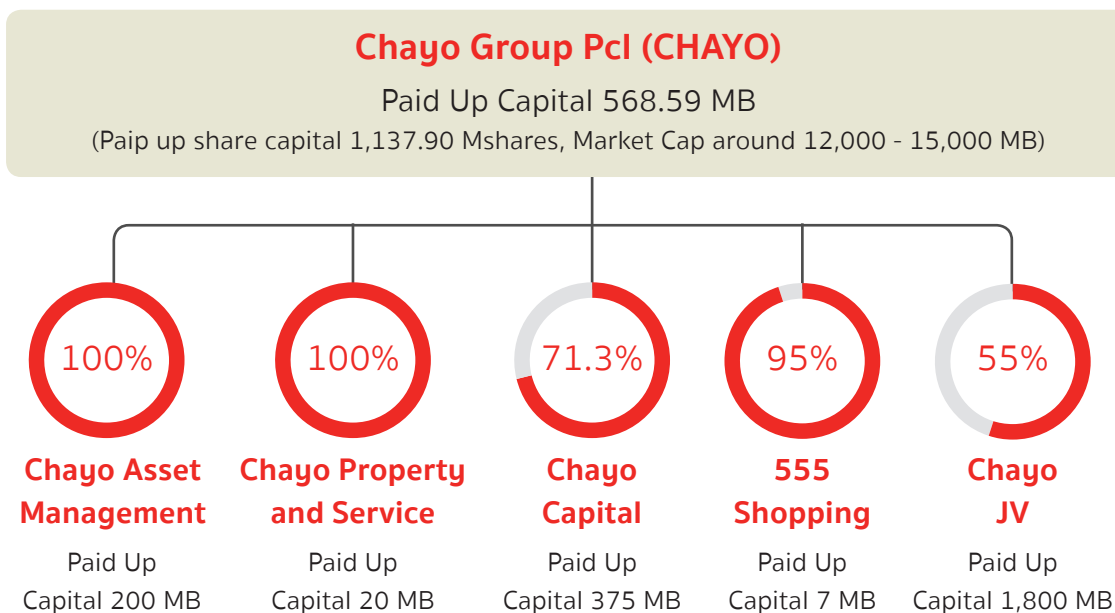
• Investments in Subsidiaries

	Registered Capital (Baht)	Shares	Share Value (Baht)	Proportion of Shares (percent)
Chayo Asset Management Company Limited	200,000,000.00	40,000,000	5.00	100.00
Chayo Property and Services Company Limited	20,000,000.00	2,000,000	10.00	100.00
Chayo Capital Company Limited	375,000,000.00	37,500,000	10.00	71.00
555 Service Company Limited	7,000,000.00	200,000	35.00	95.00
Chayo JV Asset Management Company Limited	1,800,000,000.00	18,000,000	100.00	55.00

(5) Work that has not yet been delivered

- None -

1.3 Group shareholding structure as of 31 December 2023



1.2.3 Persons With Possible Conflicts of Interest Holding Shares in Subsidiaries or Associates of More Than 10 Percent of the Number of Shares With Voting Rights of the Company.

The Company has no subsidiaries, associates, or companies under control

1.2.4 Relationship Of Major Shareholders with the Group

Mr. Suksan Yasasin, a major shareholder of CHAYO, holds shares in CC Alliance Company Limited (“CCA”), a company that operates business similar in nature to commercial banks by managing non-performing assets, which was established on 4 December 2013 by 3 shareholders of the Company, consisting of Mr. Suksan Yasasin, Ms. Jaruwan Chaiyon and Mrs. Pim Pattamasing Na Ayuthaya collectively holding shares in CCA at 49.00 percent of the total issued and paid-up capital (Mr. Suksan Yasasin at 48.36 percent, Ms. Jaruwan Chaiyon, at 0.32 percent, and Mrs. Pim Pattamasing Na Ayuthaya at 0.32 percent); and Capital Advisory Services (Thailand) Company Limited (no relationship with CHAYO and Mr. Suksan Yasasin) holds 51.00 percent of the total issued and paid-up capital. In December 2013, CCA has auctioned 1 unit of non-performing assets amounting to 47.50 million baht. As of 31 December 2020, according to the unaudited financial statements, CCA had a remaining cost of the aforementioned non-performing assets amounting to

approximately 0.00 million baht and an accrued debt of approximately 1,890 million baht. However, CCA is a company established to invest in only one unit of collateralized non-performing assets. CCA does not operate for any other purpose that is not related to the auction of the said unit of non-performing assets (CCA will manage only one unit of the currently existing non-performing assets and will not invest in any additional non-performing assets in the future) as stipulated in the pledge (Shareholders' Agreement) between Mr. Suksan Yasasin and Capital Advisory Services (Thailand) Company Limited. CCA will cease business as soon as the non-performing assets management has ended as resolved by the Annual General Meeting of Shareholders No. 1/2017 of CCA on 28 April 2017.

1.2.5. Shareholders

(1) Major Shareholders

Information from the closing of the register book as of 10 November 2023 shows the list of major shareholders and the top 10 shareholding proportions as follows:

List of Shareholders	Number of Shares	Percentage
1. Mr. Suksan Yasasin	377,074,091	33.16
2. Mr. Paiboon Seriwiwatthana	72,676,971	6.39
3. Mr. Ritthirong Bunmeechot	39,717,179	3.49
4. Mr. Somyot Mannithiworakul	32,334,000	2.84
5. Mr. Natthawat Yasasin	28,845,710	2.54
6. Mrs. Supha Suphantarida	20,400,000	1.79
7. Dr. Phongsak Thamthatcharee	20,247,858	1.78
8. Mrs. Waranee Seriwiwattana	19,130,578	1.68
9. Mr. Sura Kanittaweekul	16,075,901	1.41
10. Thai NVDR Company Limited	12,367,490	1.09
Total shareholding of the first 10 shareholders	638,869,778	56.18
Other minor shareholders	498,320,494	43.82
Total	1,137,190,272	100.00

(2) Shareholding in Other Companies

The Company does not hold shares in other companies

(3) Agreement Between Major Shareholders

- None -

1.4 Amount of Registered and Paid-up Capital

The Company has registered capital and paid-up capital on December 31, 2023 as follows:

Registered capital	625,458,090.00 baht (six hundred twenty-five million four hundred fifty eight thousand ninety baht)
Common shares	1,250,916,179 shares (one thousand two hundred fifty million nine hundred sixteen thousand one hundred seventy nine shares)
Par value	0.50 baht (fifty satang)
Paid-up capital	568,595,136.00 baht (five hundred sixty-eight million five hundred ninety-five thousand one hundred thirty-six baht)
Common shares	1,137,190,272 shares (one thousand one hundred thirty-seven million one hundred ninety-two hundred seventy-two shares)
Par value	0.50 baht (fifty satang)

1.5 Others Securities Issuance

The Company has 5 tranches of unredeemed debentures as at December 31, 2023, with a value of 4,207.39 million baht, details as follows:

(1) Debentures of Chayo Group Public Company Limited No. 1/2021 due for redemption in 2024, which the issuer has the right to redeem before the redemption date.

Instrument name	The debentures of Chayo Group Public Company Limited No. 1/2021 are due for redemption in 2024, which the debenture issuer has the right to redeem before the redemption date.
Type of debenture	Name-specified debentures Unsecured, unsubordinated and with bondholder representatives
Total value of bonds offered for sale	1,250,000,000 baht
Number of bonds offered for sale	1,130,100,000 baht
Residual value	855,485,700 baht (Partial redemption ahead of schedule)
Par value per unit	1,000 baht
Offering price per unit	1,000 baht
How to offer for sale	Offered for sale to institutional investors and/or major investors (II&HNW)
Age	3 years
Interest rate	5.70% per year throughout the life of the bond
Interest payment date	Every 3 months throughout the life of the bond
Bond issue date	23 November 2021
Debenture maturity date	23 November 2024
guarantee	None
Credit rating of the bond issuer	No credit rating
Bondholder Representative	Asia Plus Securities Company Limited
Debenture Registrar	CIMB Thai Bank Public Company Limited
Secondary market for buying and selling bonds	-

(2) Debentures of Chayo Group Public Company Limited No. 1/2022 due in 2025.

Instrument name	The debentures of Chayo Group Public Company Limited No. 1/2022 are due for redemption in 2025.
Type of debenture	Name-specified debentures Unsecured, unsubordinated and with bondholder representatives
Total value of bonds offered for sale	34,000,000 baht
Number of bonds offered for sale	34,000,000 baht
Residual value	34,000,000 baht
Par value per unit	1,000 baht
Offering price per unit	1,000 baht
How to offer for sale	Offered for sale to institutional investors (PP 10)
Age	2 years
Interest rate	6.00% per year throughout the life of the bond
Interest payment date	Every 3 months throughout the life of the bond
Bond issue date	15 May 2022
Debenture maturity date	15 May 2024
guarantee	None
Credit rating of the bond issuer	BB+ Stable outlook on March 25, 2022 by TRIS Rating Company Limited.
Bondholder Representative	Asia Plus Securities Company Limited
Debenture Registrar	CIMB Thai Bank Public Company Limited
Secondary market for buying and selling bonds	-

(3) Debentures of Chayo Group Public Company Limited No. 1/2022 due for redemption in 2025, which the issuer of the bonds have the right to redeem before the maturity date.

Instrument name	The debentures of Chayo Group Public Company Limited No. 1/2022 are due for redemption in 2025, which the debenture issuer has the right to redeem before the redemption date.
Type of debenture	Name-specified debentures Unsecured, unsubordinated and with bondholder representatives
Total value of bonds offered for sale	1,800,000,000 baht
Number of bonds offered for sale	1,800,000,000 baht
Residual value	1,800,000,000 baht
Par value per unit	1,000 baht
Offering price per unit	1,000 baht
How to offer for sale	Offered for sale to institutional investors and/or major investors (II&HNW)
Age	3 years 6 month
interest rate	6.00% per year throughout the life of the bond
Interest payment date	Every 3 months throughout the life of the bond
Bond issue date	20 May 2022
Debenture maturity date	20 November 2025
guarantee	None
Credit rating of the bond issuer	BB+ Stable outlook on March 25, 2022 by TRIS Rating Company Limited.
Bondholder Representative	Asia Plus Securities Company Limited
Debenture Registrar	CIMB Thai Bank Public Company Limited
Secondary market for buying and selling bonds	-

(4) Debentures of Chayo Group Public Company Limited No. 1/2023 due for redemption in 2026, which the issuer of the bonds have the right to redeem before the maturity date.

Instrument name	The debentures of Chayo Group Public Company Limited No. 1/2023 are due for redemption in 2026, which the debenture issuer has the right to redeem before the redemption date.
Type of debenture	Name-specified debentures Unsecured, unsubordinated and with bondholder representatives
Total value of bonds offered for sale	1,000,000,000 baht
Number of bonds offered for sale	1,000,000,000 baht
Residual value	1,000,000,000 baht
Par value per unit	1,000 baht
Offering price per unit	1,000 baht
How to offer for sale	Offered for sale to institutional investors and/or major investors (II&HNW)
Age	3 years
interest rate	6.05% per year throughout the life of the bond
Interest payment date	Every 3 months throughout the life of the bond
Bond issue date	29 March 2023
Debenture maturity date	29 March 2026
guarantee	None
Credit rating of the bond issuer	BB+ Stable outlook on October 19, 2022 by TRIS Rating Company Limited.
Bondholder Representative	Asia Plus Securities Company Limited
Debenture Registrar	CIMB Thai Bank Public Company Limited
Secondary market for buying and selling bonds	-

(5) Debentures of Chayo Group Public Company Limited No. 2/2023 due for redemption in 2026, which the issuer of the bonds have the right to redeem before the maturity date.

Instrument name	The debentures of Chayo Group Public Company Limited No. 2/2023 are due for redemption in 2026, which the debenture issuer has the right to redeem before the redemption date.
Type of debenture	Name-specified debentures Unsecured, unsubordinated and with bondholder representatives
Total value of bonds offered for sale	517,900,000 baht
Number of bonds offered for sale	517,900,000 baht
Residual value	517,900,000 baht
Par value per unit	1,000 baht
Offering price per unit	1,000 baht
How to offer for sale	Offered for sale to institutional investors and/or major investors (II&HNW)
Age	3 years
interest rate	6.25% per year throughout the life of the bond
Interest payment date	Every 3 months throughout the life of the bond
Bond issue date	6 October 2024
Debenture maturity date	6 October 2026
guarantee	None
Credit rating of the bond issuer	BB+ Stable outlook on October 19, 2022 by TRIS Rating Company Limited.
Bondholder Representative	Asia Plus Securities Company Limited
Debenture Registrar	CIMB Thai Bank Public Company Limited
Secondary market for buying and selling bonds	-

1.6 Dividend Policy

Company's Dividend Policy

The Company's dividend policy is to pay not less than 40% of the net profit after income tax of the individual financial statements following the legal reserve allocation as dividends. The rate at which dividends are paid is determined by the investment strategy, conditions, and restrictions set forth in the Loan agreement or other relevant arrangements (if any), financial situation and performance, as well as other company-related factors. The Board of Directors may consider reviewing and amending the dividend payment policy from time to time in order to meet the Group's future capital and working capital requirements, as well as other considerations as it deems appropriate, and in accordance with relevant laws.

Dividend Payment Policy of Subsidiaries

The Company's dividend policy is to pay not less than 40% of the net profit after income tax of the individual financial statements following the legal reserve allocation as dividends. The rate at which dividends are paid is determined by the investment strategy, conditions, and restrictions set forth in the Loan agreement or other relevant arrangements (if any), financial situation and performance, as well as other company-related factors. The Board of Directors may consider reviewing and amending the dividend payment policy from time to time in order to meet the subsidiaries' future capital and working capital requirements, as well as other considerations as it deems appropriate, and in accordance with relevant laws.



2. Risk Management

2.1 Risk Management Policy and Plan

The Company understands the necessity of risk management. This will aid the Company in achieving its business plan, objectives, or goals, as well as maintaining excellent corporate governance as it grows steadily and sustainably. As a result, the Company has formed a risk management policy to serve as a guideline and structure for all of the Company's departments. For those involved in risk management, such as the Board of Directors, Audit Committee, Risk Management Committee, senior management, Risk Management Working Group, person responsible for managing the agency internal inspector's evasion, and all employees, the roles, duties, and responsibilities are clearly defined. Furthermore, in order for the Company to execute its Company and fulfill its objectives, a systematic avoidance management approach has been devised, and can control the risk to an acceptable level including assigning those responsible for the agency including the operators to communicate information about the risks together, and regularly report on risk management to the Risk Management Committee.

2.2 Risk Factors Relating to the Company's Business Operations

The risks indicated below are some of the most significant risks that could harm the Company's business, financial situation, performance, and business possibilities, as well as the value of its common stock. There may also be other risks that the Company is unable to anticipate at this time or that the Company analyzes at this time but does not believe that they will have a major impact on the Company's business operations.

In addition, forward-looking statements such as "believes," "predicts," "expects," "plans," "wishes," "estimates," or financial projections, future projects performance projections, business, business expansion plan, changes in laws related to business operations government policies in different countries and other factors which are anticipating future events. It is the opinion of the Group at present and does not constitute an endorsement of its operations, or future events in any way. Actual results or events may differ materially from such estimates or expectations.

For information about the Thai government or the general economy of the Thai market, as well as other countries in the global market. The Company received the information from the information disclosed or copied from government papers or other trusted sources. The Company, on the other hand, has not verified or certified the accuracy of such information or the method of acquiring it in any way.

At present, the Company operates 5 types of businesses, namely Non-performing asset investment and management, debt negotiating, tracking, collecting, and expediting services business, customer service center business, business lending both collateral and without collateral ,and recruitment Service Business, which all 5 businesses have different risks according to business types as follows:

Risks to the Business Operations of the Company or the Group

- **Non-performing Asset Investment and Management Business**
Risks from Investing in Non-performing Assets

The Company auctions off a pile of non-performing loans, both collateral-

ized and unsecured, from banking institutions and other financial institutions in order to supervise management by accepting claims transfers, following up on debts, and prosecuting debtors. As a result, the Company faces the risk of bidding for a large number of non-performing loans at an inappropriate or excessive price, as well as the risk of debt collection that is less than projected. As a result, such investments are either not worthwhile or result in losses.

However, before each auction to purchase a pile of non-performing loans. The Company has analyzed the details of the NPLs and other related information in order to make a decision in each auction of the NPLs, including collateral analysis (In the case of a secured debt auction), age of the debtor type of debt, average debt limit for each individual estimated, expected cash flow from non-performing asset management. Storage costs and other related information, and continue to monitor the results of debt collection as well as analyze the results of debt collection or debt purchase in the future as well. In addition, the Company has set up the Asset Management Committee to consider every auction of debt. Such committee is responsible for analyzing the information in order to make decisions and determine the appropriate auction price for the pile of non-performing loans.

Risk of Unsecured Debt Management That May Not Receive a Return on Investment

Investing in unsecured debt is a purchase and/or bid for debts that do not have any assets placed as collateral for payment in the event that the debtor goes bankrupt. The Company may have to divide the assets with other creditors based on rights and proportions, and may result in the

Company by not receiving a return on investment because in the event that the Company is unable to collect debt from such debtor, whether through the debt collection process or legal litigation procedures. The Company will not be able to make any claims against the debtor's debts in bankruptcy.

However, before each auction to purchase a pile of non-performing loans, the Company has analyzed the details of the NPLs and other related information in order to make a decision in each auction of the NPLs, including the analysis of the debtor's age type of debt, average debt limit for each individual estimated, expected cash flow from non-performing asset management. Storage costs and other related information and continue to monitor the results of debt collection as well as analyze the results of debt collection or debt purchase in the future as well. In addition, the Company has assigned the Asset Management Committee to consider every auction of debt. The Committee is responsible for analyzing the information in order to make a decision and set the auction price for the pile of non-performing loans appropriately. Usually, the purchase price and/or the auction price are not very high due to the reasons mentioned above. In addition, due to the experience from the business of negotiating, monitoring, and collecting debts that the Company has operated for more than 20 years, lead the Company to enable to collect debt to archive the goals or at a level close to the target by requiring that the collection plan be tracked and the report is prepared, and specify the reasons and solutions in the event that employees are unable to track and collect debts according to the specified goals to improve and find ways to improve and develop the Company's business further.

Risk from Competition in the Industry or the Risk that the Company is Unable to Bid for New Piles of Non-performing Assets

To conduct business of investing and managing non-performing loans, both with collateral and without collateral, business operators need a license to conduct business, readiness for investment and the potential to provide services for negotiating, tracking, collecting and expediting debt. At present, entrepreneurs who are private companies (and not affiliated with a financial institution or not owned or organized by the government), there are not many of this type of business. At present, most operators are affiliated companies of financial institutions who are sellers of non-performing loans and have a policy to purchase non-performing loans from affiliated companies only. The Company may still be exposed to industry competition risk from the auction of non-performing loans in terms of price and capital, and the auction of non-performing loans of companies which established by governments with relatively high funding sources. This may result in the Company not having any additional piles of non-performing loans to manage and affect the Company's revenue. Risks in terms of higher capital utilization for auction of non-performing loans from financial institutions and non-financial companies. The market is huge, especially during bad economic period. As a result, financial institutions or affiliated companies are unable to follow debt collection thoroughly. In addition, debt tracking and collection may have high tracking costs and not worth the investment or monitoring. In addition, entrepreneurs who are private companies, as well as companies that have limited capital, therefore, the Company believe that the Company has a low risk of competition in the industry.

Risk from Debtor's Ability to Repay Debt from Non-performing Loans

Debtor's debt repayment risk is a factor that affects the income of the investment and asset management business. In the event that the debtor is affected by external factors such as economic volatility or natural disaster. This will affect the debtor's ability to repay the debt and helps the Company to reduce risk of debt collection. However, if the economy is good, the debtor's ability to pay debts also tends to improve.

As a result, the Company examines debt collection on a regular basis in order to assess the debtor's ability to repay and to establish policies to encourage debt recovery, such as a discount policy for settling debts during holidays or important days, and sales promotions (Promotion).

Risk from Dependence on Management

Top executives of the Company, Asset Management Chayo Company Limited, which is Mr. Suksan Yosasin, currently serves as the Chief Executive Officer. He is knowledgeable and well experienced in business administration. As a result, the Company must rely on knowledge arising from skills and long experience with knowledge, ability and expertise in managing non-performing loans, which may affect the ability of the Company's operations, which will fail the operation to archive the goals.

However, the Company has foreseen the risk of relying on such executives and other personnel with special expertise in the Company. Therefore, the Company has a plan or assigns high-level Company personnel to work interchangeably in accordance with the control of the internal control system, such as related duties and responsibilities, confidentiality of information, operating procedures of each segment and approval authority

according to the organizational structure. In addition, top executives in such businesses occasionally switch roles to reduce risks and share work experience, and the Company also attaches importance to the creation and retention of the Company's personnel to prevent and reduce the risks that may arise. The Company has set guidelines to improve the quality of the Company's employees by sending them to various training courses in order to enhance their knowledge and abilities, and reduce their dependence on any specific employee, along with encouraging employees to feel part of the Company by providing appropriate care and welfare to employees at each level to build morale in the work. In addition, the succession plan is to set guidelines for recruiting successors by requiring the Nomination and Remuneration Committee to be the recruiter to determine the recruitment plan for the succession of the Chief Executive Officer, as well as propose a list of suitable candidates to be considered for succession on a regular basis to the Board of Directors to consider appointing when there are vacancies. For example, when the position of Chief Executive Officer is vacant or the person in the position is unable to perform their duties, the Company requires executives at the level nearby, or the Deputy Chief Executive Officer who is acting in the position until the recruitment and selection of qualified persons according to the criteria specified by the Company in order to propose to the Board of Directors for consideration and approval of the appointment and/or key positions within the Company that will enable the Company to operate and expand its business sustainably as well as define the necessary characteristics and abilities of key positions. It requires the Company's internal employee recruiting strategy first to build employee loyalty and morale. The personnel

department will determine the guidelines for creating successors in accordance with the guidelines set by the Company and will be evaluated for each position every year, such as organizing activities for mutual relations in-house seminars, based on the guidelines that the Company continues to operate as mentioned above. As a result, the Company has never encountered a shortage of personnel.

The Risk of Complaints or Litigation Arising from Debt Collection that Does Not Comply with the Debt Collection Act 2013

The Group is at risk of being sued or prosecuted by debtors, in the event that the employees of the Group of companies have a behavior that violates the Debt Collection Act 2015 under the supervision of the Debt Collection Supervisory Committee, for example, notifying a debt to someone other than a debtor, Submission of documents or any other media containing text, marks, symbols or company names that can be understood as a debtor's debt collection, negotiating with the debtor by misleading the debtor as insulting, intimidating or using harsh words and debt collection outside the time specified by law, which is outside the period, on Monday to Friday from 8:00 a.m. to 8:00 p.m and public holidays from 8:00 a.m. to 6:00 p.m.

In this regard, the Group has managed risk by providing training and testing knowledge and understanding about the Debt Collection Act 2015 before working and regular training and clearly stipulates penalties for employees to prevent violations and commit such offences. There is also a system to monitor the performance of debt collection staff and to survey the satisfaction of those who are tracked and debt collection. In addition, there is a system

to prevent overtime debt collection, such as the telephone system of the debt collection and collection staff which cannot be used outside of business hours, etc.

Risks in Acquiring Investment Sources for Auctions or Debt Purchases

Although the auction of non-performing loans will continue to occur, investing or purchasing a pile of non-performing loans will require a large amount of investment to bid for a pile of non-performing loans. The Company must be ready in terms of funding sources because if the Company wins the auction, the Company must pay the seller in full amount on the day of transfer of the non-performing loans immediately. Most of them are paid within 30 days of winning the auction. Therefore, before bidding, the Company must ensure that if the Company wins the auction, the Company must have sufficient sources of funds for payment.

The risk of changing and increasing the law, rules and practices relevant to existing and emerging businesses

The Company's operations must adhere to a variety of rules and regulations that directly affect consumers. As a result, the Company's operating results are not in line with the previously established plans. The corporation, on the other hand, has managerial flexibility to handle future developments while also maintaining solid internal control.

Risks of disasters, epidemics, policies, or political issues that may affect the company's operating environment and performance

The Company realizes the importance of being prepared to deal with any disaster that may occur with a Business Continuity Planning: BCP) to support various situations that may arise, such as preparing a second site, planning

and testing for employees to work at home, and including preventive measures, such as screening measures, sick measures, or procedures to follow if an incident occurs, all with the goal of mitigating potential impacts and allowing the business to run smoothly and without interruption.

Risk of Rising Auction Costs Due to the Growing Number of Competitors in the Industry

The investment and asset management firm will be a business with relatively high gross profit and operational profit if the business operator can properly manage its operations. As a result, business partners who are interested in the investment and non-performing asset management sector and have researched in-depth information about the industry want to compete with the Company. The number is still quite large in the economy, and there are still few operators with the expertise and potential to continue operations. As a result, the Company will be able to compete in competitive NPL auctions against a growing number of competitors. As a result, the auction cost of both secured and unsecured debts is likely to increase in the future. In the event that the Company is unable to manage operating costs effectively, it will result in a decrease in profitability of the Company.

In 2023, the number of asset management companies will increase to 80, which may affect the increase of competitors in non-performing asset management business. However, most asset management companies are non active legal entities, excluding asset management companies of such companies and commercial banks. State owned Enterprise Asset Management Company (i.e. Bangkok Commercial Asset Management Public Limited ("BAM") and Asset Management Company Sukunyi Co., Ltd. ("SAM")

will only have 7-10 companies that may compete with Chayo AMC. The closest competitors to private companies in terms of business nature include: J Asset Management Co., Ltd., a subsidiary of JMT Network Services Public Limited (“JMT”), Asset Management Company Bangkok Commercial Public Company Limited (BAM) and government holding companies such as SAM are very different from Chayo AMC in terms of capital because it is a government asset management company.

Furthermore, banking institutions rarely sell their nonperforming assets (NPLs) or receivables to competitors. Chayo AMC has an advantage over new asset management companies that are expected to be competitors in terms of personnel readiness, database system, and standard work, as well as having more than 20 years of experience, work, and reputation in related businesses from the past to the present, the Company is able to effectively manage non-performing loans. Competitors interested in getting into this market must make relatively large initial investments in order to bid on piles of non-performing loans and invest in related work systems. Executives with competence and a high level of business experience are required. As a result, the Company is competitive and capable of competing.

- **Debt Negotiating, Tracking, Collecting, and Expediting Services Business**

The Risk of Litigation Arising from Debt Collection that Does Not Comply with the Debt Collection Act 2013

The Company is at risk of being sued or prosecuted by the debtor, and/or employer in the event that the Company’s employees violate the Debt Collection Act 2015 under the supervision of the Debt Collection Supervisory Committee, for example, notifying a debt to someone other

than a debtor Submission of documents or any other media containing text, marks, symbols or company names that can be understood as a debtor’s debt collection, negotiating with the debtor by misleading the debtor as insulting, intimidating or using harsh words and debt collection outside the time specified by law, namely, in addition to the period of Monday to Friday from 8:00 AM to 8:00 PM and public holidays from 8:00 AM to 6:00 PM.

The Company manages risks by providing training to employees, supervisors, and other relevant individuals. Employees and supervisors must pass a knowledge and understanding test on the Debt Collection Act 2015 regularly and has clearly and clearly imposed penalties on the offending employees, including their supervisors to prevent violations and commit such offenses. This includes having a system to monitor the performance of employees to follow up and collect debts. Tape recording of follow-up negotiations and solicitations and satisfaction surveys of debt collectors and debt collectors. In addition, there is also a system to prevent debt collection outside of office hours, for example, the telephone system of debt collection and collection staff cannot be used outside of business hours.

Risk of Debt Collection That May Not Meet the Goals Set by the Employer

Debt Negotiating, Tracking, Collecting, and Expediting Services Business is a business that is affected by external factors that the Company cannot control, and depends on the economic situation. As a result, the Company has a risk of not being able to collect debts as determined goals. If the Company is unable to collect debts as targets for a long time, the Company may be at risk of not receiving future assignments from the employer.

The Company, on the other hand, has over 20 years of experience in the debt negotiation, tracking, collection, and expediting services business. The Company acts professionally, in accordance with stringent standards and the law, and is able to uphold the employer's reputation. At this time, the Company is able to recover debts as targeted or to the level that the employer is satisfied with. As a result, the Company receives tasks from clients on a regular basis. (Moreover, the employer does not want to expand or invest in its own debt collecting operation.) by specifying the reasons and solutions in the event that employees are unable to follow up and collect debt according to the specified goals to improve and find ways to improve and develop the Company's business further.

The Risk of Shortage of Personnel

Due to the current labor situation, there is increasing competition. In addition, more entrepreneurs have turned to business to provide services for debt negotiation, tracking, collecting and expediting services. As a result, the Group is at risk of having insufficient personnel for the workload of tracking and collecting debt assigned by the employer. Due to the Group's inability to recruit staff to track and collect new debts and unable to maintain the same personnel. This may result in the Group losing business opportunities to generate revenue from debt collection and tracking.

As a result, the Group has policies in place to deal with personnel shortages and the changes that will occur in the organization as a result of increased competition, as well as appropriate remuneration. Training is organized to improve employee knowledge, and employee relations activities have increased in order to maintain a good relationship between

the organization and the employees, as well as attracting efficient personnel to stay with the organization.

Industry Competition Risk

Debt negotiating, tracking, collecting, and expediting services business is a low-investment business with a simple business structure. There is a risk that new entrepreneurs will easily enter the industry to compete, resulting in a highly competitive environment in terms of job titles, price, and service competition. The Company's ability to generate income and profit in the future may be jeopardized.

As a result, the Company places a high value on performance, quality, and service standards, as well as strictly adhering to or following the law in order to maintain the employer's image. The Company believes that if it works with high standards and quality, the risk of not receiving work from the employer should be minimal.

Risk from Contract Termination due to Dependence on Large Employers and Reliance on Target Group

The Company is a service provider for debt collection, negotiation, and collection for a small number of employers, including financial institutions (leading commercial banks) and general Company Group (Company in the Information and Communication Technology Group), and the contract is renewed from time to time if the company is unable to follow up and collect debt according to the employer's agreement. The Company may face contract terms being changed or the contract being terminated, including the employer not renewing the contract.

However, from the beginning to the present, the Company has shown the work to the employer in order for the employer to assess the competence and quality of the work. As a result, the employer has always trusted the Company, and the Company has attempted to broaden the employer base to include other financial institutions and businesses and expand the scope of service to call center business, for example, to reduce the risk of business group concentration in order to earn money in a different way.

The Risk of Relying on Top Executives and Personnel with Specific Expertise

From the experience in business operations of the Company's senior management, namely, Mr. Suksan Yosasin, currently serving as the Chief Executive Officer, and Mrs. Pim Pattamasingna Na Ayudhya as the Managing Director of the Executive Support Division, with experience working in this business for more than 20 years, resulting in both people having a good understanding of the business. The Company relies on knowledge arising from the skills and long experience of personnel who have knowledge and expertise in debt collection and tracking, which may affect the ability of the Company's operations and will result in the operation not meeting the goals.

However, the Company has foreseen the risk of relying on such executives and other personnel with special expertise in the Company. Therefore, the Company has a plan or assigns high-level Company personnel to work interchangeably in accordance with the control of the internal control system such as related duties and responsibilities, confidentiality of information, operating procedures of each segment and approval authority according to the organizational structure. In addition, top executives in such businesses occasionally switch roles to reduce risks and share work

experience, and the Company also attaches importance to the creation and retention of the Company's personnel to prevent and reduce the risks that may arise. The Company has set guidelines to improve the quality of the Company's employees by sending them to various training courses in order to enhance their knowledge and abilities, and reduce their dependence on any specific employee, along with encouraging employees to feel part of the Company by providing appropriate care and welfare to employees at each level to build morale in the work. Succession plan is to set guidelines for recruiting successor by requiring the Nomination and Remuneration Committee to be the recruiter to determine the recruitment plan for the succession of the Chief Executive Officer, as well as propose a list of suitable candidates to be considered for succession on a regular basis to the Board of Directors to consider appointing when there are vacancies, for example, when the position of Chief Executive Officer is vacant or the person in the position is unable to perform their duties, the Company requires executives at the level nearby, or the Deputy Chief Executive Officer who is acting in the position until the recruitment and selection of qualified persons according to the criteria specified by the Company in order to propose to the Board of Directors for consideration and approval of the appointment and/or key positions within the Company that will enable the Company to operate and expand its business sustainably as well as defining the necessary characteristics and abilities of key positions. It requires the Company's internal employee recruiting strategy first to build employee loyalty and morale. The personnel department will determine the guidelines for creating successors in accordance with the guidelines set by the Company and will be evaluated

for each position every year, such as organizing activities for mutual relations in-house seminars, from the guidelines that the Company continues to operate as mentioned above. As a result, the Company has never encountered a shortage of personnel.

Risk of Leaking Important Information

In the service of negotiating, tracking, collecting and expediting debt, the employer will provide information or documents to the Company to perform the work as agreed. The employer considers the information or documents that the employer provides as the confidentiality of the employer. The Company may not disclose, duplicate or copy any part of the information without the prior written consent of the employer. Including supervising and controlling the Company's employees from disclosing information to outsiders is strictly prohibited. Therefore, the Company is at risk that information may be leaked from employees who do not comply with the rules or regulations of the Company. The Company may be sued and claim damages if such a case occurs, and may lose the trust of the employer and may result in not being hired in the future. The Company manages its risks by determining each debtor's right to access information using information technology to manage information in order to prevent or reduce risk. Employees or related persons who do not have the authority or ability to record information outside the Company. Employees are also not permitted to bring electronic devices to their workstations. In addition, the Company has made arrangements to review the system's access logs and to back up the debtor's data on a regular basis. In addition, the Company has clearly stated the consequences for employees who break or violate the rules.

• Customer Service Center Business

Industry Competition Risk

Since the Company's customer service center business requires a low initial investment and a straightforward operational structure. As a result, there is a significant risk of new competitors entering the market. Price competition for market share or industry customers may result as a result of this. However, in this type of business, providing customer information over the phone necessitates a high level of customer credibility because the Company must act as a service provider rather than the customer's company; therefore, if a service error occurs, the customer's reputation is directly impacted. As a result, reputable customers or large customers will select service providers based on strict criteria. Due to the fact that the Company has been in the business of negotiating, and collecting debts for customers for a long time and with good results and has no history of harming the reputation of its customers. As a result, the Company has a relatively low risk of losing customers from the increase of operators or competitors in the call center industry.

Risk from Contract Termination due to Dependence on Large Employers and Reliance on Target Group

The term of a call center business's service contract is usually the same as the length of the employer's contract, and the contract is renewed on a regular basis. If the employer decides not to renew the contract, it will have an immediate impact on the segment's income.

However, the Company has no revenue in the call center segment in 2020, and call center employees have been transferred to work for affiliates under the debt as well. The Company is currently looking for new customers in the

information and communication technology industry as well as other industries, such as real estate development, in order to generate additional revenue for the company in another way. The call center's revenue is only about 1 to 2 percent of total revenue (if any).

- **Lending Business**

Credit Risk

The most important step in lending is to consider the customer's credit. If the Company is assessed or uses a weak customer credit review system, it will approve and lend inappropriately. This may put them at risk of becoming NPLs (non-performing loans).

Risk Factors: The Company has developed a method for screening customers that takes into account the following criteria:

1. Income Criteria
2. Net Income Criteria
3. Minimum Working Age
4. Breakeven analysis / valuation criteria
5. Analysis criteria for solvency
6. The total amount of debt from other financial institutions that have also issued credit under the same license does not exceed the requirements of the license

and has established a credit facility and system for credit and debt collection comprising experienced personnel and has the expertise to help take care of and take responsibility for credit considerations, especially in order to reduce such risks.

Industry Competition Risk

Personal loans are a highly competitive industry in which both banks and non-banks compete for customers, and each has offered a significant discount. As a result, the Company's return may be low in comparison to other businesses. However, the Company employs a management strategy that involves marketing to clearly defined target groups in order to reduce competition from other operators and create an efficient debt collection process in order to keep the amount of NPL under control. As a result, the Company believes its profitability is comparable to its current operations.

- **Labor service business**

Risk from competition in the industry

At present, labor services must be detailed and according to the qualifications of those who have needs for personnel, especially in various industries of which there is a high number of competitors in the market. Therefore, the Company reduces this risk by studying the characteristics and various qualifications before recruiting people, with a team that can analyze people who will be suitable for that factory or have a preliminary interview first, to endure that there is no cancellation during recruitment and delivery.

Risk from not complying/incompletely complying with labor laws.

Since the business provides labor services, entrepreneurs need to strictly comply with the Labor Protection Act. If there is any case where the Company risks not complying directly, it will cause direct damage. Therefore, the Company hires executives with knowledge and expertise in the labor business to help control, follow up, and give suggestions in operations starting from selecting service recipients/customers, financial statement

analysis labor management, and compliance with industry standards, etc.

Risk from Management

The Risk of Relying on Top Executives and Personnel with Specific Expertise

The Company's top executives are well-informed and have a thorough understanding of the industry. The Company must rely on the expertise and long experience of personnel with experience investing in and managing non-performing loans and customer service center services, including negotiation, tracking, and debt collection. As a result, if the Company loses personnel in the area, it may affect the ability of the Company's operations, resulting in the operation failing to meet its objectives.

However, the Company has foreseen the risk of relying on top management and other personnel with special expertise in the Company. Therefore, the Company has a plan or requires that senior executives can work interchangeably in accordance with the control of the internal control system, such as related duties and responsibilities, confidentiality of Information, operating procedures of each segment, and approval authority according to the organizational structure. In addition, top executives in such businesses occasionally switch roles to reduce risks and share work experience. The Company also attaches great importance to development, creating and retaining Company personnel to prevent and mitigate such potential risks. The Company has set guidelines to improve the quality of the company's employees by sending them to various training courses to enhance their employees' knowledge and abilities and reduce their dependence on any specific employee, along with encouraging employees to feel part of the Company through care, and provide appropriate welfare for employees at

each level to build morale and morale in the work. Succession Plan to set guidelines for recruiting successors by stipulating that the Nomination and Remuneration Committee is the recruiter, determine the recruitment plan for the succession of the Chief Executive Officer, as well as propose a list of suitable candidates to be considered for succession on a regular basis to the Board of Directors to consider appointing when there are vacancies, for example, when the position of Chief Executive Officer is vacant or the person in the position is unable to perform the duties. The Company requires executives at the level nearby, or the Deputy Chief Executive Officer is acting in the position until the recruitment and selection of qualified persons according to the criteria specified by the Company, and propose to the Board of Directors to consider and approve the appointment and/or key positions within the Company that will enable the Company to operate and grow sustainably, while defining the necessary characteristics and capabilities of key positions. It uses internal employee recruiting strategies first to build employee loyalty and morale. The personnel department will determine the guidelines for creating successors in accordance with the guidelines set by the Company and will be evaluated for each position every year, such as organizing activities related to in-house seminars. This is the way that the Company continues to operate. As a result, the Company has never faced a shortage of personnel.

The Risk of Shortage of Personnel

There is increasing competition as a result of the current labor situation. In addition, a growing number of entrepreneurs are focusing their efforts on asset management. As a result, the Company may be unable to cope with the volume of work required to negotiate, track, and collect debts assigned

by the employer. Due to the Company's inability to recruit staff to track and collect new debt, as well as its inability to keep the same personnel, the Company may lose future business opportunities to generate revenue from operations.

As a result, the Company has guidelines for dealing with the problem of personnel shortages as well as the changes that will occur in the organization as a result of increased competition and appropriate remuneration. Employee training is organized to improve knowledge, and employee relations activities have increased to maintain a good relationship between the organization and its employees while also attracting efficient personnel to stay with the organization on a long-term basis.

Financial Risk

Financial Risks Associated with Financial Statements and Financial Projections

Market risk (including fair value risk of investments arising from estimated storage change in interest rates) is one of the financial risks that the Company faces. Changes in interest rates and price risk cause cash flow risk, as well as credit term risk and liquidity risk. The Company is focused on reducing the negative impact of financial market volatility on the Group's financial performance. The Group is in charge of risk management, which is done in accordance with the Board of Directors' policies. The executives establishes overarching risk management principles and policies to address specific risks such as interest rate risk, credit term risk, and risk management through investment using excess liquidity.

The Risk That Interest Income from Loans to Non-performing Loans Is Inconsistent with Estimates

In the event that the Company is unable to follow up debt collection and/or sell collateral from the pile of non-performing loans that have invested in management according to the goals set. It may result in interest income from loans to non-performing loans of the related non-performing loans fund not meeting the projections. Meanwhile, the Company's executives is required to review management estimates in order to estimate the expected cash flows collected from debt collection and/or selling of new collateral by assessing from factors of quality, type and aging of debts of related non-performing loans in conjunction with statistical databases on all historical debt collections, specifically based on quality, type and aging of debts of related non-performing loans. The accounting impacts in the event that interest income from loans to non-performing loans is not in line with the estimates including impairment. The Company will recognize impairment losses on loans to non-performing loans immediately when there is a factor indicating that future cash inflows from receivables or from sales of collateral are estimated, and (2) the Company will not be able to record a deferred tax assets for future use. The Company will be able to record a deferred tax assets if it is probable that the Company will have enough tax profit to take advantage of the temporary difference amount. However, in 2020, new accounting standards have been announced which may affect accounting entry.

Interest Rate Risk

Changes in market interest rates may have an impact on the Company. Loans from financial institutions, loans from related parties, and liabilities

under hire purchase contracts made up the Company's past interest-bearing debts. The Company borrows at fixed interest rates and primarily uses contract and market rates as reference rates. As a result, if the reference interest rate rises, the Company's borrowing costs may rise.

Liquidity Risk

Each investment or auction for a pile of non-performing loans necessitates a substantial outlay of funds. In terms of funding sources, the Company must be prepared. If the Company wins the auction, the Company will be required to pay the seller in full on the day the non-performing loans are transferred. Having an agreed credit line will provide the Company with adequate funding, demonstrating the Company's prudent management of liquidity risk in the past and present. The cash generated by the Company's operations is sufficient to cover the Company's expenses, changing economic conditions, on the other hand, may make the Company's operating cash flow more volatile, affecting the Company's liquidity risk in the future.

Financial Risks Related to Business Operations

Financial Liquidity Risk

The Company has a risk of financial liquidity for the Debt Negotiating, Tracking, Collecting, and Expediting Services Business, and the customer call center business is low since the nature of the business is a service that involves working capital, namely trade accounts receivable. The Company has established trade terms of trade accounts receivable and accounts payable for the calculation of the cash cycle, and consider setting different conditions for each partner, in the best interest of the Company to calculate the cash cycle at least once a year to assess the efficiency of

operations. In addition, in the event that the operation does not go according to the normal situation, the customer does not hire the Company to provide related services, which is quite rare in the event that the Company has the ability to continue operating. The Company will be obligated to pay salaries for employees and executives, including paying office rent and related utilities. The Company's executives predicted that the Company's competitiveness is quite high. As a result, the above events will not occur to the Company in the future.

However, in non-performing asset investment and management, even though the auction of non-performing loans continues to occur, but investing or bidding on non-performing loans will require a large investment. The Company must be ready in terms of funding sources. Since the Company wins the auction, the Company must pay the seller the full amount on the date of receipt of the transfer of the non-performing loans immediately, which is usually not more than 30 days from the date of the winning bid, allocating sufficient funding sources for NPLs prior to each auction. The Company currently receives a consistent monthly cash flow from the management of non-performing loans.

In addition, Chayo Asset Management Company Limited, a subsidiary of Chayo Group Public Company Limited, which operates investment and non-performing asset management does not meet the supervision criteria regarding criteria for classification and provisioning of financial institutions, according to Bank of Thailand Notification No. 5/2016 dated June 13, 2016, effective July 2, 2016 onwards, which requires financial institutions under the definition of such announcements to classify and set aside reserves of

financial institutions, resulting in the Chayo Asset Management Company Limited, which is a subsidiary of Chayo Group Public Company Limited, does not have to maintain capital to handle risks in accordance with the criteria of financial institutions as specified by the Bank of Thailand. Chayo Asset Management Company Limited was registered with the Bank of Thailand to operate as an asset management company under the emergency decree on asset management company 1998 (including amendments).

This is to prevent financial risks in the event that the Company has already auctioned the pile of non-performing assets. The Company has considered the type of financial instruments “Reserve in case of initial investment in non-performing assets” to prevent liquidity risks from operations such as employee salary, utility bills and payment of other operating expenses, and other expenses of the investment and management of non-performing assets during the beginning of debt collection by setting aside reserve for the such expenses for a period of approximately 6 months from the date. However, after having set aside the reserves for a period of 6 months, companies operating the business of investing and managing non-performing assets can reuse the reserves for working in the business as usual. A company operating in the business of investing and supervising non-performing assets must set aside reserve in case of starting to invest in a new pile of non-performing assets every time, in case of acquiring a new pile of non-performing assets. Additional cash reserves must be considered in the event of acquiring a pile of non-performing assets with a time interval of not more than 6 months. However, the Company has to consider extending the reserve provision to cover a period of 6 months from the date of acquisition. The latest pile of non-performing assets is

collectively referred to as “an extension of the provisioning period in case of acquisition of a pile of non-performing assets with a period of not more than 6 months”.

Securities Holder Investment Risks

Risk from Having a Major Shareholder Holding More Than 36%

On November 10, 2023, the Company’s major shareholder group is the Yasasin family (i.e. Mr. Suksan Yasasin and Mr. Nattawat. Yasasin and Mr.Thiti Yasasin) holds 414,690,761 shares, representing 36.5% of the total issued and paid-up capital. As a result, the Yasasin family getting a majority of votes of more than one-third in a resolution of the shareholder’s meeting to determine decisions, with other shareholders of the Company at risk of collecting votes to counterbalance and examine matters that the shareholders of the Company have and able to hold major shares and propose to the meeting.

However, the Company has a transparent management structure. There is an appropriate balance of power and in accordance with the principles of good governance. The management structure of the Company consists of Board of Directors and 5 sub-committees consisting of Audit Committee, Board of Directors, Risk Management Committee, Nomination and Remuneration Committee, and the Good Corporate Governance Committee. The scope, duties and responsibilities of the various committees are clearly determined. Executives with authority and the supervisor including persons who may have conflicts of interest by stipulating that such persons have no right to vote for approval related transactions as well as having an independent Audit Committee to participate in considering and making decisions. In organizing the management structure as mentioned above has a goal to build confidence for shareholders

that the Company has a balanced, transparent and efficient supervising.

Risk from Having a Major Shareholder with Authority to Determine Management Policy

On November 10, 2023, the Yasasin family is a major shareholder with a combined shareholding of 36.5% of the total issued and paid-up capital, including Mr. Suksan Yasasin and Ms. Pim Pattamasingsh Na Ayudhya holds position of the Company's executive and authorized director. As a result, the aforementioned major shareholder has the authority to manage and have control over most of the votes of important resolutions, both the appointment of directors or requesting resolutions on matters requiring the majority of the shareholder's meeting, except in matters that are indicated by law or the Company's Articles of Association requiring three-fourths of the number of shares attending the meeting and having voting rights, such as an increase in capital, a decrease in capital, and approval of transactions related to rules and regulations of the capital market, such as a transaction acquisition or disposition of assets and connected transactions, etc. Therefore, other shareholders attending the meeting and having the right to vote may not be able to collect votes to reach a different resolution.

However, the Company's management structure consists of Board of Directors and 5 sub-committees such as the Audit Committee, Executive Committee, Risk Management Committee, Nomination and Remuneration Committee and the Good Corporate Governance Committee, with the obligations, duties, responsibilities and clearly defined scope of power. As a result, the Company's work system is standardized and can be inspected without hassle. The Audit Committee consists of 4 independent directors who are knowledgeable and

competent. In addition, the Company has hired an internal audit company to review the Company's internal control system and report directly to the Audit Committee. As a result, the Company's work can be reviewed to be more transparent as well as being able to balance the authority in proposing matters that will be brought to the shareholder's meeting at a decent level, and practices in the event that there are connected transactions with directors, executives, major shareholders, executive authority and controlling authority including those who may have conflicts, by stipulating that such person has no voting rights to approve related transactions as well as having an independent Audit Committee to participate in considering and making decisions by organizing the management structure as mentioned above in order to build confidence for shareholders and prove that the Company has a balanced, transparent and efficient management.

Risk of Investing in Foreign Assets

The Company does not invest in foreign securities.

Risk Management Structure

To be consistent with the policy and objectives of the overall risk management of the organization, the Risk Management Committee and the Executive Committee will take care of both strategic risks overall corporate risk and the transaction level of each type of risk. High-level executives and Business Advisory Committee are responsible for supervising the strategic risk management of the organization and each line of work. High-level executives, including the Head of the Risk Management Unit, adhere to the risk management policies and strategies. Review the adequacy of risk management which is responsible for determining risk management policies

to have the same standards of the Company and subsidiaries

Risk Management Committee has roles and responsibilities in evaluating, reviewing the sufficiency and effectiveness of overall risk management policies and strategies, including an acceptable risk level at least once a year, or on the event of a significant change which must be reported to the Board of Directors regularly.

Debenture Risk

Credit Risk

Bondholders are at risk of not receiving interest or principal repayments in the event that the issuer's business and performance do not meet expectations, or the debenture issuer's assets, when converted to cash, are insufficient to repay the debt. Before deciding Investors, the investor should consider their financial position, performance, risks, and debt issuer's ability to repay based on the information stated in the debt securities offering statement and the draft prospectus.

The credit rating is not a recommendation to purchase, sell or hold the offered debentures, and the credit rating is subject to cancellation or change over the period of the debenture. Investors are advised to stay up-to-date on the issuer's news and changes in credit ratings from the website of the Securities and Exchange Commission, related credit rating institutions, or the Thai Bond Market Association.

Price Risk

The market price of debentures may change depending on a various factors. For example, interest rate in financial markets, Bank of Thailand policy, overall

economic, condition inflation, the maturity of the debentures or the excess demand or shortfall of the debentures, therefore, the bondholders may be affected by the volatility of the debenture prices. In the event that the instrument is traded before its maturity date, the price of debentures with longer maturity is generally more affected by changes in market interest rates.

Liquidity Risk

When the bondholders wish to sell the debentures in the secondary market before the maturity of the debentures, the bondholders may not be able to sell their bonds immediately at the price they set since there may not be many trading instruments in the secondary market. The bondholders can trade their debentures on the secondary market with debenture traders or any other juristic person. In addition, the bondholders may not be able to sell the bonds in the secondary market before the bonds are redeemed. Since the debenture issuer has registered the transfer restrictions with the SEC, the transfer of debentures is limited only within the group of institutional investors and/or high net worth investors, in accordance with the meaning in the Notification of the Securities and Exchange Commission Re: Determination of Definitions in Notifications Regarding the Issuance and Offering of All Types of Debt Securities.

Reinvestment Risk

Bondholders are at risk of losing the opportunity to earn a high return on their investment in the instruments offered for sale. If the issuer exercises the redemption option when the market interest rate is lower than the instrument's interest rate, redemption of the bonds before maturity may prevent investors from receiving the expected returns. The investors are

also exposed to risks from further investments due to changes in interest rates in the money market. As a result, investors will not be able to reinvest the principal and interest received from the redemption of such debt securities within the expected rate of return that was previously received and also affect the change in returns according to that interest rate.

Risk from competition in bonds trading

Mainly due to the Covid-19 epidemic crisis, the world and Thailand have been impacted negatively on the economic system, be it service business, manufacturing business, financial business, or other businesses. Therefore, business owners who issue bonds are also affected because the business liquidity of the bond issuer is not as smooth as before. As a result, the ability to repay the bonds of some people needs to be extended first. Some of the most serious cases are to the point of not being able to pay at all. As a result, later on, companies that want to sell bonds must make more efforts to sell them, as it is more difficult than before. This is because investors must consider investing thoroughly and take more time to make decisions than before. Therefore, bond issuers must increase competition in interest rates and returns. The Company needs to raise the interest rate to approximately 6.25 percent. In addition, as the Company's operating results have always had good growth, even though the economy has not recovered much, the Company still receives good response in each bond issuance. Therefore, it is not considered to be much of an obstacle to the Company's operations.

3. Driving Business towards Sustainability

Chayo and Sustainable Development :

In business operations, within goals besides growth, sustainability is our top priority. Therefore, our challenge is how to make our business work alongside Thai society, helping and being an important tool in resolving bad debt problems and restoring assets to return to value and circulation again in a sustainable way. We, therefore, conduct business under the concept of "Sincere, Serious, Helping to Solve Sustainable Problems" with debtors, partners, society and the country because we believe that the basis of sincerity with one another in society is crucial during this time. Especially due to the nature of our business, helping debtors is the first intention in running business. We, therefore, emphasize negotiating to find a solution for debtors to the best of our abilities, based on the principles of reason and morality.

“ Sincere, Serious, Helping to Solve Sustainable Problems ”

with debtors, partners, society and the country because we believe that the basis of sincerity with one another in society is crucial during this time. Especially due to the nature of our business



Helping debtors is the first intention in running business. We, therefore, emphasize negotiating to find a solution for debtors to the best of our abilities, based on the principles of reason and morality.



Sustainability Management Policies and Goals

The Company realizes the importance of good corporate governance, with sustainability being one of the Company's important goals. The Company has therefore established a policy on sustainable development, which was approved by the Company's Board of Directors Meeting No. 3/2024 on March 8, 2024 and is reviewed at least once a year as a guideline for conducting business, as well as strengthening the management system structure for the Company to grow and develop into a stable and sustainable organization, covering all dimensions including economic, social and environmental aspects.

The Company has utilized the concept of sustainable development into the core of every step of operations, including transferring such ideas to the operational level and integrating operational plans to ensure consistency to create balance in the economic, social and environmental dimensions throughout the supply chain in order to achieve sustainable development, leading to maximum benefit to all groups of stakeholders.






Managing impacts on stakeholders in the business value chain

The Company is aware of the importance of important stakeholders in activities related to business operations from upstream to downstream. The Company is committed to creating service value to meet the expectations of stakeholders of every sector and sincerely hope that the Company will be an option to access legal funding sources to reduce the problem of informal debt for the people and to help driving the economy for small entrepreneurs. The Company has, therefore, established a policy to manage impacts on stakeholders in the business Value Chain in order to achieve sustainable development and bring maximum benefit to all groups of stakeholders. The Company has always given importance to stakeholders and is well aware that they are a part that leads to the Company's continuous and sustainable growth. The Company therefore has analyzed and evaluated the impacts in the business process, as well as the value chain, from sources of funds, service process, debt restructuring, pricing (including discounts), advertising, to sales in order to always know the expectations of all stakeholders. A business's value chain is made up of continuously interconnected activities. All of the business that we do is to support circulation of and recover the country's economy. The Company's overview business operations are as follows:

- Management of non-performing loans (NPL): For this type of asset, the debtor is already facing serious financial liquidity problems, so solving this problem can be done by improving the debt structure without obligation to go through the court process or forcing the collateral to be sold at public auction. Therefore, the Company has introduced a variety of debt restructuring measures that will allow small debtors to obtain collateral assets which is a place of residence or a place to make a living and large debtors can continue to operate their businesses or return to the normal economic system with lenient conditions based on reason, by compromising the customer's debt voluntarily. There are guidelines for cooperation between each other to reach a resolution and mutual benefits for both sides. We provide opportunities for debtors to pay in installments.
- Management of non-performing assets (NPA): From surveying and inspecting the condition of assets and posting the for sale sign, we will repair and improve assets, focusing on developing assets to have potential according to the policy of conducting business with social responsibility (CSR In-Process) and environment care, as well as promoting sales to stimulate the economy by selling assets at special prices to create opportunities for customers or people with low incomes to own homes more easily. Moreover, the Company helps people and investors during economic stagnation to be able to own real estate or have a place of business with a project to assist property buyers, allowing an increased release of properties awaiting sale. This has a positive effect on the overall picture of the real estate sector and help develop the country's economic system.
- Providing debt collection services: We provide debt collection services to financial institutions, telecommunications business, and other leasing loan service providers, focusing on helping entrepreneurs according to the employer's policy and help remind customers about forgetting to pay service fees. It is a business operation that acts as a coordinating intermediary for business owners and customers or service providers, in order to avoid any outstanding expenses in the system.
- Labor services: We provide labor services by sending employees to industrial plants in industrial estates in Chonburi, Rayong, Pathum Thani. The company can answer the needs of companies in need of labor at all levels, from labor skills in production to professional labor. The labor services business is a business that helps society, both on the part of business owners and employees, due to current difficulty in finding work which causes more people to be unemployed. Losing job and lack of income lead to debt and the beginning of the cycle of bad debt. Helping people earn income to support themselves and their families is therefore one of our ways of giving back to society. In the aspect of helping business owners, every organization needs people to work efficiently and lead the company to grow further

Business Value Chain

The main activities in the Company's value chain are as follows:

1		Procurement of funds	The Company procures funds from loans from domestic financial institutions and obtains capital support from major shareholders. Most of the funds raised will be used to expand the business and/or repay debt.
2		Product development	The Company develops products to meet the needs of all customer groups. Therefore, the products must be made as easy for customers to use as possible, with information provided in a short, concise, and easy to understand manner, displaying facts, discounts, clear installment payment schedules and containing details of principal, interest, and fees.
3		Marketing and service	The Company places importance on helping customers. Therefore, we focus on marketing that gives discounts and allows customers to pay in installments without affecting their living, by providing services through both offline and online channels, such as contacting customers via telephone, LINE OA, etc.
4		Analysis	<p>The Company has a method for analyzing and considering many elements, from auctions and purchases of assets, debt management, granting credit, to labor services.</p> <ul style="list-style-type: none"> • Auction and bad debt management, both with and without collateral, will analyze liquidity mainly from where the location of assets is, and whether the debt quality is good or not, to grade the debt pile that the Company will bid to buy into management. • Loans, in the case of secured loans: Consider using the property valuation method along with the customer's ability to repay debt or income or credit bureau information. As for unsecured personal loans/nano finance loans: Consider from income and/or credit bureau information. • Labor services: the Company provides services to the company group or an industrial factory that strictly comply with labor laws and maintain industry standards to reduce possible future risks.
5		Debt Management	Debt management and debt collection process are considered important processes in business operations. The Company has therefore organized training on correct debt tracking and collection procedures in accordance with the requirements of relevant agencies, the Debt Collection Act B.E. 2558 and related laws, as well as having a process for filing complaints that is appropriate and can be investigated.

The supporting activities in the Company's value chain are as follows:

1



Human resource management

- The Company determines employee compensation based on job position, length of service, and job success. There is an evaluation system starting from setting work goals, planning, tracking progress, and individual performance development and evaluation.
- Administrative policy: Emphasis is placed on effective and fair work performance by setting key indicators (KPIs), which include the Company's goals and goals of the department, as well as consideration of consistency in work performance and the results of the evaluation of behavioral indicators, and competency that is consistent with the Company's values.
- The Company pays appropriate compensation and benefits. Compensation increases are consistent with each individual's performance. The Company compares compensation and benefits within the same industry group. The compensation is in accordance with the minimum labor wage rate specified by law.
- An annual training plan is organized to increase work efficiency and develop the potential, knowledge, abilities and professional expertise of employees.

2



Technology development for products and management

- The Company develops information technology (IT) systems along with using modern technology to help increase work efficiency and continuously increase competitiveness.

3



Procurement

- Procurement is fair, transparent, verifiable, anti-corruption and comply with relevant regulations and laws.

4



Infrastructure

- The Company has created an infrastructure that is flexible to change, promoting comprehensive and sustainable organizational development and developing the internal network system to be modern and swift, in order to be able to provide continuous service. The infrastructure necessary for the Company's business operations include management, finance, accounting, law, etc.

Analysis of stakeholders in the business value chain

Effective business management cannot be achieved by an organization alone but is related to the value chain, which consists of many groups of stakeholders. Therefore, the organization considers the relationship with both internal and external stakeholders. Each group has different characteristics and is important and consistent with operational strategies that are important to the organization itself and to which stakeholders will pass on shared value. Therefore, the Company takes care of the business stakeholders fairly.

The Company has defined 2 groups of stakeholders: individuals or agencies involved in business operations, divided into internal and external. The Company is aware of the expectations of stakeholders towards the Company. Therefore, the Company listens to opinions through the process of various activities such as meetings, etc. in order to know the impacts and related issues between the Company and stakeholders, both positively and negatively, to reduce risk and create additional value for the business.



Stakeholder group	Expectations	Approach to find expectations	The Company's response
Shareholders / Investors / Analysts 	<ul style="list-style-type: none"> Consistently good returns Good Corporate Governance Stable and continuously growing business The information received is accurate, complete, timely, and transparent Having a risk management system Having a good inspection and control system 	<ul style="list-style-type: none"> Organizing a shareholder meeting (1 time per year) Presentation of quarterly operating results Financial analyst meetings Activities of listed companies meeting investors 	<ul style="list-style-type: none"> Transparent, fair, and verifiable governance Appropriate dividends payment Transparent information disclosure Preparing a business strategic plan Carefully and effective risk management
Customer 	<ul style="list-style-type: none"> Accurate and fast discount approval process Convenient and fast payment channels Fair interest rates and fees Keep customer information safe Maintain the confidentiality of customer information 	<ul style="list-style-type: none"> Coordinate closely with customers every step of the way Coordinate with customers through convenient channels such as Line Official: Customer satisfaction survey 	<ul style="list-style-type: none"> Transparent, fair, and verifiable governance Have Anti-fraud and Anti-corruption Policy Quality management Have a code of conduct to maintain customer confidentiality and personal information Develop quality products and able to meet customer needs
Business partners 	<ul style="list-style-type: none"> Have standardized evaluation and selection criteria Compliance with contracts and agreements Conduct business together in a transparent, fair and equitable manner Maintain the confidentiality of partners information 	<ul style="list-style-type: none"> Make clear contracts for the purchase and sale of goods and services Partner satisfaction survey 	<ul style="list-style-type: none"> Increase the efficiency of work processes related to procurement Manage the supply chain by taking into account the impact on the Environment, Social and Governance (ESG). Strictly maintain confidentiality and partner information

Stakeholder group	Expectations	Approach to find expectations	The Company's response
Employee 	<ul style="list-style-type: none"> • Good compensation, with opportunity to advance in their careers and stability of the Company • Environment and space suitable for working • Have adequate equipment used for work in ready-to-use condition • Have welfare and safety in work • Have a balance between work life and personal life 	<ul style="list-style-type: none"> • Communicate relevant information through appropriate communication channels and frequency • Meeting between employees and management • Employee satisfaction survey • Listen to opinions and suggestions through various channels 	<ul style="list-style-type: none"> • Train and encourage employees to continuously develop their skills and knowledge • Joint activities between executives and employees • Set policies and plans for personnel development • Set guidelines for safety and occupational health in operations • Create a succession plan to plan career growth in various important positions
Society and community 	<ul style="list-style-type: none"> • Reduce environmental impact on society and surrounding communities • The environment is safe according to the required safety standards • Assist in community development, creating careers and income to create stability for people in the surrounding community 	<ul style="list-style-type: none"> • Conduct business with consideration of possible impacts on society and communities and have responsibility towards the surrounding community and society • Listen to opinions and suggestions of the Company through various channels 	<ul style="list-style-type: none"> • Follow guidelines for safety and occupational health in careful operations • Increase the efficiency of using resources and reduce environmental impacts • Create participation in community development

Stakeholder group	Expectations	Approach to find expectations	The Company's response
Regulatory agencies 	<ul style="list-style-type: none"> • Support policies and comply with various established rules appropriately • Honest, trustworthy, and transparent management and adhere to the principles of correctness • Improve operational processes to be consistent with various policies and regulations 	<ul style="list-style-type: none"> • Participate in meetings with regulatory agencies, such as listening to opinions 	<ul style="list-style-type: none"> • Cooperate and support the operations of the regulatory agencies consistency
Business competitors 	<ul style="list-style-type: none"> • Fair competition • Jointly improve the industry 	<ul style="list-style-type: none"> • Joint meeting of related business operators, including asset management, lending, and labor counseling 	<ul style="list-style-type: none"> • Cooperate with associations/groups of entrepreneurs to jointly improve the industry

The Company will assess the expectations of stakeholders at least once a year through a process of listening to opinions, satisfaction surveys, meetings, or other participation channels in order to regularly know the impacts and related issues between the Company and stakeholders, both positively and negatively, to achieve comprehensive and sustainable development.

Sustainability management in dimensions related to business operations

Sustainability management in the environmental dimension

• Environmental policies and practices

The Company aims to conduct an environmentally friendly business, placing importance on the impact on the environment. The Company has launched a campaign to encourage employees to preserve the environment, reduce pollution creation and use energy and resources economically and efficiently.

- **Environmental performance**

Electrical energy and water use

The Company campaigns for employees to use energy and resources in the most efficient manner, by asking for cooperation from employees to turn off the lights during lunch time and after work, as well as closing the faucet tightly after use.

Garbage, waste and pollution management

The Company has a policy to reduce the use of paper to reduce garbage and waste, starting with using a digital system in work for all unsecured loans. The Company uses the Line Official system as an intermediary in coordinating with customers. Most of the organization's back office and general operating systems are digital, reducing the use of paper to be very little. For other work processes, the Company is in the process of finding ways to bring in IT systems to support them in order to increase the efficiency of the results while also helps reduce the use of paper and sustainable resources.

Management to reduce greenhouse gas problems

The Company has a plan to use IT systems to improve the work process to be digital as much as possible to reduce the use of paper. In addition, the Company has a policy to organize online meetings to reduce travel, which helps reducing the production of greenhouse gases and air pollution, as well as choosing energy-saving electrical appliances to reduce electricity use.

The Company has no plans to prepare a report on greenhouse gas emissions as the Company's business is mainly carried out in the office, there is no use of fuels that emit significant greenhouse gas emissions. The cost of

reporting greenhouse gas emissions is not worth the benefits, since preparing a greenhouse gas emissions report does not provide useful or significant information for investors' decision-making. However, the Company will strictly manage to reduce greenhouse gas problems to the best of its ability.

Sustainability management in the social dimension

- **Social policies and practices**

The Company aims to create stability for society and communities and develop the skills and potential of employees, including finding jobs for those who want to work in industrial estates to create quality people for society, as well as generating jobs, income, careers, and distribution of income to the community for a sustainable society.

- **Social Responsibility Policy**

The Company has established a social responsibility policy which can be summarized as follows:

1) Compliance with the law and respect for rights

- Conduct business in accordance with relevant laws such as the Labor Protection Act and other laws
- related to labor, Personal Data Protection Act, Securities and Exchange Act B.E. 2535, Public Company Limited Act B.E. 2535, etc., The Company specifies that directors, executives, and employees of the Company have a duty to strictly comply with the said laws.
- Establish a code of conduct for the Company's business operations. and code of conduct for executives and employees to adhere to.
- Conduct business by taking into account the principles of human rights and human dignity, care for and treat all parties fairly and equally

without discrimination of race, skin color, religion, gender, age, nationality, sexual orientation or in any other way.

2) Anti-corruption

- Establish a policy against corruption and clear guidelines for conducting business.
- Not commit or support corruption in any case and will strictly comply with anti-corruption measures.
- Follow the policy of good corporate governance and anti-corruption.
- Do not give or receive bribes in any form in return for business benefits and do not authorize others to give or receive bribes on their behalf.
- Supervise employees to comply with anti-fraud and corruption policies and provide communication channels for receiving complaints or provide suspicious information regarding dishonest acts or corruption to the Chairman of the Audit Committee at the address specified in the whistleblowing policy.

3) Fair labor treatment

The Company is aware of the importance of employees and believes that employees are the most important resource to drive business growth. The Company determines employee compensation and benefits to be at the same level as those in the same industry and not lower than what is required by law. In addition, hygiene, safety of employees and staff, and property of the Company are also given importance without affecting the rights and safety of others, as well as protecting personal rights, confidentiality, disclosure of information and use of personal information. In addition, we continuously promote and develop the potential of personnel in the organization, both in the short term and in the long term

4) Responsibility to customers

The Company is committed to conducting business and providing full service to customers for maximum customer satisfaction and benefit. The Company is committed to treating customers with honesty, fairness, responsibility, and continuous care, as well as keeping customer information confidential and not using customer personal information wrongfully.

5) Participating in community or social development

The Company cooperates with the government and nearby communities to develop the living conditions and environment of the community.

Social performance

The Company places importance on society, community and the environment by participating in activities to help and develop society as follows:

On June 13, 2023, the Company and Chayo Group Public Company Limited jointly awarded scholarships to students of Rajamangala University of Technology Tawan-Ok Chakrabongse Bhuvanarth Campus in order to promote education for youth.



On May 25, 2023, the Company and Chayo Group Public Company Limited jointly provided computer equipment to the Royal Thai Armed Forces Headquarters to be given to Wat Pramai Yikawas School Nonthaburi Province as part of promoting knowledge and develop the potential of youth.



On March 18, 2023, the Company and Chayo Group Public Company Limited jointly provided sports equipment to be donated to Ban Talay Pattana School, Kamphaeng Phet Province as part of supporting teaching and recreational equipment.



4. Management Analysis and Explanation

Chayo Group Public Company Limited would like to report the operation results for the year ended 31 December 2023 of the company and its subsidiaries (“the Company”) as follows:

	Company's Only (12 months)				Consolidated (12 months)			
	Jan - Dec 2022	%	Jan - Dec 2023	%	Jan - Dec 2022	%	Jan - Dec 2023	%
Interest Income from loan to non-performing assets	145,981,330	87.0%	182,223,955	88.6%	888,854,346	89.0%	1,368,857,337	89.6%
Service income from debt collection services	21,721,079	13.0%	23,562,019	11.4%	35,033,988	3.5%	33,715,711	2.2%
Interest Income from lending business	-	0.0%	-	0.0%	74,562,922	7.5%	106,947,466	7.0%
Revenue from recruitment service	-	0.0%	-	0.0%	-	0.0%	17,551,679	1.1%
Revenue from Sales	-	0.0%	-	0.0%	754,908	0.1%	-	0.0%
Total income	167,702,409	100.0%	205,785,974	100.0%	999,206,164	100.0%	1,527,072,193	100.0%
Costs of render services & managing non-performing assets	(53,108,370)	-31.7%	(42,265,702)	-20.5%	(241,167,120)	-24.1%	(269,851,632)	-17.7%
Costs of recruitment service	-	0.0%	-	0.0%	(893,645)	-0.1%	(7,776,491)	-0.5%
Costs of goods sold	(53,108,370)	-31.7%	(42,265,702)	-20.5%	(242,060,765)	-24.2%	(277,628,123)	-18.2%
Gross profit	114,594,039	68.3%	163,520,272	79.5%	757,145,399	75.8%	1,249,444,070	81.8%
Other incomes	266,839,645	159.1%	406,621,417	197.6%	8,379,015	0.8%	13,026,204	0.9%
Gain on disposal of foreclosed assets	-	0.0%	-	0.0%	49,523,535	5.0%	88,682,858	5.8%
Administrative expenses	(56,138,636)	-33.5%	(65,228,447)	-31.7%	(86,644,081)	-8.7%	(119,907,092)	-7.9%
Expected credit loss	(65,898,142)	-39.3%	(119,852,898)	-58.2%	(218,932,467)	-21.9%	(406,938,335)	-26.6%
Finance costs	(153,689,392)	-91.6%	(244,660,502)	-118.9%	(159,898,325)	-16.0%	(254,178,236)	-16.6%

	Company's Only (12 months)				Consolidated (12 months)			
	Jan - Dec 2022	%	Jan - Dec 2023	%	Jan - Dec 2022	%	Jan - Dec 2023	%
Profit before income tax	105,707,514	63.0%	140,399,842	68.2%	349,573,076	35.0%	570,129,469	37.3%
Income tax (expenses)	(7,728,765)	-4.6%	(1,888,436)	-0.9%	(75,113,173)	-7.5%	(121,297,494)	-7.9%
Net profit for the period	97,978,749	58.4%	138,511,406	67.3%	274,459,903	27.5%	448,831,975	29.4%
Other comprehensive income for the period, net of tax	-	0.0%	(700,666)	-0.3%	-	0.0%	(778,176)	-0.1%
Total comprehensive income for the period	97,978,749	58.4%	137,810,740	67.0%	274,459,903	27.5%	448,053,799	29.3%
Total comprehensive income attributable to:								
Owners of the parent	97,978,749	58.4%	137,810,740	67.0%	251,199,502	25.1%	390,495,444	25.6%
Non-controlling interest	-	0.0%	-	0.0%	23,260,401	2.3%	57,558,355	3.8%
Total comprehensive income for the period	97,978,749	58.4%	137,810,740	67.0%	274,459,903	27.5%	448,053,799	29.3%
Earnings per share	0.0867	n/a	0.1218	n/a	0.2224	n/a	0.3440	n/a

Total Income

In the year of 2023, the Company had a total income of Baht 1,527.07 million which increased from last year around Baht 527.87 million (or increased around 52.83%). The reasons for the increment mainly arose from the increment of interest income from loan to non-performing assets and interest income from lending business around Baht 480.00 million and Baht 32.38 million respectively. In addition, the company also has revenues from recruitment service amounted to Baht 17.55 million (There was no income from recruitment service last year)

Income from Loans to Non-performing Assets

In the year of 2023, the Company had cash collection from unsecured loans and income from selling collaterals of secured loan around Baht 439.06 million which increased from the last year around Baht 98.63 million (or increase around 22.46%). The cash collection from unsecured loan has increased continuously. This is because the Company purchase unsecured loans to manage continuously. As a result, for the year of 2023, the Company has more income compare with the last year. The following are the details;

List	2023		2022	
	Million Baht	%	Million Baht	%
Interest income – EIR (Effective interest rate)	1,031.94	75.39	624.31	70.24
Interest income over EIR	336.92	24.61	264.55	29.76
Total interest income	1,368.86	100.00	888.86	100.00
Cash Collection and income from selling collateral	439.06	100.00	340.43	100.00
Unsecured loan	386.09	87.94	295.78	86.88
Secured loan	52.97	12.06	44.65	13.12
Cash received from selling foreclosed asset	170.68	-	83.16	-

Services Income from Debt Collection Service

In the year of 2023, the Company had services income around Baht 33.72 million which slightly decreased from the year of 2022 around Baht 1.32 million (or decreased around 3.76%). This is because the company focusing on collection on the purchased ports by assigned the staffs to own ports. Therefore, the service income from third parties slightly decreased from last year.

• Interest Income from Lending Business

In the year of 2023, the Company recorded interest income from lending business around Baht 106.95 million which increased from the last year around Baht 32.38 million (or increased around 43.43%). This is because in this year the Company lending the money to the customers more than last year. The Outstanding loan as at 31 December 2023 and 2022 was at Baht 1,059.55 million and at Baht 647.42 million respectively.

- **Revenue from recruitment service**

In the year of 2023, the Company recorded revenue from recruitment service amounted to Baht 17.55 million as the result from the Group of the Company seeking for new business (providing the manpower to factories).

- **Cost of rendering services and managing non-performing assets**

In the year of 2023, the Company recorded cost of rendering services around Baht 269.85 million which increased from the last year around Baht 28.68 million (or increased around 11.89%). This is because in this year the Company had more legal costs than last year and the Company had more salary and other benefits than last year (which in line with the growth of the Company).

- **Cost of recruitment service**

In the year of 2023, the Company recorded costs of recruitment service around Baht 7.78 million which equivalent to 44.31% of total its incomes. The major costs of recruitment service were salary and welfare of operation staffs.

- **Gross Profit**

In the year of 2023, the Company had gross profit of Baht 1,249.44 million (equivalent to 81.80% of total incomes) which increased from the last year around Baht 492.30 million. The reasons for the increment mainly arose from the increment in Gross Profit of managing NPLs business and the increment of Gross Profit of lending business.

- **Other Income**

Other income mainly represents interest income and rental income. For the year of 2023, the Company had other income around Baht 13.03 million

which increased from the last year around Baht 4.65 million. The reason for the increment mainly around from the increment in interest income from banks.

- **Gains on disposal of foreclosed assets**

In the year of 2023, the Company had gain on disposal of foreclosed assets around to Baht 88.68 million which increased from the last year around Baht 39.16 million. This is because the Company can sell the NPAs more than the last year. (NPA has occurred from buying assets (or collateral of NPL) from the Legal Execution Department through Auction Process back as NPAs).

- **Administrative Expenses**

Administrative expenses mainly represent salary, welfare, bonus for the employee and management, audit fee, and business consultation fee. In the year of 2023, the Company had administrative expenses around Baht 119.91 million which increased from the last year around Baht 33.26 million. The main reasons for the increment were salary and other benefits of employees, and professional fee for IPO of subsidiary company.

- **Expected Credit Loss**

This expense occurred from the difference between the present values of future cash flows (PV) and the net book value of each loan. In case that PV was less than NBV, this amount would be recorded as expected credit loss according to financial reporting standard No.9 (TFRS9). The expected credit loss for the year of 2023 was around Baht 406.94 million which increased from the last year around Baht 188.00 million. This is because the increasing of unsecured port around the end of the year 2022. Therefore, the Company had more expected credit loss

- **Finance Cost**

Finance cost for the year 2023 increased around Baht 94.28 million from last year. The reason for the increment mainly arose from the increment of loans that the Company borrows for investing in NPLs and lending business.

- **Income Tax Expenses**

The income tax expense in the year 2023 increased from last year Baht 46.18 million which in line with the increment of net profit before tax.

- **Net Profit**

The net profit for the year of 2023 was at Baht 448.83 million which increased from the last year around Baht 174.37 million (or increased around 63.53%). The reasons for the increment in net profit mainly arose from the increment of income and gain on disposal foreclosed asset.

Financial position

- **Total Assets**

As at 31 December 2023, the Company had total assets of Baht 9,331.41 million which increased from the last year around Baht 2,128.00 million (or increased around 29.54%). The reasons for the increment mainly arose from;

- The increment of loan for non-performing asset around Baht 1,968.10 million and,
- The increment of loan receivable (net) around Baht 412.13 million and,
- The increment of Deposit for purchasing loans to non-performing assets around Baht 43.21 million
- The increment of NPAs around Baht 37.15 million
- The increment of Account Receivable and others account receivable around Baht 37.03 million and

- The decrement of cash and cash equivalent around Baht 398.04 million.

- **Total Liabilities**

Total liabilities as at 31 December 2023 was Baht 5,035.89 million which increased from the last year around Baht 1,683.01 million. The reasons for the increment mainly arose from;

- The increment of debenture around Baht 1,238.88 million and,
- The increment of loans from banks around Baht 316.29 million and,
- The increment of deferred tax liabilities around Baht 112.05 million

- **Total Shareholders' Equities**

Total shareholders' equity as of 31 December 2023 was at Baht 4,295.52 million which increased from the last year around Baht 445.03 million. The reasons for the increment mainly arose from

- The increment of unappropriated retained earnings around Baht 359.04 million (from the increment of net profit Baht 448.05 and from the reduction of the dividend payment during the year).
- The increment of Non-Controlling interest around Baht 55.93 million.
- The increment of share capital around Baht 35.40 million

- **Debt to Equity ratio (Interest bearing)**

The Debt to Equity ratio (Interest bearing) of the Company as at 31 December 2023 was at 1.09.

- **Sustainable Development Performance**

The Company has established a sustainable development policy as a framework for managing and adhering to business operations in accordance with the Sustainable Development Goals (SDGs) and to provide guidelines

for conducting business based on responsibility for the environment, society and good governance. It is important and needs to be continuously implemented. In addition, it also creates shared value for stakeholders and maintains responsibility and trust, as well as meeting the expectations of all stakeholder groups, with details of operations as follows:

1. The Company is committed to implementing environmental management for maximum efficiency and benefit, placing importance on the impact on the environment. The Company has launched a campaign to encourage employees to preserve the environment, reduce pollution creation, and use energy resources economically and efficiently. There is also a way to use IT systems to improve the work process to be digital as much as possible to reduce paper use. In addition, the Company has a policy of organizing online meetings to reduce travel, which helps reduce production of greenhouse gases and air pollution, as well as choosing energy-saving electrical appliances to reduce electricity use.
2. The Company places importance on social responsibility by promoting, supporting, helping and participating in beneficial service to raise the quality of life for stakeholders. The Company has complied with the law and respected the rights of stakeholders, conducted business by taking into account the principles of human rights and human dignity, taken care and treat all parties fairly and equally, created an anti-corruption policy, treated workers equally by setting employee compensation and benefits to be at the same level as those in the same industry, been responsible to customers, including keeping customer information confidential and not using customer personal

information wrongfully, and cooperated with the government and nearby communities to improve the living conditions and environment of the community, which effectively leads to improving the quality of life.

3. The Company places importance on integrating business processes and good corporate governance, along with risk management that takes into account all stakeholders. There is promotion and support for evaluating and monitoring environmental, social, economic and good corporate governance impacts to reflect the transparency of business operations, with responsibility throughout the value chain, to achieve the goal of creating economic value and grow together with society sustainably.

For the direction of the Thai economy in 2024, the Company expects that the Thai economy to still faces challenges in many areas while costs are high and the interest rates has a direction to increase. The Company therefore conducts its business with caution, taking into account the stakeholders, and develops financial products and services to meet the needs of customers. Moreover, the Company still adheres to the practice of conducting business responsibly towards the environment, society, and governance (ESG) by applying the Sustainable Development Goals (SDGs) framework to the operating process in a thorough and equitable manner, consistent with the vision of “Professional in managing secured debt and unsecured debt creatively for customers and related parties.”

5. General Information and Other Key Information

Company General Information

Company Name	Chayo Group Public Company Limited and Subsidiaries
English Name	Chayo Group Public Company Limited and Its Subsidiaries
Stock Market Abbreviation	CHAYO
Company Registration Number	0107560000214
Established Year	2540
The Year That Become a Public Limited Company	2017
Characteristics of Business	Operating debt negotiations, following-up, and collection and investment and management of assets from auctions/ buying/accepting transfers of non-performing assets, both collateralized and unsecured from financial institutions, buy/sell property and customer service center business.
Office Location	44/543-544 Phaholyothin Road, Anusawari Sub-district, Bang Khen District, Bangkok 10220
Telephone	(66) 2004 5555
Website	www.chayo555.com

Registered Capital	Registered Capital On 31 December 2023, the Company has registered capital 625,458,090.00 baht consisting of: 1,250,916,179 common shares
Paid-up Capital	On 31 December 2023, has paid-up capital 568,595,136.00 baht consisting of: 1,137,190,272 common shares
Par Value Per Share	0.50 Baht
Industrial Group	Financial Business
Business Category	Capital and Securities

Reference Person

Securities Registrar

Thailand Securities Depository Company Limited

No. 93, The Stock Exchange of Thailand Building
Ratchadaphisek Road, Din Daeng Subdistrict, Din
Daeng District, Bangkok 10400

Telephone: 02-009-9000

Website: www.tsd.co.th

Auditors

Mr. Boonlert Kamolchanokkul (Partner)

Certified Public Accountant No. 5339

PricewaterhouseCoopers ABAS Company Limited

179/74-80 Bangkok City Tower
South Sathorn Road, Thungmahamek, Sathorn,
Bangkok 10120

Telephone: 02-844-1000

Website: www.pwc.com/th

Internal Auditor

Mr. Wiwat Limnantasilp (Partner)

KPS Audit Company Limited

No. 412, Rattanathibet 18 Road, Bang Kraso Subdistrict,
Mueang Nonthaburi District Nonthaburi 11000

Telephone: 081-912-1133

Investor Relations

Mr. Kitti Tungsriwong

Telephone: 02-016-4499

Affiliate General Information

Office Location	Company Registration Number	Established Year	Characteristics of Business Operation	Registered Capital (Baht)	Par Value Per Share (Baht)	Paid-up Capital (Baht)	Shareholding Proportion
Chayo Asset Management Company Limited							
44/543-544 Phahonyothin Road, Anusawari Subdistrict, Bang Khen District, Bangkok	0105552046187	2009	Non-performing asset investment and management	200,000,000	5.00	200,000,000	100.00
Chayo Property and Service Company Limited							
44/543-544 Phahonyothin Road, Anusawari Subdistrict, Bang Khen District, Bangkok	0105543062434	2000	Customer service center, dept negotiation, dept following-up and debt collection services, investing and managing non-performing assets which are purchased from other financial institutions and general companies lending business. (with/without Pico collateral).	20,000,000	10.00	20,000,000	100.00
Chayo Capital Public Company Limited							
44/545 Phahonyothin Road, Anusawari Subdistrict, Bang Khen District, Bangkok	0105561158987	2018	Lending business with/without collateral.	500,000,000	1.00	375,000,000	71.25

Office Location	Company Registration Number	Established Year	Characteristics of Business Operation	Registered Capital (Baht)	Par Value Per Share (Baht)	Paid-up Capital (Baht)	Shareholding Proportion
555 Service Company Limited							
44/543-544 Phahonyothin Road, Anusawari Subdistrict, Bang Khen District, Bangkok	0105563079910	2020	Business of purchasing, selling, manufacturing food supplements, cosmetics, beauty supplements, food and beverages.	7,000,000	35.00	200,000	95.00
Chayo JV Company Limited							
44/546 Phahonyothin Road, Anusawari Subdistrict, Bang Khen District, Bangkok District, Bangkok	0105563152391	2020	Invest and/or jointly invest in asset management and/or related businesses.	920,000,000 (Ordinary share type)	100.00	9,200,000 (Ordinary share type)	55.00
				880,000,000 (Preferred share type)		880,000,000 (Preferred share type)	55.00

Other Important Information which is Useful or may have a Significant Impact on Investors Decision-Making.

- none -

Legal Disputes

On December 31, 2023, the Company has no legal disputes which may cause damage to the Company more than 5% of the shareholder's equity and not any legal disputes that may have a negative impact on the Company's business operations significantly.



Part 2

Management and Corporate Governance

6. Corporate Governance Policy

6.1 Overview of Corporate Governance Policies and Practices

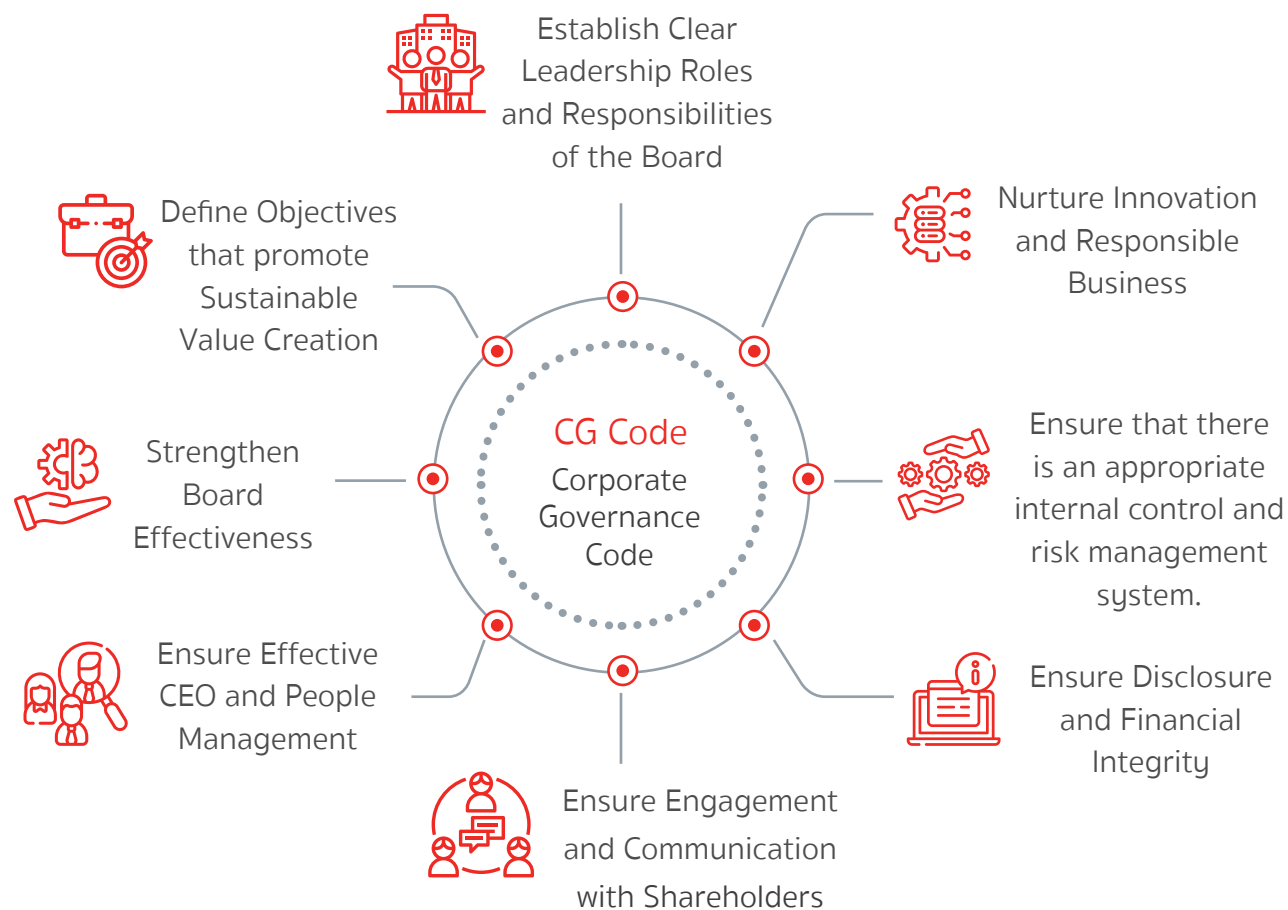
The Corporate Governance Policy of the Company consists of the operational structure and duties of the Board of Directors and Sub-committees in order for the Company and its subsidiaries to strictly comply with the policy at the level of directors, executives, and employees through 5 Principles of Good Corporate Governance, namely The Rights of Shareholders, Equitable Treatment to Shareholders, The Role of Stakeholders, Disclosure and Transparency, and Responsibilities of the Board of Directors, as well as honesty and ethics in order to ensure that the Company operates with the utmost responsibility, be transparent and treat stakeholders equally. (Further details of the Company's Corporate Governance Policy are at www.chayo555.com)

Throughout 2023, the Company is committed to operating as an expert in asset management to create financial stability for customers and related parties by focusing on solving debt problems for customers, encouraging customers to have financial independence, and promoting the turnover of assets in the market and driving the economy to grow by managing according to the principles of good corporate governance, which includes serving customers responsibly and fairly, disclosing sufficient information, and taking care of customer information. We recognize that business must go hand in hand with being a good citizen of the society and taking care of all stakeholders, including shareholders, employees, customers, partners, creditors, competitors, as well as society and the environment.

In addition to complying with the Good Corporate Governance Principles for Listed Companies 2017 of the Office of the Securities and Exchange Commission, the Company has reviewed the Corporate Governance Policy in order to achieve the Company's objectives and goals as well as serve as a guideline for directors, executives, and employees of the Company to comply with relevant laws, rules and regulations, and ethics.

In addition, the Board of Directors has appointed sub-committees to take care of systems for inspection, internal control, risk management and supervision of corporate governance of the Company, along with encouraging executives and employees to operate with transparency and fairness to ensure that all stakeholders are confident that the Company has complied with the principles of good corporate governance and trust that the Company will continue to grow sustainably. The Board of Directors places importance on following the principles of good corporate governance. It covers 8 principles of Corporate Governance based on the principle of creating value for the Company for sustainability in addition to building confidence among investors, which leads to Governance Outcome. The Board of Directors will consider in the framework under

- Competitiveness and have good operating results by taking into account long-term impacts
- Ethical business operations, respect the rights and have responsibility to shareholders and stakeholders
- Benefits to society and improving or reducing negative impacts on the environment
- Ability to adapt under changing factors



Code of
Conduct No. 1Establish Clear Leadership Roles
and Responsibilities of the Board

The Company has defined the roles, duties and responsibilities of the Board of Directors and sub-committees according to the Charter of the Board of Directors and sub-committee, along with informing the directors and scheduled to regularly review it at least once a year. From the Board of Directors' meeting No. 3/2024 on March 8, 2024, the resolution was to approve the review of the Company's good corporate governance policy and review the charter of the Board of Directors and sub-committee which covers the determination of the Company's objectives and goals, strategies, determination, work policy, as well as allocating important resources to achieve objectives and goals, including monitoring, evaluating, and overseeing regular performance reporting. All directors are qualified to be leaders who help create sustainable value for the Company, whether it is in terms of knowledge, ability, experience, and vision, etc. All directors are independent in making decisions and performing Duty of Care and Duty of Loyalty, and ensure that operations are in accordance with laws, regulations and resolutions of the shareholder meeting, as well as policies or guidelines that have been established. There is also a process for approving important operations and delegation of management authority according to the approval authority table. The Company has prepared important policies related to business operations and business ethics in writing for use in Governance Outcome with the aim of making the business competitive in business, having good long-term operating results under ethical business operations, respecting the rights and be responsible to

shareholders and stakeholders. The business operations must be beneficial to society and taking into account the impact on the environment. Moreover, it also helps the Company adapt under changes in business conditions.

Code of
Conduct No. 2Define Objectives that promote Sustainable
Value Creation

- 2.1 The Board of Directors is responsible for ensuring that the Company has objectives that are clear, appropriate, and can be used as main concepts in defining the business model, which are communicated to everyone in the organization in order to move in the same direction. The committee will determine the vision, mission, and values of the organization or other similar matters.
- 2.2 To achieve the objectives, the Board of Directors will determine a business model that can create value for both the Company, stakeholders, and the society as a whole together, by considering
 - 2.2.1 Environment and changes in various factors, including the appropriate use of innovation and technology to create competitiveness
 - 2.2.2 The needs of customers and stakeholders are taken into consideration in setting objectives, with balance
 - 2.2.3 An assessment of the readiness, expertise, and competitiveness of the business
 - 2.2.4 Objectives for establishing the Company
 - 2.2.5 The Company's customer group
 - 2.2.6 Profitability or competing by creating value for the Company

and customers (Value Proposition)

- 2.2.7 Sustainability under both opportunity and risk factors that affect the business and stakeholders
- 2.3 The Board will promote organizational values that reflect the characteristics of good corporate governance, such as accountability, integrity, transparency, due consideration of social and environmental responsibilities, etc.
- 2.4 The committee will promote communication and strengthen the objectives of the organization to be reflected in the decisions and operations of personnel at all levels. Any decision is based on the objectives of the organization. The risks and impacts that will occur on the organization, society, community, and environment are considered until it becomes organizational culture.
- 2.5 The Board of Directors will supervise the preparation of strategies and the annual plan to be consistent with the objectives of the Company, taking into account the environmental factors of the business at that time, as well as acceptable opportunities and risks. Moreover, the Board must support the preparation or review of objectives, goals, and strategies for the medium term within 3-5 years to ensure that annual strategies and plans take into account impacts over a longer period of time and are still reasonably predictable.
- 2.6 In determining strategies and annual plans, the Board of Directors will ensure that the environment, various factors and risks that may affect relevant stakeholders throughout the Value Chain, including various risk factors that may affect the achievement of the main goals of the business are analyzed. There should be a mechanism to truly understand the needs of stakeholders.
- 2.6.1 Clearly specify methods, processes, participation channels or

communication channels between stakeholders and the business, so that the business can access and receive information on issues or needs of each stakeholder group as accurately as possible.

- 2.6.2 Identify the relevant stakeholders of the business, both internally and externally, individuals, groups of people, organizational units including employees, investors, customers, partners, communities, society, the environment, government agencies, and regulatory agencies, etc.
- 2.6.3 Identify issues and expectations of stakeholders to analyze and organize such issues according to their importance and impact on both the business and stakeholders, in order to operate on important issues that will create value together with stakeholders to achieve results.
- 2.7 In determining strategies, the Board of Directors will supervise the promotion of innovation and the use of innovation and technology to build competitiveness and respond to the needs of stakeholders based on social and environmental responsibility.
- 2.8 The Board of Directors will set goals that are appropriate to the business environment and the potential of the business, both monetary and non-monetary goals. It will also be aware of the risks of targeting that may lead to illegal conduct or unethical conduct.
- 2.9 The Board of Directors will supervise the transfer of objectives and goals through strategies and plans to implementation throughout the organization.

The Board of Directors will oversee the appropriate allocation of resources and operational control and follow up on the implementation of annual strategies and plans. It may arrange for someone to be responsible for

creating an action plan, and specifying the responsible person and budget according to the annual strategic and operational plan, operation time, success indicators, and following up on performance. There will be regular meetings to follow up on the progress of the operations according to the plan as determined by the executives, including following up on performance to consider adjusting the plan to suit the situation.

Code of
Conduct No. 3



Strengthen Board Effectiveness

that there must be at least 1 non-executive director who has experience in the main business or industry in which the Company operates. The Company will disclose the policy for determining the composition of the Company's board of directors with diversity and information on directors such as age, gender, educational background, experience, shareholding percentage, number of years in position as a director, and holding directorship positions in other listed companies in the annual report (Form 56-1 One Report) and on the Company's website.

- 3.1 The Board of Directors must determine and review the structure of the Board of Directors so that the Board has an appropriate and necessary proportion of independent directors to lead the organization toward the stated objectives and goals. The Board of Directors must ensure that the Board of Directors consists of directors with diverse qualifications in terms of skills, experience, abilities, and specific characteristics, including gender and age, that are necessary to achieve the organization's main objectives and goals by creating a table of the composition of directors' knowledge and expertise (Skill Matrix) to ensure that the overall Board of Directors are qualified and able to understand and respond to the needs of stakeholders. There must be no less than 5 and no more than 12 directors, with the number of independent directors who have qualifications according to the rules of SEC and SET being 1/3 of the total number of directors, and there must be at least 3 directors. In addition, the Company also requires

Skill Matrix

Director's Name		Knowledge and Expertise				Expertise required by the Company	
		Finance	Account	Law	Technology	Management	GRC
Mr. Wutisak	Lapcharoensap					✓	
Air Chief Marshal Arnon	Jarayapant					✓	
Mr. Teerarat	Thangsatapornpong	✓	✓			✓	✓
Mr. Vitthaya	Inala						
Mrs. Rosporn	Sooksomporn			✓			
Mr. Seksan	Rangsiyeranon					✓	✓
Mr. Suksan	Yasasin			✓	✓	✓	✓
Mr. Kitti	Tungsriwong		✓		✓	✓	✓
Mrs. Pim	Pattamasing Na Ayutthaya		✓	✓	✓	✓	✓
Total number of directors		1	3	3	3	8	5

Remark : ✓ Refers to qualifications (education) and expertise (work experience)

✓ Expertise (work experience)

1. Financial aspects include economics, finance, banking, investment, and capital markets
2. Accounting aspects include accounting, auditing, internal auditing
3. Legal aspects include civil and commercial, criminal, securities and stock exchange enforcement, public limited company, financial institution business and asset management companies
4. Information technology and digital aspects
5. Business administration includes business management related to AMC (debt restructuring and real estate), strategic planning, marketing, and human resource management.
6. GRC aspects (Governance, Risk and Compliance) include good corporate governance, risk management, compliance with regulations, laws, as well as reporting and disclosure of information according to the rules of regulatory agencies.

- 3.2 The Board of Directors must select an appropriate person as the Chairman of the Board and ensure that the components and the operations of the committee facilitate the use of discretion in making independent decisions.
- 3.3 Chairman of the Board of Directors and Chief Executive Officer of the Company are not the same person or are members of the same family. The Company determines the powers, duties and responsibilities of the Chairman of the Board of Directors. and Chief Executive Officer to have clearly different duties and responsibilities, so that no one person has unlimited power.
- 3.4 The Board of Directors has established a policy for independent directors to serve continuously for no more than 9 years from the date of their first appointment as independent directors. In the case of appointing such independent director to continue in the position, the Board of Directors must reasonably consider such necessity.
- 3.5 So that important matters are carefully considered in detail, the Board of Directors has considered appointing 5 sub-committees, namely the Audit Committee, Executive Committee, Nomination and Remuneration Committee, Risk Management Committee, and Corporate Governance Committee to consider specific issues, filter information and propose guidelines for consideration before submitting to the Board of Directors for approval as follows:

3.5.1 Audit Committee

The Audit Committee has the authority and duty to review and ensure that the Company's financial transactions are correct and adequate; review to ensure that the Company has an appropriate and effective internal control system; consider the independence of the internal

audit department, as well as giving approval to consider the appointment, transfer, and dismissal of the head of the internal audit department or any other department responsible for internal auditing; review the Company's compliance with securities and stock exchange laws, SET regulations and laws related to the Company's business; consider, select, and propose the appointment of an independent person to act as the Company's auditor and propose compensation for such person, including attending meetings with the auditor; consider connected transactions or transactions that may have conflicts of interest to ensure compliance with the laws and the regulations of SET in order to ensure that the said transactions are reasonable and of maximum benefit to the Company and to perform any other duties as assigned by the Company's Board of Directors with the approval of the Audit Committee (Structure, qualifications, appointment, term of office, and duties and responsibilities of the Audit Committee shall be as specified in the Audit Committee Charter.)

3.5.2 Executive Committee

The Executive Committee has the authority and responsibility to jointly determine guidelines, strategies, and business plans to present to the Board of Directors for consideration, management and governance and the overall operations of the Company, including considering suspending, canceling, and approving spending, purchasing, hiring, and other operations according to the authority assigned by the Board of Directors (Structure, qualifications, appointment, term of office, and duties and responsibilities of the Executive Committee shall be as specified in the Executive Committee Charter.)

3.5.3 Nomination and Remuneration Committee

Nomination and Remuneration Committee has the authority to set criteria and processes for recruiting and nominating suitable persons to serve as company directors and chief executive officer, recommend names of company directors who will serve in various sub-committees of the Company, consider and determine criteria for evaluating performance, consider and determine compensation (both monetary and non-monetary) for the Board of Directors, various sub-committees, and the Chief Executive Officer to be consistent with the Company's operating results by comparing with the remuneration of other companies in the same industry, and present it to the Board of Directors for consideration and approval; and perform any other duties as assigned by the Company's Board of Directors (Structure, qualifications, appointment, term of office, and duties and responsibilities of the Nomination and Remuneration Committee shall be as specified in the Nomination and Remuneration Committee Charter.)

3.5.4 Risk Management Committee

The Risk Management Committee has the authority to set the policy framework and guidelines for overall risk management of the Company, which will cover various important types of risks; determine that the management have appropriate measures to prevent, correct, and limit risks. The Risk Management Committee must monitor, evaluate, and supervise the management's risk management process to be at an appropriate level and in accordance with the established policy, and present it to the Board of Directors for consideration and approval; and carry out other operations according to the authority assigned by the Board of Directors (Structure, qualifications, appointment,

term of office, and duties and responsibilities of Risk Management Committee shall be as specified in the Risk Management Committee Charter.)

3.5.5 Corporate Governance Committee

The Corporate Governance Committee has the authority to determine good corporate governance policies and practices to/support the work of the Board of Directors in order to continuously develop better corporate governance, including supervising the Company's operations to be in accordance with the rules. It focuses on creating fair benefits for all stakeholders and conducting business with social responsibility, and to carry out duties to achieve objectives, as well as performing other duties as assigned and presented to the Board of Directors (Structure, qualifications, appointment, term of office, and duties and responsibilities of the Good Corporate Governance Committee shall be as specified in the Charter of the Good Corporate Governance Committee.)

- 3.6 The Board of Directors will ensure to disclose the roles and duties of the Board of Directors and sub-committees, number of meetings and the number of times each director's attendance in the past year, and report the performance of every sub-committee in the annual report (Form 56-1 One Report).
- 3.7 The Board of Directors will oversee that the recruitment and selection of directors is a transparent and clear process so that the Committees have qualifications consistent with the specified composition. The Board assigns the Audit Committee to organize a meeting to consider criteria and methods for recruiting individuals, to get qualified directors that will provide the board with appropriate knowledge and expertise, including considering the history of the said person and presenting

opinions to the Board of Directors before presenting to the shareholder meeting to appoint directors. In addition, shareholders should receive sufficient information about the nominated persons to make informed decisions. Moreover, the Audit Committee is required to review the criteria and methods for selecting directors to make recommendations to the Board of Directors before selecting directors for those whose terms have expired. In the case where the Audit Committee selects and nominates existing directors, the performance of the said director's duties must be taken into account. If the Board of Directors appoints any person to be an advisor to the Audit Committee, the information of that advisor will be disclosed in the annual report (Form 56-1 One Report), including their independence or lack of conflict of interest.

- 3.8 In proposing remuneration for the Board of Directors for approval of shareholders, the Board of Directors will consider the compensation structure in both monetary and non-monetary forms to be consistent with both short-term and long-term strategies and goals of the Company, including consideration with experience, responsibilities, and scope of roles and accountability and responsibility, which must be comparable to the level practiced in the industry. The Board of Directors will disclose the policy and criteria for determining directors' remuneration in the annual report (Form 56-1 One Report). In the event that the Board of Directors has appointed any person to be an advisor to the Board to consider remuneration, the consultant's information will be disclosed in the annual report (Form 56-1 One Report), including their independence or lack of conflict of interest.
- 3.9 The Board of Directors establishes criteria for directors holding positions in other companies by considering the performance of directors who

hold positions in other companies of the directors to ensure that directors can devote adequate time to performing their duties in the Company. The number of listed companies in which each director will serve should be determined to be appropriate to the nature or business conditions of the Company, but not more than 5 companies in total. This is because the efficiency of performing duties as a company director may be reduced if the number of companies in which directors hold positions is too high. The criteria must be disclosed that each director must attend not less than 75 percent of the total number of board meetings held during the year.

- 3.10 The Board of Directors is responsible for ensuring that there is a framework and mechanism for overseeing the policies and operations of subsidiaries and other businesses in which the Company invests in, so that they are understood and correct at a level appropriate to each business. The properties, scope of duties and responsibilities of those who will become directors, executives, or persons with controlling authority in subsidiaries will be specified and the Board has the power to consider appointments by following the legal procedures.
- 3.11 Board of Directors and sub-committees will evaluate performance as a group and individually. At least it must be a method of self-evaluation (Self-Evaluation) or the Board of Directors will consider using a cross-evaluation method (Cross Evaluation) as well at least once a year so that the Board of Directors can jointly consider performance and problems. for further improvement It should establish a baseline that will be used to compare performance results with criteria. The Company will disclose the overall criteria, procedures, and results of the evaluation in the annual report (Form 56-1 One Report).

Self-evaluation of the Board of Directors

Criteria : Evaluation of directors' performance includes: self-evaluation form for each committee and the self-evaluation form of individual committee members, using the evaluation guidelines from the Stock Exchange of Thailand and adapting them to suit the nature and structure of the Company's board of directors to be used as a framework for examining the performance of duties of the Board of Directors and encourage joint consideration of work and problems on various issues related to the Company's operations and good corporate governance; and present the said evaluation to the Sustainability Governance Committee and the Board of Directors for consideration.

Topics for Self-evaluation of the Board of Directors as a whole

1. Board structure and qualifications
2. Roles, duties and responsibilities of the Board
3. Meetings of the Board
4. Duties of directors
5. Relationship with management
6. Directors' self-improvement and management training

Topics for Self-evaluation of the Board of Directors as an individual

1. Board structure and qualifications
2. Meetings of the Board
3. Roles, duties and responsibilities of the Board

Procedure : Once the assessment has been approved by the Board of Directors, the committee secretary will send an electronic evaluation form to each committee member for evaluation, both as a group and individually. Then, the secretary will collect and summarize the

evaluation results as an overview, including comments or suggestions from the directors, and bring it to discuss at the Board of Directors' meeting, to consider ways to improve and develop the performance of the committee's duties to be more efficient and to maximize the benefits in corporate governance.

Self-evaluation of the Sub-Committees

Criteria : Evaluation of the performance of the sub-committee consists of a self-evaluation form of the committee as a group and a self-evaluation form of the individual director, using the evaluation guidelines from the Stock Exchange of Thailand and adapting them to suit the nature and structure of each sub-committee.

Topics for Self-evaluation of the Sub-Committees as a whole

1. Committee structure and qualifications
2. Roles, duties and responsibilities of the committee
3. Meetings of the committee
4. Reporting of the committee

Topics for Self-evaluation of the Sub-Committees as an individual

1. Committee structure and qualifications
2. Meetings of the committee
3. Roles, duties and responsibilities of the committee

Procedure : Once the assessment has been approved by the Board of Directors, each sub-committee secretary will send an electronic evaluation form to each committee member for evaluation, both as a group and individually. Then, the secretary will collect and summarize the evaluation results as an overview, including comments or suggestions from the directors, and bring it to discuss at the

sub-committees' meetings, before presenting them to Board of Directors' meeting, to consider ways to improve and develop the performance of the committees' duties to be more efficient and to maximize the benefits in corporate governance.

Summary of Self-evaluation of the Board of Directors and Sub-Committees both as a group and as an individual for 2023

Committee	Average score (percentage)		Evaluation results
	As a group	As an individual	
Board of Directors	92	92	Excellent
Executive Committee	90	93	Excellent
Audit Committee	94	97	Excellent
Nomination and Remuneration Committee	93	95	Excellent
Risk Management Committee	92	95	Excellent
Corporate Governance Committee	98	99	Excellent

3.12 The Board of Directors will ensure that directors receive necessary training and knowledge development continuously. The continuous training and knowledge development of the Board of Directors will be disclosed in the annual report.

3.13 The Board of Directors will schedule meetings in advance. The number of meetings will be set at least 1 time every 3 months so that directors can allocate time and attend meetings. The meeting invitation letter, along with the meeting agenda and meeting

documents must be sent to the directors at least 5 business days before the meeting date, so that directors have time to study in advance before attending the meeting. Except in the case of urgent necessity to preserve the rights or benefits of the Company, the meeting appointment will be informed by other means or a meeting date can be set earlier than that. The Board of Directors will ensure that there is a mechanism for each director, including the management, to freely propose matters that are beneficial to the Company into the meeting agenda and encourage the Chief Executive Officer and executives to attend meetings to provide information for consideration and to give the committee an opportunity to be familiar with the executives in order to consider the succession plan.

In 2023, the Board of Directors held a total of 8 meetings and there was 1 meeting between non-executive directors without the management attending the meeting so that the directors could discuss and exchange opinions independently and can effectively monitor the performance of the management. Moreover, in order to act in accordance with the corporate governance code, there was discussion in the meeting on issues regarding the direction of the Company's operations and recruiting personnel to join the Company. After the meeting, the Chief Executive Officer and management were notified of the results of the meeting in order to further improve upon operations.

3.14 The Board will determine the qualifications and experience of the Company Secretary who are suitable to perform the duties of providing advice regarding legal matters and various regulations that the Board of Directors must be aware of, managing the Board of Directors' meetings' documents and various important documents. The Company secretary will receive continuous training and knowledge development that will be beneficial

to the performance of their duties. If there is a certified program, the Company Secretary will also receive training on the said course.

Code of
Conduct No. 4



Ensure Effective CEO
and People Management

- 4.1 The Nomination and Remuneration Committee ensures that the Chief Executive Officer and top executives are recruited and developed to have the knowledge, skills, experience, and characteristics necessary to drive the Company towards its goals.
- 4.1.1 The Board of Directors will consider or assign Nomination and Remuneration Committee to consider criteria and methods for recruiting suitable persons to hold the position of Chief Executive Officer.
- 4.1.2 The Nomination and Remuneration Committee will monitor and oversee the Chief Executive Officer, ensuring that there is appropriate senior management. At minimum, the Nomination and Remuneration Committee must work with the Chief Executive Office to consider the criteria and methods for recruiting and appointing persons and approve the person proposed by the Chief Executive Officer to be a top executive.
- 4.1.3 In order to conduct business operations continuously, the Nomination and Remuneration Committee will supervise the creation of a Succession Plan in order to prepare for the succession of the Chief Executive Officer and top executives. The Chief Executive Officer must report the results of operations according to the succession plan to the Board of Directors at least 1 time per year.

- 4.1.4 The Nomination and Remuneration Committee will promote and support the Chief Executive Officer and top executives to receive training and development to increase knowledge and experience that is beneficial to operations.
- 4.1.5 The Nomination and Remuneration Committee will determine policies and procedures for the Chief Executive Officer and top executives to serve as a director at other companies clearly, including the type of director position and the number of companies in which the position can be held.
- 4.2 The Nomination and Remuneration Committee determines an appropriate compensation structure and assessment.
- 4.2.1 The Nomination and Remuneration Committee determines the compensation structure for the Chief Executive Officer, executives, and other personnel at all levels to be consistent with the long-term interests of the business by considering the appropriateness of the proportion between short-term and long-term returns, taking into account the factors about Company's performance and remuneration relative to the industry.
- 4.2.2 The Nomination and Remuneration Committee, excluding executive directors, approves the criteria and evaluates the performance of the Chief Executive Officer to be in accordance with objectives and strategies, and consistent with the long-term interests of the business. The evaluation criteria must be communicated to the Chief Executive Officer in advance.
- 4.2.3 The Nomination and Remuneration Committee will consider criteria and factors for evaluating performance, as well as approve the compensation structure of top executives and follow up with

the Chief Executive Officer to evaluate top executives in accordance with the aforementioned evaluation principles.

4.2.4 The Nomination and Compensation Committee must oversee the establishment of criteria and factors for evaluating performance for the entire organization.

- 4.3 The Nomination and Remuneration Committee will understand the structure of shareholder relations, disclosure of agreements, which may take the form of agreements within the family business, whether it is written or not, shareholder agreement or policy of the parent company group which affects the power to control the management of the business, in order to prevent such agreement from being an obstacle to the performance of the duties of the Board of Directors, such as having a suitable person to succeed in the position.
- 4.4 The Board of Directors will ensure that human resource management is in line with the direction and strategy of the organization. Employees at all levels must be knowledgeable, have appropriate motivation and ability, and are treated fairly to retain the Company's talented personnel.
- 4.5 The Board of Directors will manage the establishment of a provident fund or other mechanism to ensure that employees have sufficient savings for their retirement, including supporting employees to have knowledge and understanding of money management, choosing an investment policy that is consistent with one's age range, risk level, or ensuring that there is a Life Path investment policy

Code of Conduct No. 5



Nurture Innovation and Responsible Business

- 5.1 The Board of Directors should give importance to and support the creation of new innovations that create value for the business and benefits for customers or related parties and are responsible for society and the environment.
- 5.1.1 The Board of Directors will give importance to creating an organizational culture that promotes innovation and ensure that the management takes it as part of the strategy review, operation development planning, and performance monitoring.
- 5.1.2 The Board of Directors will promote the creation of innovations to add value to the business according to the constantly changing environmental conditions, which may includes defining a business model, ways of thinking, perspectives on service design and development, research, improvement of production processes and work processes, as well as cooperation with partners.
- 5.2 The Board of Directors will monitor and supervise the management to conduct business with social responsibility as reflected in the Operational Plan to ensure that all departments of the Company have operated in accordance with the objectives, main goals and strategies of the business.
- 5.2.1 The Board of Directors supervises that there are mechanisms in place to ensure that the Company conducts business ethically, with social and environmental responsibility, not violating the rights of stakeholders, to provide a guideline for all parts of the organization

to achieve their objectives. The main goal is sustainability. It may create policies or guidelines, which should at least cover the following matters:

Responsibility to employees and personnel by complying with relevant laws and standards and treating employees and personnel fairly with respect for human rights, as well as setting fair compensation and other benefits, providing benefits that are not less than those required by law or more than appropriate, taking care of health and safety at work, providing training and knowledge, developing potential, and promoting progress, including giving employees the opportunity to develop work skills in other areas.

Responsibility to customers by complying with relevant laws and standards and taking into account health, safety, fairness, and the preservation of customer information, after-sale service throughout the service life, monitoring and measuring customer satisfaction in order to develop and improve products and services, including responsible advertising, public relations and sales conduct, not causing misunderstandings or taking advantage of customer misunderstandings.

Responsibility to trading partners by having fair procurement process and contract or agreement conditions, helping to educate develop potential and raise the ability to produce and provide services to meet standards, explaining and ensuring that trading partners respect human rights and treat their own workers fairly, be socially and environmentally responsible, as well as monitoring and evaluating suppliers to develop sustainable business operations

between each other.

Responsibility to Community by bringing knowledge and business experience to develop projects that can create concrete benefits for the community. Long-term progress and success are tracked and measured.

Responsibility to Environment by preventing, reducing, managing, and ensuring that the Company does not create or cause negative impacts on the environment, from the use of raw materials, power consumption (for production, transportation or in the office), water use, use of renewable resources, caring for and restoring biodiversity affected by business operations, releasing and managing waste generated from business operations and greenhouse gas emissions, etc.

Fair competition by conducting business with transparency and not creating an unfair competitive advantage.

Anti-fraud and corruption by complying with relevant laws and standards and requiring the Company to have and announce an anti-fraud and corruption policy to the public, as well as supporting other companies and business partners to have and announce anti-fraud and corruption policies.

- 5.3 The Board of Directors must monitor and ensure that the Company's management allocates and manage resources to be efficient and effective. The impacts and resources throughout the value chain must be taken into account in order to be able to achieve long-term objectives and main goals.

- 5.3.1 The Board of Directors will be aware of the necessity of the resources required, as well as realizing that the use of each type of resource affects each other.
- 5.3.2 The Board of Directors will realize that different business models cause different impacts on resources. Therefore, in deciding on a business model, the impact and value that will occur on resources should be taken into account while still based on ethics, with responsibility and creating sustainable value for the business.
- 5.3.3 The Board of Directors will ensure that in achieving the main objectives and goals of the business, the management reviews, develops, and oversees the use of resources to be efficient and effective, always taking into account changes in internal and external factors. There are at least 6 types of resources that a business should consider : Financial Capital, Manufactured Capital, Intellectual Capital, Human Capital, Social and Relationship Capital, and Natural Capital.
- 5.4 The Board of Directors is responsible for providing a framework for overseeing and managing information technology at the enterprise level to be consistent with the needs of the business Including ensuring that information technology is used to increase business opportunities and develop operations and risk management so that the business can achieve its objectives and the main goals of the business.
- 5.4.1 The Board of Directors will establish a policy regarding the allocation and management of information technology resources. This covers the allocation of sufficient resources to operate the business and setting guidelines to support cases where sufficient resources cannot be allocated as specified.
- 5.4.2 The Board of Directors will ensure that the organization's risk management covers information technology risk management.
- 5.4.3 The Board of Directors will establish policies and measures to maintain information security. The issues in the governance and management policy of information technology at the enterprise level must cover the following matters:
- The Company has complied with various laws, rules, regulations and standards related to the use of information technology.
 - The Company has a data security system. in maintaining Confidentiality, Integrity and Availability, as well as preventing information from being used in a wrongful way or altered without permission.
 - The Company has considered information technology risks and has measures to manage such risks in various areas, such as Business Continuity Management, Incident Management, and Asset Management, etc.
 - The Company has considered the allocation and management of information technology resources, criteria and factors are established for determining the priorities of the information technology plan, such as suitability for alignment with the strategic plan, impact on business operations, urgency of using, budget, and human resources for information technology, and consistency with the business model, etc.

Code of
Conduct No. 6Strengthen Effective Risk Management
and Internal Control

6.1 The Board of Directors established the Risk Management Committee to help supervise and ensure that the Company has a risk management and internal control system that will effectively achieve its objectives and there is compliance with the law and related standards. The practices are as follows:

- 6.1.1 Study and understand the important risks of the business and approve acceptable risks.
- 6.1.2 Consider and approve risk management policies that are consistent with the objectives, main goals, strategies, and acceptable risks of the business to serve as a framework for operating the risk management process for everyone in the organization in the same direction. The committee will give importance to early warning signals and ensure that the risk management policy is regularly reviewed at least once a year.
- 6.1.3 Ensure that the Company has identified risks, considering both external and internal factors that may cause the Company to be unable to achieve its stated objectives. The main risks that the Board of Directors will give importance to are divided into: Strategic Risk, Financial Risk, Operational Risk, Compliance Risk and Fraud Risk etc.
- 6.1.4 Ensure that the Company has assessed the impacts and opportunities of the risks identified in order to prioritize risks

and has appropriate risk management methods such as Take, Treat, Terminate and Transfer.

- 6.1.5 Regularly monitor and evaluate the effectiveness of risk management.
 - 6.1.6 In the case where the Company has subsidiaries or other businesses in which the Company has significant investments, the Board of Directors will take the results of the evaluation of the internal control system and risk management into consideration of the Company's risks.
- 6.2 The Board of Directors appoints an Audit Committee that can perform their duties efficiently and is independent, that is, consisting of at least 3 directors, all of whom must be independent directors and has qualifications and duties according to the rules of the SEC Office and the Stock Exchange of Thailand. The duties of the Audit Committee are specified in writing and can be summarized as follows:
- 6.2.1 Review to ensure that the business has Accuracy and Completeness in financial report.
 - 6.2.2 Review to ensure that the business has an appropriate and effective internal control system and internal audit system.
 - 6.2.3 Review the business to ensure compliance with relevant laws and standards.
 - 6.2.4 Consider the independence of the internal audit department, as well as giving approval to consider the appointment, transfer, and dismissal of the head of the internal audit department or any other department responsible for internal auditing.
 - 6.2.5 Consider, select, and propose independent persons to act as auditors and consider offering compensation to such persons, as well as meeting with the auditor without the management

attending at least once a year.

6.2.6 Consider connected transactions or transactions that may have conflicts of interest. To ensure that it complies with relevant laws. The said transaction is reasonable and most beneficial to the business.

6.2.7 Review the accuracy of reference documents and self-assessment forms regarding anti-corruption measures of businesses according to the Thai Private Sector Collective Action Coalition Against Corruption project.

6.3 The committee will ensure that the Company provides mechanisms or tools that will enable the Audit Committee to access information necessary to perform assigned duties, such as facilitating the Audit Committee to call relevant people to provide information, arranging a meeting with the auditor, providing independent opinions from professional advisors for consideration. Moreover, there is the establishment of an internal audit unit that is independent in performing its duties, responsible for developing and reviewing the efficiency of the risk management and internal control systems. The Company will disclose the opinions of the Audit Committee and report on the review of the risk management and internal control systems in the annual report (Form 56-1 One Report).

6.4 The Board of Directors will monitor and manage conflicts of interest that may occur between the Company and the management, Board of Directors, or shareholders, as well as preventing the improper use of property, information, opportunities of the Company, and transactions with those who are related to the Company in an inappropriate manner by:

6.4.1 Supervising the existence of a data security system. This includes

setting policies and procedures for maintaining Confidentiality, Integrity, and Availability, including managing Market Sensitive Information. In addition, the Board of Directors will ensure that the directors, top executives, and employees, as well as related third parties such as legal advisors and financial advisors follow the information security system as well.

6.4.2 Ensuring that transactions with conflicts of interest are managed and followed up, ensuring that there are guidelines and procedures in order to make the said transaction comply with the procedures of operation and disclosure of information as required by law and primarily for the benefit of the Company and its shareholders as a whole, whereas stakeholders do not participate in decision making.

6.4.3 Requiring directors to report their interests before considering board meetings and recording it in the meeting minutes of the Board of Directors, requesting such directors to not participate in the meeting on that agenda. The Board should ensure that directors who have significant interests in a manner that may prevent such directors from expressing their opinions independently refrain from participating in the meeting to consider that agenda.

6.5 The Board of Directors will establish a Fraud Prevention Policy and will organize a project or guidelines for combating corruption, as well as supporting activities that promote and instill all employees to comply with the law and related regulations.

6.6 The committee will ensure that the Company has a clear policy and process for reporting complaints, providing information, taking action,

and providing appropriate protection to whistleblowers. It will specify that there will be multiple channels for reporting information, such as the Company's website and emails to independent directors. or the assigned audit committee of the Company. There is also a process for reviewing information, operations and reporting to the Board of Directors.

Code of
Conduct No. 7



Ensure Disclosure and Financial Integrity

7.1 The Board of Directors is responsible for ensuring that the financial reporting system and the disclosure of important information are accurate, adequate, timely and in accordance with relevant rules, standards and guidelines. It will ensure that personnel involved in preparing and disclosing information have knowledge, skills, and experience as appropriate to their duties and responsibilities and there are sufficient numbers of personnel. Such personnel includes the top executives of the accounting and finance department, accountant, internal auditor, Company Secretary, and investor relations officers. In giving approval to the disclosure of information, the Board of Directors will consider the following relevant factors: results of the assessment of the adequacy of the internal control system, opinions and observations of the auditor regarding the internal control system, opinions of the Audit Committee, consistency with the Company's objectives, key goals, strategies and policies for disclosing information, including financial statements. The annual report (Form 56-1 One Report) can

reflect financial status and operating results adequately. Moreover, the Board supports the Company in preparing Management Discussion and Analysis or MD&A to accompany the disclosure of financial statements every quarter. This is so that investors can receive information and better understand changes that have occurred in their financial position and the Company's operating results in each quarter. In addition to the numerical information in the financial statements alone, in the case where the disclosure of any particular item relates to a specific director, that director will take care that his or her disclosures are complete and accurate, such as information on shareholders of one's group, and disclosure in relation to the shareholder agreement of one's group.

- 7.2 The Board of Directors will monitor the adequacy of financial liquidity and debt repayment ability. The management team monitors and evaluates the financial position of the business and reports it to the Board of Directors regularly. The Board of Directors and management will work together to find solutions quickly if there are signs of problems in financial liquidity and ability to repay debts. In approving any transactions or submitting opinions to the shareholder meeting for approval, the Board of Directors will be confident that such transactions will not affect the continuity of business operations, financial liquidity, or ability to repay debt.
- 7.3 In the event that the Company is likely to be unable to pay its debts or has financial problems, such as continuous losses, low cash flow, incomplete financial information, lack of appropriate accounting system, lack of cash flow and budget estimates, no business plan, liabilities increasing more than assets, and problems in debt collection, etc., the Board of Directors will follow closely and ensure that the business

conducts business with care and comply with disclosure requirements. The Board of Directors will oversee the business to formulate a plan to solve financial problems, taking into account fairness to stakeholders, including creditors, as well as following up on solving problems by having the management report the status regularly.

- 7.4 The Board of Directors considers preparing a sustainability report as appropriate, disclose information on legal compliance, compliance with the Code of Ethics, Anti-corruption policy, treatment of employees and stakeholders, including fair treatment and respect for human rights, social and environmental responsibility, taking into account the reporting framework that is accepted in the country or internationally. Such information may be disclosed in the annual report (Form 56-1 One Report) or may be prepared in a separate book as appropriate for the business.
- 7.5 The Board of Directors will establish a Communication Policy and a Disclosure Policy to ensure that those responsible for providing information to outsiders, such as the Chief Executive Officer, Chief Accounting and Finance Officer and Investor Relations Manager will be able to communicate and disclose information to outside parties appropriately, equally, timely, with appropriate channels, protect confidential information and information that affects securities prices, and communicate to ensure a common understanding throughout the organization in complying with the said policy. The Board of Directors will ensure that the management sets the direction and support investor relations work, including clearly defining the duties and responsibilities of investor relations in order to communicate and disclose information effectively.
- 7.6 The Board of Directors promotes the use of information technology in

disclosing information. In addition to disclosing information according to the specified criteria and through the channels of SET, the Board of Directors will consider disclosing information in both Thai and English through other channels as well, such as the Company's website, which will be done regularly along with presenting current information.

Code of
Conduct No. 8



Ensure Engagement and Communication
with Shareholders

- 8.1 The Board of Directors will ensure that shareholders participate in decision-making on important matters of the Company by ensuring that important matters, issues stipulated in the law and issues that may affect the direction of the Company's operations, have been considered and/or approved by shareholders. The Board of Directors will support shareholder participation, such as setting criteria for minor shareholders to propose additional agenda items in advance of the shareholder meeting date, as well as allowing minor shareholders to nominate individuals to serve as directors. Moreover, the Board ensures that the notice of shareholder meeting contains accurate, complete, and sufficient information for the exercise of shareholders' rights, sends a shareholder meeting invitation letter together with related documents and publishes them on the Company's website at least 28 days before the meeting date or according to the period specified by relevant laws or regulations, and provides opportunities for shareholders to submit questions in advance of the meeting date.

8.2 The Board of Directors will ensure that operations on the day of the shareholder meeting are smooth, transparent, and efficient, and facilitate shareholders to exercise their rights. The Board of Directors will determine the date, time and place of the meeting, taking into account the convenience of shareholders attending meetings, such as meeting times that are appropriate and sufficient for discussion and meeting locations that are convenient for travelling, etc. In 2023, the Company held shareholder meetings via electronic media (E-meeting) in accordance with the Emergency Decree on Meetings via Electronic Media B.E. 2563, with a service provider organizing meetings via electronic media that has expertise and has been certified by relevant agencies as the system operator who oversees the meetings. The Board of Directors will ensure that there are no actions that limit the opportunity to attend the meeting or create an undue burden on shareholders, such as not requiring shareholders or proxies to bring documents or evidence of identification beyond what is required in the guidelines of the relevant regulatory agencies. The Board of Directors will promote the use of technology in shareholder meetings, including shareholder registration, score count and display, in order for the meeting to be carried out quickly, correctly, and accurately. The Chairman of the Board of Directors will chair the shareholder meeting and is responsible for ensuring that the meeting complies with relevant laws and regulations, and the Company's regulations, allocating appropriate time for each meeting agenda specified in the meeting invitation letter, and providing opportunities for shareholders to express their opinions and ask questions to the meeting on matters related to the Company, encouraging all directors and related executives to attend the meeting so that shareholders can ask

questions on various related issues. This is so that shareholders can participate in deciding important matters. Directors, as meeting participants and as shareholders, will not unnecessarily add agenda items that have not been notified in advance, especially important agendas that require shareholders to take time to study information before making a decision. Moreover, the use of ballots is encouraged in important agendas and independent individuals are encouraged to be the person who counts or check the votes in the meeting; the voting results for agreeing, disagreeing, and abstaining from voting on each agenda will be to the meeting and recorded in the meeting minutes.

6.2 Code of Conduct

The Company is committed to ensure that the directors, executives, and employees of the Company all have awareness and responsibility in business operation to lead to success with stability, sustainability and trust by customers, shareholders and the general public. Therefore, the ethical behavior and code of conduct of employees towards the stakeholders have been established as follows:



Code of Conduct toward the Company

1. Maintain the reputation and dignity of the Company.
2. Behave in accordance with the rules, regulations and discipline stipulated in the Company's Code of Conduct.
3. Honest, dedicated, and willing to sacrifice.
4. Possess a positive attitude and pride in the organization and shall not accuse the Company without facts.
5. Notify events that may affect the Company and/or mistreatment or unlawful acts against the relevant departments of the Company to take preventative action.
6. Make the best use of the Company's assets by not wasting them as well as not allowing them to deteriorate earlier than scheduled.
7. Perform duties to the best of ability, prudence, speed, diligence and reasonable by taking into account the interests of the Company.
8. Be punctual and make the best use of time. The employees shall not be permanent employees or temporary employees of other companies doing similar business with companies or competitors or have conflicts of interest with the Company.
9. Refrain from disclosing information, news and technology that is confidential or may affect the Company to third parties.
10. Shall not operate any business or make any investment that are the competition or cause conflicts of interest to the Company.
11. Abstain from voting or voting at the meeting in cases that may cause conflicts of interest.
12. Maintain creativity together to create unity and solidarity among employees, in order to collaborate and solve problems as an effective

team for the Company.

13. Pay attention and perform the duties that maintain a safe and good working environment.
14. Cooperate and comply with the Company's good corporate governance principles.
15. Refrain from performing the work outside the scope of work assigned by the Company. If other work is required, the work shall not be in the following manner:
 - Affect the main duties
 - Violate the law or is against public order or morals, and may contradict the interest and the regulations of the Company.
 - Create negative effect on the image and reputation of the Company.
 - Use or disclose Company's confidential information.

Business Code of Conduct

1. Conduct business under relevant laws, rules, regulations, orders, and announcements. The Company compiles laws, rules, regulations, orders, announcements, and board resolutions related to the Company's operations and the performance of personnel's duties into categories and to be up-to-date, so that personnel can check, search, and study appropriately. The Company will also provide training for personnel to gain knowledge and understanding of the relevant laws, rules, regulations, orders, announcements and board resolutions.
2. Company personnel must carefully understand the laws directly related to their duties and responsibilities and strictly comply with them. If they are in any doubt, they must consult the legal department and do not take any action if that doubt still remains.

3. The Company respects human rights principles, dignity of humanity, personal rights and privacy, as well as taking into account the rights of each person that they must have when interacting with each other as a result of the Company's operations. Moreover, the Company must not do anything related to or promote or support violations of human rights.
4. Conduct business with concerns about environmental conservation and safety management standards, as well as compliance with the requirements of laws or regulations related to the environment.

Code of Conduct toward Shareholders

The Board of Directors places importance on the rights and equality of shareholders, specifying that the Company's shareholders have the right to receive share certificates and the right to transfer shares, the right to receive information that is sufficient, timely, and in a form appropriate for decision making, the right of shareholders to attend and vote at shareholder meetings to decide on important changes in the Company's policies, the right to elect and remove directors, the right to approve the appointment of the Company's annual auditor and determine their remuneration, and the right to share profits in the shareholder meeting divided according to the number of shares, each share equally. Minutes of the shareholder meeting are recorded and meeting resolutions are disclosed to shareholders and related government agencies according to the disclosure guidelines according to laws or related criteria.

Code of Conduct toward Customers

1. Treat customers politely and legally and provide prompt and accurate

services with equality, meeting the determined standards.

2. Strictly maintain confidentiality and customer information.
3. Behave in a way that create credibility among the customers.
4. Refrain from receiving any property or other benefits that have a value beyond the norm that a sensible person will give each other in exchange with affection from the customer or those who may benefit from performing their duties and complying with the gift and entertainment policy of giving or receiving gifts and entertainment.
5. Avoid situations that may cause conflicts of interest with customers.

Code of Conduct toward Oneself

1. Be a person with good morals and behave appropriately, ignoring all kinds of vices and gambling.
2. Be truthful to oneself and others.
3. Develop knowledge and abilities to constantly increase operational skills.
4. Use the profession to perform duties with integrity without seeking personal gain.
5. Refrain from improper use of Company's property, equipment and operations.

Code of Conduct toward Trade Partners

To conduct business with any business partner shall be done with honesty, maintain a company reputation that are not contrary to any laws, and shall take into account equality in business operations and mutual benefits with partners. The selection of partners shall be fair and the Company recognizes the importance of its partners in creating value for customers. The Company will create a contract format that is appropriate and fair to

all contracting parties, and provide a monitoring system to ensure that the contract conditions are fully complied with, preventing corruption and misconduct in every step of the procurement process. The Company purchases products and/or receives services from trade partners according to trade conditions, as well as strictly complying with contracts with trade partners

Code of Conduct toward Payables

The Company will strictly comply with various conditions and commitments agreed upon with creditors, in the matter of repaying loan debt, interest, especially regarding trading conditions, various insurances, as well as in the case of default in repayment and notifying creditors in advance. The Company will comply with the loan conditions according to the agreement and the duties it should have towards creditors, whether they are trade creditors, creditors of various financial institutions, and creditors who hold bonds of the Company; and have various collateral responsibilities if they are unable to fulfill their contractual obligations to jointly find solutions and prevent damage.

Code of Conduct for Non-Infringement of Intellectual Property

1. Employees are prohibited from using information, documents, computer programs, software, books, articles, videotapes, tapes, sound recordings, and other people's works in a way that will infringe on that person's intellectual property, regardless of whether or not the person who owns or has legal rights in such work has reserved rights or not.
2. Every employee has a duty to help preserve works that is the Company's intellectual property and not to use the Company's

intellectual property or allow others to use it without permission.

3. Any work that employees create or that arises from their work for the Company becomes the property and intellectual property of the Company. Upon termination of employment with the Company, employees are responsible for returning the intellectual property, including works, inventions, etc., to the Company in whatever form they are kept.
4. The Company agrees to maintain the confidentiality of the customers and various information that the Company receives from the customers, including the information of all stakeholders of the Company, unless permission is received from the data owner. Extreme care must be taken not to reveal secrets of customer and/or interested persons to outsiders.
5. Follow the manager's instructions regarding guidelines for not violating intellectual property rights.

Code of Conduct toward Supervisors and Colleagues

1. Cooperate and help each other at work.
2. Respect the supervisors.
3. Have empathy and mercy on subordinates.
4. Provide knowledge and convey work experiences to the colleagues.
5. Avoid accepting high-value gifts from colleagues and subordinates.
6. Shall not use personal matters or information of colleagues to criticize in a derogatory way.
7. Treat supervisors and colleagues with politeness, kindness and good human relations.
8. Refrain from claiming others' credits to be your own credit.

9. Possess a good attitude and shall not defame supervisors and colleagues without facts or fairness.

Code of Conduct on Supervision of the Use of Inside Information

The Company has policies and procedures for supervision in the Compliance Manual of directors and executives in using the inside information of the Company and its subsidiaries which has not yet been disclosed to the public for personal gain as follows:

1. The Company shall educate the directors and executives on the duty to report securities holdings of one's spouse and minor children, including reporting the acquisition or disposition of securities to the Office of the Securities and Exchange Commission. ("SEC Office").
2. The directors and executives of the Company and its subsidiaries, including spouse and minor children shall prepare and disclose securities holding reports and reports on changes in the Company's securities holdings to the Securities and Exchange Commission and submit a copy of this report to the Company on the same day as the date of submission of the report to the Securities and Exchange Commission.
3. Directors, executives, staff, and employees of the Company and its subsidiaries who are aware of material inside information that affects the change in securities prices shall refrain from trading in the Company's securities during the one month period before the financial statements or such inside information are disclosed to the public and during the period of 24 hours after it has been made public. Persons dealing with inside information shall not disclose such information to others until the Stock Exchange of Thailand has been informed.

4. Directors, executives, staff, and employees of the Company and its subsidiaries are prohibited from using inside information about the Company and its subsidiaries that have or may affect changes in the prices of the Company's securities that have not yet been disclosed to the public. This includes the case where they become aware of such information by taking advantage of the position that they hold and used the information to buy or sell securities, or offer to buy or sell, or solicit other people to buy or sell, or offer to buy or sell shares or other securities (if any) of the Company, either directly or indirectly, in a way that is likely to cause damage to the Company, whether such action is done for the benefit of oneself or others or such facts are disclosed for others to do so whether they receive any benefits or not.

Employee Code of Conduct

1. The code of conduct set forth in the principles is a discipline practice. Therefore, the employees shall understand and strictly adhere to throughout the period of performing the duties at the Company.
2. The Company will notify the employees in writing for acknowledgement and adherence of the ethical practices as well as require supervisors to supervise operations to strictly and highly monitor and supervise employees. In the event that there are violations or any non-compliance acts will be subject to disciplinary action.

Ensure that employees comply with the Code of Conduct

1. The code of conduct are the duties and responsibilities of the directors and employees to be acknowledged and strictly adhered.
2. Supervisors at all levels shall take full responsibility for their

subordinates to strictly adhere to the code of conduct.

3. Supervisors at all levels shall take lead in ethical practices as well as promote the working environment for employees and related parties to understand that this is the right thing to do which shall be strictly adhered and shall not claim that they are not aware of it.
4. When in doubt or is unsure on how to follow the codes of conduct, the employees shall consult with the supervisor or Human Resources Department which is responsible for overseeing compliance with the codes of conduct.
5. When there is a problem interpreting or complying with the code of conduct of the employees.
 - 5.1 In the case of Directors, the Audit Committee or the Board of Directors shall have the power to make the decision.
 - 5.2 In the case of employees, the committee consists of the human resources manager, the support and management department that oversees and supervise Compliance practices, and the manager with whom the employee is affiliated to have the authority to make a decision. The following decision made shall be considered a final decision.

6.3 Significant changes and developments in policies, practices, and corporate governance systems in the past year.

1) Significant changes and developments in reviewing policies, practices, and corporate governance systems or committee charters in the past year.

- A. Review the Board of Directors Charter and Sub-committee Charters.
- B. Review the scope of authority and duties of the Chief Executive Officer.
- C. Review the scope of authority and duties of the Company Security.
- D. Review the Internal Audit Charter.
- E. Review the following policies:
 - (1) Dividend Payment Policy
 - (2) Policy on related transactions and connected transactions
 - (3) Ethics Policy and Business Code of Conduct
 - (4) Corporate Governance Policy
 - (5) Human Resource Management and Development Policy
 - (6) Insider Trading Policy
 - (7) Anti-fraud and Anti-corruption Policy
 - (8) Succession Policy
 - (9) Policy for Submitting Financial Statements
 - (10) Policy to Prevent Conflicts of Interest
 - (11) Policy on investment and governance in subsidiaries and associated companies
 - (12) Risk Management Policy
 - (13) Information Disclosure Policy
 - (14) Whistleblowing Policy
 - (15) Sustainable Development Policy
 - (16) Privacy Policy

(17) Policy for managing impacts on stakeholders in the business value chain

(18) Principles regarding trade agreements that include general trading conditions in transactions between the Company and its subsidiaries and directors, executives, or related persons.

(19) Policies and guidelines for information technology security

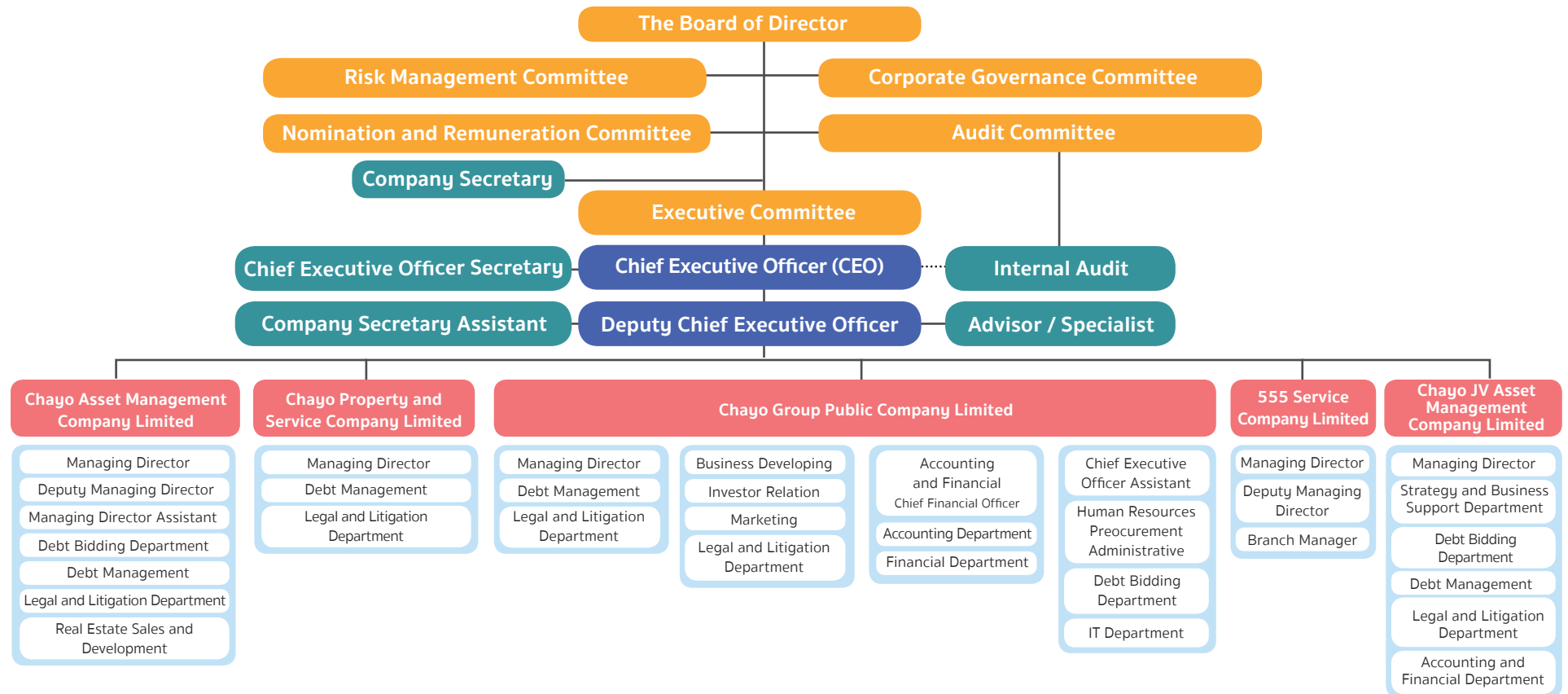
2) Guidelines in other matters according to the corporate governance code
The Company organizes an annual review of the good corporate governance policy.

7. Corporate Governance Structure and Key Information of the Board of Directors, Sub-committee, Executives, Employees and Others

Chayo Group Public Company Limited is responsible for supervising subsidiaries to operate their business under the same standards for the best interests of the shareholders. The Board of Directors is responsible for supervising and controlling the operations of the Company and its subsidiaries.

7.1. 7Management Structure

Company's organizational structure as of 1 February 2024



7.2 The Board of Directors Information

The Company's management structure consists of 6 committees, namely, the Board of Directors, Executive Committee, Audit Committee, Risk Management Committee, Corporate Governance Committee, and the Nomination and Remuneration Committee.

The Board of Directors and the Company executives shall consist of experts who possess qualifications as defined under Section 68 of the Public Limited Companies Act, B.E. 2535 and the Notification of the Capital Market Supervisory Board No. TorJor. 25/2551 Re: Application for and Approval of Offer for Sale of Newly Issued Shares dated 15 December 2008 in all respects. As of 31 December 2023, the Board of Directors appointed by the resolution of the Annual General Meeting of Shareholders for the 2023 consists of 9 members as follows:

Name - Surname		Position
1. Mr. Wutisak	Lapcharoensap	<ul style="list-style-type: none"> Chairman of the Board Independent Director
2. Air Chief Marshal Arnon	Jarayapant	<ul style="list-style-type: none"> Director Independent Director Chairman of the Audit Committee Chairman of Nomination and Remuneration Committee
3. Mr. Teeranat	Thangsatapompong	<ul style="list-style-type: none"> Director Independent Director Audit Committee Chairman of Risk Management Committee Nomination and Remuneration Committee Chairman of the Corporate Governance Committee
4. Mr. Vitthaya	Inala	<ul style="list-style-type: none"> Director
5. Mrs. Rosporn	Sooksomporn	<ul style="list-style-type: none"> Director Independent Director Audit Committee
6. Mr. Seksan	Rangsiyeranon	<ul style="list-style-type: none"> Director Executive Committee Risk Management Committee

Name - Surname		Position
7.	Mr. Suksan Yasasin	<ul style="list-style-type: none"> Vice Chairman of the Board Risk Management Committee Corporate Governance Committee Nomination and Remuneration Committee Chairman of Executive Committee Chief Executive Officer
8.	Mr. Kittit Tungsiwong	<ul style="list-style-type: none"> Director Risk Management Committee Nomination and Remuneration Committee Executive Committee Deputy Chief Executive Officer Company secretary
9.	Mrs. Pim Pattamasing Na Ayutthaya	<ul style="list-style-type: none"> Director Risk Management Committee Corporate Governance Committee Executive Committee Managing Director of Executive Support

The Authorized Directors to Bind a Company

Mr. Suksan Yasasin, Mrs. Pim Pattamasing Na Ayutthaya, Mr. Seksan Rangsiyeranon, and Mr. Kittit Tungsiwong. Any two of these four directors will sign jointly and affix the Company's seal.

The Authorized Directors to Control the Business Granted by Major Shareholders

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

Scope, Authorities, Duties, and Responsibilities of the Board of Directors

1. Manage and operate the Company's business in accordance with the law, objectives, and articles of association of the Company as well as the resolutions of the Board of Directors and shareholders' meetings with honesty and care to preserve the Company's interests. Be responsible and ethical by considering the equal benefits of all shareholders.
2. Possess the authority to appoint a certain number of directors and/or executives of the Company to be the management to perform one or more tasks in order to fulfill the tasks assigned by the Board of Directors, as well as the authority to appoint the Chief Executive Officer, authorize any other person to perform any action on behalf of the Board which is under the control of the Board, and revoke, amend, or change such authority as appropriate.
3. Consider appointing other Sub-committees as appropriate and necessary such as the Audit Committee, Executive Committee, or other sub-committees etc.. This includes the authority to appoint the Chairman of each Sub-committee to support the Board's responsibilities as deems appropriate and necessary. The operations of the Sub-committees shall be regularly monitored.

4. Establish organizational structure and determine Organization Chart of the Company, as well as making corrections as appropriate.
5. Prepare, review and summarize the results of the succession plan, for continuity of management appropriate for the position of Chief Executive Officer and top executives annually, and report them to the Board of Directors for acknowledgment.
6. SUPERVISE THE DISCLOSURE OF PRINCIPLES AND REASONS FOR DETERMINING COMPENSATION FOR COMPANY DIRECTORS AND CHIEF Executive Officer IN ACCORDANCE WITH THE REGULATIONS OF THE STOCK EXCHANGE OF THAILAND IN THE COMPANY'S Form 56-1 One Report.
7. Establish goals, guidelines, policies, action plans, and the Company's budget, as well as supervise the administration and management of the management, sub-committees, or of any other person assigned to carry out such works in accordance with the policy provided by the Board.
8. Consider, review, and approve policies, directions, strategies, business plans, and large investment projects of the Company proposed by the management and arrange for the review and improvement of the important policies and plans to be up-to-date and consistent with the Company's business conditions, determining that important policies be reviewed at least once a year.
9. Continuously follow up on operating results in accordance with the plans and budgets.
10. Consider and approve investments for business expansion as well as make an investment with other businesses or companies.
11. Determine policies, directions, and strategies to supervise the management of subsidiaries and/or affiliated companies.
12. Determine the Company's regulations.
13. Consider and approve other operations which are important to the Company or which is deemed appropriate to do so for the benefit of

the Company, unless these the following actions can be done only upon prior approval from the shareholders' meeting. In the event of any operations performed by the director, a person who is authorized by the director, or a person who may have a conflict of interest, (per the notification by the Securities and Exchange Commission and/or the Stock Exchange of Thailand) stake, and any other conflict of interest with the Company and/or its subsidiaries and/or related companies, that director or a person authorized by a director shall have no authority to approve such transactions.

- (A) Any issues that the law requires to be a resolution of the shareholders' meetings.
- (B) Any issues which the directors have an interest in and are within the scope of the law or the requirements of the stock exchange specifying that they shall be approved by the shareholders' meetings, for example, the operations related to connected transactions, acquisition or disposition of important assets of the Company according to the rules of the Stock Exchange of Thailand or the Securities and Exchange Commission.

The following issues shall be approved by the Board of Directors with a majority vote of the directors who attend the meeting and by the shareholders' meeting with a vote of not less than 3 out of 4 of the total votes of the shareholders who attend the meeting and have the right to vote.

- (C) Sale or transfer of all or significant parts of the Company's business.
- (D) Purchase or acceptance of business transfer of other companies or private companies to be in the possession of the Company.
- (E) Make, amend, or terminate the contracts related to the lease of all or substantial parts of the Company's business, assign other

persons to manage the business of the Company, or merge other persons' businesses for the purpose of profit-and-loss-sharing.

- (F) Amendments to the memorandum of association or the Articles of Association.
- (G) Capital increase, capital reduction, and issuance of debentures.
- (H) Merger or dissolution of Company.
- (I) Any other acts prescribed under the provisions of the law on securities and/or prescribed by the Stock Exchange that shall be approved by the Board of Directors' meeting and the shareholders' meeting with the above-mentioned votes.

For any matter on which a director has a stake or a conflict of interest with the Company or a subsidiary, a director who has such stake or conflicts of interest shall have no right to vote on that matter.

- 14. Possess the authority and duty to provide reports on general and financial information accurately, timely and in accordance with the law to the shareholders, stakeholders, or general investors. The Board of Directors possess the authority and duty to be acknowledged of the important audit reports of the Audit Committee or the internal audit department, as well as the auditors and consultants in each departments of the Company and determine guidelines for improvement in cases where significant flaws are found.
- 15. Independent Directors and Non-Executive Directors are ready to use their discretion independently in determining strategies, management, resource utilization, the appointment of directors, and determination of standards for business operations and the objection to the actions of other directors or the management in case of the differences of opinions that affect the equality of all shareholders.
- 16. Appoint a company secretary in accordance with the Securities and

Exchange Act to provide advice on laws and regulations that the Board of Directors shall be acknowledged, as well as the management of meeting documents of the Board of Directors, important documents and activities of the Board of Directors , including coordinate on the implementation of the Board of Directors' resolutions.

- 17. Provide accurate, complete, transparent, reliable, timely and equitable disclosure of information to shareholders and all groups of stakeholders.
- 18. Provide a reliable accounting system, financial reporting, and auditing, including supervising that there is a process to assess the suitability of internal control and internal audit that are efficient and effective.
- 19. Provide an appropriate and efficient risk management process, which is able to assess, monitor and manage key risks.
- 20. Arrange to operate in accordance with the principles of good corporate governance and business ethics as a guideline for directors and employees and encourage communication with the personnel within the Company for acknowledgment and strict adherence.
- 21. Provide a clear and transparent process for conducting connected transactions.
- 22. Provide a clear process for the reporting of the Audit Committee to the Board of Directors when they find or have query about the transactions or actions that may have a significant impact on the financial position and operating results of the Company. The Board of Directors shall take corrective action within the timeframe that the Audit Committee deems appropriate.
- 23. Consider and approve the payment of interim dividends to the Company's shareholders and report it to the shareholders at the next meeting.
- 24. Arrange for a review and amendment of the Board of Directors' charter to be in accordance with each circumstances. The Board of Directors

Charter is required to be reviewed at least once a year.

25. Report the Company's holdings of one's, spouse and minor children at the Board of Directors' meeting on a monthly basis and shall notify the Company without any delay in the following cases:
 - (A) Oneself or related person having interests related to the management of the Company or its subsidiaries.
 - (B) Oneself or related person holding shares of the Company or subsidiary.
26. Maintain the inside information of the Company that has been acknowledged from the operating process through the performance of duties and not used for the benefit of oneself or others, including refraining from trading in securities within 1 month before the announcement of the news and disclosure of financial statements and within 24 hours after the disclosure of such financial statements.
27. The Board may seek a professional opinion on business operations by employing the external consultant which the Company is responsible for all expenses.
28. Perform any other duties related to the Company's business as assigned by the shareholders.

In 2023, the Board reviewed and approved the vision, mission, goals, and organizational structure. and business direction of the Company, as well as reviewing important policies to ensure they are appropriate and consistent with business operations in accordance with good corporate governance principles. Moreover, the Board monitors and oversees the implementation of the Company's strategies. In every quarterly meeting of the Board of Directors, the Board has followed up on the performance of the management team, and the operating results of performance of the Company are reported, especially in terms of financial goals and various plans, in order

to follow the Company's strategy.

Scope, Authorities, Duties, and Responsibilities of the Chairman of the Board

1. The Chairman of the Board of Directors or a person assigned by the Chairman of the Board of Directors is responsible for calling meetings of the Board of Directors and encourage directors to attend Board meetings.
2. Has a duty in determining the meeting agendas, by consultation with the Chief Executive Officer, and has measures to ensure that important matters are included in the agenda. The Chairman of the Board of Directors should be an independent director. In the case where the person holding the position of Chairman of the Board of Directors is not an independent director, the Board of Directors will appoint one independent director to participate in determining the meeting agenda for the Board of Directors In order to comply with the principles of good corporate governance.
3. Serve as the Chairman of the Board of Directors' meetings to conduct the meeting according to the agenda, company regulations and laws, control meetings to be efficient, allocate sufficient time for management or related parties to present supporting information, and provide opportunities for directors to ask questions and express opinions freely, control discussion points, and summarize the meeting resolutions.
4. Serve as the Chairman of the shareholders' meetings to conduct the meeting according to the agenda, company regulations and laws, control meetings to be efficient, allocate sufficient time, provide opportunities for shareholders to ask questions and express opinions freely, and ensure that their questions are answered.
5. Encourage company directors to perform their duties within the scope of powers, duties, and responsibilities of the Board of Directors and related

laws, including following the principles of good corporate governance such as abstaining from voting, voting, and leaving the meeting room when considering agendas in which directors have conflicts of interest.

6. Communicate important information to the Board of Directors.
7. Supervise and monitor the Board of Directors to perform their duties within the scope of authority, duties and responsibilities of the Board effectively, achieving the main objectives and goals of the organization and according to the law and the Company's good corporate governance policy
8. Strengthen good relationships between executive and non-executive directors, including the Board and the management.
9. Supervise and follow up on the management of the Company's Board of Directors and other sub-committees to achieve the determined objectives.

7.3 Sub-committees Information

The Company has 5 sub-committees, which consist of (1) Executive Committee, (2) Audit Committee, (3) Risk Management Committee, (4) Corporate Governance Committee, and (5) Nomination and Remuneration Committee, with authorities, duties, and responsibilities in summary as follows:

Executive Committee

As of 31 December 2023, the Executive Committee has been appointed by the Board of Directors, consisting of 6 members as follows:

Name - Surname		Position
1. Mr. Suksan	Yasasin	Chairman of Executive Committee
2. Mr. Kitti	Tungsiwong	Deputy Chief Executive Officer
3. Mr. Seksan	Rangsiyeranon	Executive Committee
4. Mrs. Pim	Pattamasing Na Ayuthaya	Executive Committee
5. Mr. Nattapol	Thipchatchawanwong ^{1/}	Executive Committee
	Ms. Naowarat Sangkrot ^{2/}	Executive Committee
6. Mr. Nattawat	Yasasin ^{3/}	Executive Committee

Remark : ^{1/} Mr. Nattapol Thipchatchawanwong has resigned from the Company on 31 March 2023 but still maintains his status as an executive director of the Company.

^{2/} Ms. Naowarat Sangkrot resigned from the Company on 30 April 2023.

^{3/} The Company has appointed Mr. Nattawat Yasasin to hold the position of executive director, effective from 11 May 2023.

Scope, Authorities, Duties, and Responsibilities of the Executive Committee

1. Responsible for scrutinizing strategic plans, annual business plan, capital expenditure budget, business goals, project plans before submitting to the Board of Directors for approval.
2. Control operations in accordance with the law and manage the Company's business to achieve the objectives, vision, missions, strategies, and policies of the Board of Directors and in accordance with the laws, conditions, rules, and regulations of the Company and relevant regulatory units.
3. Carry out the operations related to the general business of the Company, approve and follow up on the operations in matters stipulated in the Board of Directors' regulations, such as investments that require large sums of money, new product releases, joint ventures, loans

or guarantees other than the normal business of the Company.

4. Consider and provide opinions to the Board of Directors regarding the Company's dividend payment policy.
5. Review and approve the investment transactions and the acquisition and disposition of assets under the approval authority of the management based on the announcement regarding the acquisition or disposition of assets of listed companies.
6. Supervise and manage the Company's investments efficiently for the best benefit of the shareholders.
7. Consider and approve matters which require approval from the Board of Directors with the exception of any activity which the Board has already assigned other sub-committees to carry out.
8. Report key performance to the Board of Directors on a regular basis, including important issues that the Board of Directors shall be acknowledged.
9. Evaluate each own performance annually.
10. The Executive Committee may request the opinions of the independent advisor when considered necessary and appropriate in performing the duties, where the Company is responsible for all expenses.
11. Review and update the Executive Committee Charter annually, in order to ensure that the content is as specified in this charter is consistent with objectives, goals, and operational strategies and regulations of the Board of Directors. The amendment and improvement of the charter with significance must be approved by the Board of Directors and proposed to the Board of Directors for approval.
12. Perform any other tasks as assigned by the Board of Directors.

Audit Committee

As of 31 December 2023, the Company's Audit Committee has been appointed by the Board of Directors, consisting of 3 members as follows:

Name - Surname		Position*
1.	Air Chief Marshal Arnon Jarayapant	Chairman of the Audit Committee
2.	Mr. Teeranut Thangsapornpong	Audit Committee
3.	Mrs. Rosporn Sooksomporn	Audit Committee

Remark : *The 3 Audit Committee members have sufficient knowledge and experience to be able to review the reliability of financial statements.

Scope, Authorities, Duties, and Responsibilities of the Audit Committee

1. Review the Company's and its subsidiaries' financial reporting process to ensure that it is accurate and adequately disclosed by coordinating with external auditors and management responsible for preparing both quarterly and annual financial reports. This includes to consider financial statements and financial reports that are relevant to accounting principles, accounting practices, compliance with accounting standards, the existence of the entity, and major accounting policy changes, including the reasons of the management regarding the determination of accounting policies before presenting them to the Board of Directors for dissemination to shareholders and general investors.
2. Establish guidelines and review the Company to have an internal control system and an internal audit system that are appropriate and effective. This can be done by reviewing with external auditors and internal auditors, reviewing the Company's annual internal audit plan and evaluating the audit with the auditors and internal auditors on problems or limitations arising from the audit of the financial statements, electronic data processing control planning and data

security to prevent fraud or misuse of computers by Company's employees or third parties, and considering the independence of the internal audit unit as well as approving the consideration of appointment, transfer, or termination of the head of the internal audit unit or any other unit responsible for internal audits.

3. Review the Company's operations to be in accordance with the Securities and Exchange Act, Regulations of the Stock Exchange of Thailand or laws related to the Company's business, as well as having duties and responsibilities in accordance with the regulations and rules of the Office of the Securities and Exchange Commission, including the Stock Exchange of Thailand.
4. Consider, select, propose, appoint and terminate the employment of independent persons to act as the Company's auditors, including considering and proposing the auditor's remuneration, taking into account reliability, resource sufficiency and the amount of audit work of the auditing office, the experience of personnel assigned to audit the Company's accounts, including attending a meeting with the auditor without the management at least once a year.
5. Consider and approve the connected transactions and/or the acquisition or disposition of the Company's assets or a subsidiary, including considering the disclosure of the Company's information. In the event of a connected transaction or a transaction that may have a conflict of interest, it shall be accurate and complete. This includes considering and approving such transaction to be presented to the Board of Directors' meeting and/or the Company's shareholders' meeting. This is to comply with the provisions of the relevant laws and the regulations of the Stock Exchange of Thailand to ensure that the transaction is reasonable and in the best interest of the Company.
6. Prepare a report on the activities of the Audit Committee and disclose the information on the Company's 56-1 One Report. Such report shall contain complete information as required by law and shall be signed by the Chairman of the Audit Committee. The following report shall at least contain the following information:
 - Opinions on the accuracy, completeness, and reliability of the Company's financial reports.
 - Opinions on the adequacy of the Company's internal control system.
 - Opinions on the compliance with Securities and Exchange Law, stock exchange requirements or laws related to the Company's business.
 - Opinions on the suitability of the auditor.
 - Opinions on the transactions that may subject to conflicts of interest.
 - Number of Audit Committee Meetings and attendance of each Audit Committee Member.
 - Overall opinions or observations received by the Audit Committee in the performance of duties under the Charter.
 - Other reports that the shareholders and general investors shall be acknowledged under the scope of duties and responsibilities assigned by the Board of Directors and/or to comply with the law.
7. In accordance with the duties and responsibilities assigned by the Board of Directors, the Audit Committee is responsible to the Board of Directors. Moreover, they are also responsible for reporting the activities of the Audit Committee or any other duties assigned by the Board of Directors to the Board of Directors of the Company. The Audit Committee shall immediately report to the Board of Directors in the following cases:
 - Items that have or may cause conflicts of interest.
 - Suspicion or assumption that there may be a fraud, abnormality or

any major defects in the internal control system.

- Suspicion of a violation of any law or regulation of the Securities and Exchange Commission and/or the Stock Exchange of Thailand or laws related to the Company's business.
- Any other reports that the Board of Directors shall be acknowledged.

If the Audit Committee has reported to the Board of Directors of anything that has a significant impact on the financial position and results of operations and has discussed with the Board of Directors and the management that they shall take corrective action at the end of the specified time and the Audit Committee finds that there is unreasonable neglect to take such remedial action, one of the Audit Committee members may report such findings to the Securities and Exchange Commission and/or the Stock Exchange of Thailand, as the case may be.

8. After the Audit Committee has been notified by the auditor that, in the event that the auditor detects suspicious circumstances that a director, manager, or person responsible for the operation of the Company has committed an offense in connection with duties and responsibilities under the Securities and Exchange Act, Section 281/2 paragraph two, Section 305, Section 306, Section 308, Section 309, Section 310, Section 311, Section 312 or Section 313, the Audit Committee shall conduct an audit and report the results of the preliminary inspection to the Office of the Securities and Exchange Commission and the auditor within 30 days from the date of receiving the notification from the auditor.
9. The Audit Committee has the power to seek independent opinions from any other professional advisor when deemed necessary, which the Company is responsible for all expenses.
10. The Audit Committee has the power to invite the management or

other related persons to provide opinions, attend meetings or provide relevant information or request information from each departments of the Company for further consideration in various matters.

11. Review the Company's internal processes regarding receiving whistleblowing, receiving complaints, and operating in accordance with the anti-corruption policy, regulations and related laws and in accordance with international standards, being concise, appropriate, modern, and efficient, as determined by the Audit Committee
12. Review and update the Audit Committee Charter regularly and propose it to the Board of Directors for approval. The Audit Committee Charter is required to be reviewed at least once a year.
13. Perform any other tasks as assigned by the Board of Directors and/or with the approval of the Audit Committee, such as reviewing financial and risk management policies, reviewing management's compliance with the Code of Business Conduct, and working with the Company's management on important reports that shall be presented to the public as required by law, such as reports and management's analysis. The power to make the Audit Committee or a person authorized by the Audit Committee able to vote and give opinions on items that the Audit Committee or the person authorized by the Audit Committee or persons who may have conflicts according to the Notification of the Securities and Exchange Commission and/or the Stock Exchange of Thailand have a stake or conflict of interest in the Company and/or its subsidiaries and/or related companies.

The Audit Committee is responsible to the Board of Directors and the Board of Directors shall take responsibilities for the operations for the third parties.

Risk Management Committee

As of 31 December 2023, the Company's Risk Management Committee has been appointed by the Board of Directors, consisting of 5 members as follows:

Name - Surname		Position
1. Mr. Teeranat	Thangsatapornpong	Chairman of Risk Management Committee
2. Mr. Suksan	Yasasin	Risk Management Committee
3. Mrs. Pim	Pattamasing Na Ayutthaya	Risk Management Committee
4. Mr. Seksan	Rangsiyeranon	Risk Management Committee
	Mr. Nattapol	Thipchatchawanwong ^{1/}
5. Mr. Kitt	Tungsriwong	Risk Management Committee

Remark : ^{1/} Mr. Nattapol Thipchatchawanwong has resigned from the Risk Management Committee on 31 March 2023.

Scope, Authorities, Duties, and Responsibilities of the Risk Management Committee

- Determine the policy framework and guidelines for overall risk management of the Company, which will cover various types of important risks, as well as requiring the management to have appropriate measures to prevent, correct, and limit risks.
- Create a risk management policy regarding overall risk management and covers main risks that are consistent with the objectives, main goals, strategies, and acceptable risks of the business to be a framework in the risk management process of everyone in the organization in the same direction, to propose to the Board of Directors. The committee oversees that the Company and its subsidiaries identify their risks, considering both external and internal factors of the organizations that may result in the Company and its subsidiaries being unable to achieve their stated objectives.
- Review to ensure that the Company has an appropriate and efficient business risk management policy, including preparing a report of the Risk Management Committee to present to the Board of Directors' meeting as deemed appropriate or when requested.
- Determine strategies to be used in risk management to be consistent with the risk management policy of the business which the Board of Directors' meeting has approved, along with analyze, evaluate and follow up on compliance with the determined business risk management policy.
- Monitor, evaluate, and supervise the management's risk management process to keep it at an acceptable level, appropriately and in accordance with the established policy.
- Consider and approve the determination of Risk Appetite and Risk Tolerance before presenting to the Board of Directors for approval. This includes giving opinions on the guidelines and risk management measures and action plans to manage the Company's remaining risks, to ensure that there is adequate and appropriate risk management.
- Provide advice and support to the Board of Directors and the management regarding enterprise level risk management, as well as promoting and supporting the continuous improvement and development of the risk management system within the organization continuously and consistently.
- The Risk Management Committee has authority to command various departments in the Company Group to cooperate with Risk Management unit to clarify information in writing or invite executives or employees in relevant departments

to attend meetings with the Risk Management Committee to clarify or give information verbally or in writing on risks and performance of duties according to their responsibilities as the Risk Management Committee deems appropriate. Receiving an invitation, being asked questions, or being requested information is considered a duty to cooperate with employees at all levels with the Risk Management Committee.

9. The Risk Management Committee has the authority to request that the Group's departments either carry out or perform as necessary to be able to perform duties according to the responsibilities specified in this charter or any other special duties as the Board of Directors may assign additional duties.
10. Supervise and support risk management to be successful at both the organizational and project levels (Enterprise Wide Risk Management) by focusing on increasing the management's and employees' Risk Awareness and Risk Culture that is appropriate for each factor as the basis for decision-making in using resources and taking various actions appropriately and adequately, and providing work support of the Risk Working Group and/or Risk Manager
11. Oversee and support the review of the adequacy of risk management policies and systems of the Company and its subsidiaries, including the effectiveness of the system and compliance with specified policies, and present it to the Board of Directors at least once a year to ensure that the said risk management policy is consistent with and appropriate to the current strategy and business conditions.
12. Provide suggestions on things that need to be improved to the Board of Directors, to be consistent with the policies and strategies set by the Board of Directors.
13. Find a consultant or a person with independent opinions to give an opinion or advice as needed.
14. Consider, review and update the Risk Management Committee Charter at least once a year and propose to the Board of Directors for approval.
15. Perform any other tasks as assigned by the Board of Directors meeting with the approval of the Risk Management Committee.

Corporate Governance Committee

As of 31 December 2023, the Company's Corporate Governance Committee has been appointed by the Board of Directors, consisting of 3 members as follows:

Name - Surname		Position
1.	Mr. Teeranat Thangsatapornpong	Chairman of the Corporate Governance Committee
2.	Mr. Suksan Yasasin	Corporate Governance Committee
3.	Mrs. Pim Pattamasing Na Ayutthaya	Corporate Governance Committee

Scope, Authorities, Duties, and Responsibilities of the Corporate Governance Committee

1. Determine policies, plans, and criteria regarding good governance principle, good corporate governance, social and environmental responsibility, and conflict of interest to be consistent with the Company's business operations and propose to the Board of Directors.
2. Supervise and follow up on the Company's performance to be in accordance with the policies and plans according to the good governance principle, good corporate governance, and social and environmental responsibility in order to achieve results efficiently.
3. Cooperate with the compliance department by following The Principles of Good Corporate Governance for Listed Companies 2017, or its amended version as determined by the Stock Exchange of Thailand as a guideline.
4. Regularly review and update the Company's corporate governance

policy at least once a year to comply with international standards of practice guidelines and recommendations of the Department of Good Governance for Capital Market Development, Stock Exchange of Thailand, or related agencies.

5. Suggest regulations regarding the Company's code of conduct and ethics of the Board of Directors, top executives, executives and employees of the Company.
6. Encourage the Board of Directors, top executives, executives and employees of the Company to participate in good corporate governance, continuously carrying out activities for society and the environment.
7. Consider appointing an operating committee or sub-working groups to support good governance work, good corporate governance, social and environmental responsibility, and supervision of compliance with regulations as appropriate.
8. Support and create opportunities or channels for stakeholders to be able to reflect back facts or various observations to the Company for the benefit of improving good corporate governance.
9. Supervise the Company to comply with various rules as specified in the Company's Compliance Policy.
10. Review to ensure that the Company has an effective and independent regulatory compliance system.
11. Approve the annual compliance plan of the Compliance and Operations Department and follow up on operations to ensure that they are carried out according to the established annual plan.
12. Report to the Board of Directors on the performance of duties within the scope of duties. The Corporate Governance Committee has the authority to call, command the management, heads, or related

employees of the Company to give opinions, participate in meetings or submit documents that are deemed relevant and necessary. In addition, in performing duties under the scope of duties of this charter, the Corporate Governance Committee may seek consultation from outside independent consultants or other professional experts if deemed necessary and appropriate. The Company will be responsible for all expenses.

13. Give importance to the integration of work processes regarding Governance, Risk Management, and Compliance, including coordination and information exchange between the related sub-committees to achieve integration in working together and foster an atmosphere and culture to support GRC throughout the organization.
14. Consider and/or carry out any other matters as assigned by the Board of Directors.

For performance of duties within the scope of duties, the Corporate Governance Committee has the authority to call, command the management, heads, or related employees of the Company to give opinions, participate in meetings or submit documents that are deemed relevant and necessary. In addition, in performing duties under the scope of duties of this charter, the Corporate Governance Committee may seek consultation from outside independent consultants or other professional experts if deemed necessary and appropriate. The Company will be responsible for all expenses.

Nomination and Remuneration Committee

As of 31 December 2023, the Company's Nomination and Remuneration Committee has been appointed by the Board of Directors, consisting of 4 members as follows:

Name - Surname		Position
1.	Air Chief Marshal Jarayapant Arnon	Chairman of Nomination and Remuneration Committee
2.	Mr. Teeranat Thangsatapornpong	Nomination and Remuneration Committee
3.	Mr. Suksan Yasasin	Nomination and Remuneration Committee
4.	Mr. Kittit Tungsiwong	Nomination and Remuneration Committee

Scope, Authorities, Duties, and Responsibilities of the Nomination and Remuneration Committee

Nomination

1. Set criteria and policies for selecting company directors and sub-committees directors by considering the appropriateness of the number, structure, and composition of the committee, determine the qualifications of directors to propose to the Board of Directors and/or propose for approval to the shareholder meeting, as the case may be.
2. Consider recruiting, selecting and nominating appropriate persons to hold positions of company directors whose terms have expired and/or have vacancies and/or additional appointments.
3. Perform any other tasks regarding nomination as assigned by the Board of Directors.

4. Evaluate the performance of the Company's top executives to present to the Board of Directors' meeting for approval.

Remuneration

1. Prepare criteria and policies for determining remuneration of company directors and sub-committees directors to propose to the Board of Directors and/or propose for approval to the shareholder meeting, as the case may be.
2. Determine necessary and appropriate remuneration, both monetary and non-monetary, for individual director of the Board of Directors. In determining the remuneration of the Board of Directors, consideration must be appropriate to their duties and responsibilities, performance, in comparison with companies in similar businesses, and with expected benefits from the directors to propose to the Board of Directors for consideration and present to the shareholder meeting for approval.
3. Responsible for the Board of Directors and has a duty to provide clarification and answer questions about remuneration of company directors at the shareholder meeting.
4. Report on policy, principles/reasons for determining remuneration for directors and executives according to the regulations of the Stock Exchange of Thailand, which is disclosed in the annual information disclosure form (56-1) and the Company's annual report.
5. Perform any other tasks regarding remuneration as assigned by the Board of Directors.

The management department and various agencies must report or present relevant information and documents to Nomination and Remuneration Committee to support the operations of Nomination and Remuneration Committee to achieve the assigned duties. Delegation of authority to the

Nomination and Remuneration Committee as mentioned above will not include the authorization which allows the Nomination and Remuneration Committee or a representative from the Nomination and Compensation Committee to approve transactions by either the Nomination and Compensation Committee or a representative, or persons who may have conflicts (According to the announcement of the Securities and Exchange Commission and/or announcement of the Capital Market Supervisory Board and/or the Stock Exchange of Thailand) have interest or conflict of interest with the Company and/or subsidiaries and/or related companies. The Nomination and Remuneration Committee must present such matters to the Board of Directors and/or the shareholder meeting for further consideration.

7.4 Executives

As of 31 December 2023, the Company has 8 executives according to the announcement of the Securities and Exchange Commission No. GorJor. 17/2008, dated 15 December 2018, as follows:

Name - Surname		Position
1. Mr. Suksan	Yasasin	Chief Executive Officer
2. Mr. Kitt	Tungsriwong	Deputy Chief Executive Officer / Acting Chief Financial Officer ^{7/} / Managing Director of Business Development and company secretary
3. Mr. Nattawat	Yasasin ^{1/}	Managing Director of Asset Management
4. Mrs. Pim	Pattamasing Na Ayuthaya	Managing Director of Executive Support
5. Mr. Nattapol	Thipchatchawanwong ^{2/}	Chief Financial Officer / Managing Director of Credit
6. Ms. Thanchanok	Klaikleung ^{3/}	Managing Director of Labor Management
7. Ms. Waraporn	Inthanu	Managing Director of Service Business
	Ms. Naowarat Sangkrot ^{4/}	Finance Manager
	Mr. Thanakorn Chatwichien ^{5/}	Accounting Manager
8. Ms. Suphanat	Srikusalanukul ^{6/}	Accounting and Finance Manager

Remark : ^{1/} The Company has appointed Mr. Nattawat Yasasin to hold the position of Managing Director of Asset Management, effective from 1 April 2023.

^{2/} Mr. Nattapol Thipchatchawanwong has resigned from the Company on 31 March 2023.

^{3/} The Company has appointed Ms. Thanchanok Klaikleung to hold the position of Managing Director of Labor Management, effective from 17 March 2023.

^{4/} Ms. Naowarat Sangkrot resigned from the Company on 30 April 2023.

^{5/} Mr. Thanakorn Chatwichien has resigned from the Company on 31 March 2023.

^{6/} The Company has appointed Ms. Suphanat Srikusalanukul to hold the position of Accounting and Finance Manager, effective from 1 April 2023.

^{7/} The Company has appointed Mr. Kitt Tungsriwong to hold the position of Acting Chief Financial Officer, effective from 25 August 2023.

Scope, Authorities, Duties, and Responsibilities of the Chief Executive Officer

1. Supervise business operations and/or manage the regular business operations of the Company in accordance with the objectives, rules, regulations, requirements, orders, and resolutions of the board meeting and/or the resolution of the Company's shareholder meeting.
2. Prepare policies, business plans, management structures, Matrix of Authorization, as well as business strategies and the Company's annual budget to present to the Executive Committee and the Board of Directors for further approval.
3. Supervise operations or the operation of the Company in accordance with the policies, plans, and budgets approved by the board of directors, as well as inspect, monitor and evaluate the Company's operations to be in accordance with the specified policy; responsible for reporting management performance results and the progress of operations to the Executive Committee, the Audit Committee, the Board of Directors, and shareholders of the Company.
4. Manage Company operations according to strategy business plan and budget as set by the Company under the Company's vision, mission, and objectives, including supervision of human resource management and overall operations in other areas to ensure the operations of the Company are in accordance with the policy set by the Board of Directors.
5. Control, inspect, monitor and evaluate the Company's operations, and report on management performance and progress regularly to the Board of Directors. If any event that may cause the Company's business operations to not meet the set goals is found, the Chief Executive Officer must report and recommend solutions to various problems and obstacles to the Board of Directors immediately.
6. Consider and approve spending and operations that are normal business transactions of the Company according to the investment budget or budget approved by the Board of Directors. The limit for each item is as specified in the Table Of Authority manual, that has been approved by the Board of Directors, but not exceeding the annual budget approved by the Board of Directors.
7. Chief Executive Officer has the authority to issue, amend or add rules, regulations and orders regarding the Company's operations in order for the Company's operations to be efficient and consistent with the established law and company policy.
8. Has the authority to consider and approve the expenditure of important investments specified in the annual budget as assigned by the Board of Directors or as the Board of Directors has previously approved in principle.
9. Consider and approve the loan and requesting any credit from financial institutions, lending, pledging, mortgaging, or becoming a guarantor of the Company and its subsidiaries (if any) within the limit as specified in the Matrix of Authorization or as determined by the Board of Directors.
10. Consider and approve connected transactions that are normal trading conditions and spending on normal business operations of the Company, such as purchasing property, spending important investments or making other transactions for the benefit of the Company as specified in the Matrix of Authorization table.
11. Chief Executive Officer has the authority and duty to disclose information to the public through press release, publishing information, answering questions from shareholders, investors, or analysts. Moreover, the CEO is the person who has the right to answer questions or provide various important information that has not yet been disclosed to the public as

far as possible, subject to the Company's relevant policies. Has the authority to appoint, hire, transfer, determine wages, compensation, bonuses, and lay off employees from the level of Executive Vice President and below.

12. Coordinate with internal auditors and the audit committee to carry out business operations and the Company's risk management to meet the objectives and regulations, as well as the Company's policy according to the principles of good governance.
13. Appoint various consultants that are necessary for the Company's operations and to comply with the requirements of the Securities and Exchange Commission and the Stock Exchange of Thailand, under the authority and financial limit as specified in the Matrix of Authorization and/or as determined by the Board of Directors.
14. Has the power to appoint various committees or working groups or authorize one or more other persons to carry out any particular task under the control of the Chief Executive Officer, or may authorize such person to have authority as the Chief Executive Officer deems appropriate and within the specified period. The Chief Executive Officer may cancel, revoke, change or amend the authorized person or delegation of authority.
15. Chief Executive Officer has the authority to receive authority from the Board of Directors to carry out various matters on behalf of the Board of Directors. The Chief Executive Officer must proceed with caution when operating such matters, within the scope assigned. In this regard, the Chief Executive Officer may authorize one or more persons to take any action on his or her behalf.

However, the granting of such authority must not be in the nature of delegation of authority or subrogation of power which enable the Chief

Executive Officer or person authorized by the Chief Executive Officer to approve items that he or any person may have conflicts with (as defined in the announcement of the Securities and Exchange Commission and/or the announcement of the Capital Market Supervisory Board), may have a interest or may receive benefits in any manner or may have other conflicts of interest with the Company or subsidiaries (if any) of the Company, except for approval of transactions in accordance with policies or criteria set by the Board of Directors.

Remuneration Policy for Directors and Executives

The Company has a policy to pay remuneration to directors and executives of the Company. The approval of the remuneration is done as according to the hierarchy level to avoid conflicts of interests in performing the duties and ensure transparency. For example, the shareholders will approve the remuneration of the Board of Directors. The Board of Directors then approves the remuneration of Executive Committee. Finally, the Executive Committee approves the remuneration of the Executives. The Nomination and Remuneration committee will consider the appropriateness of remuneration in accordance with the knowledge, abilities, work experience, and responsibilities of each individual. There will also be the determination of the compensations based on performance such as salary, bonus, social security fund, provident funds, and other long-term benefits, etc.

In this regard, the Company has a policy stated that the Executive Committee's meeting allowance will not be paid to the members who hold executive positions and are the full-time employees of the Company.

Directors and Executives' Remuneration

Form (s) of Remuneration	2021	2022	2023
Monetary Compensation	19,772,500	26,867,337	19,368,000
Salary	15,987,400	22,375,637	15,637,500
Bonus	3,060,000	3,758,725	3,055,000
Provident fund	725,100	732,975	675,500
Other Compensations (Contributions to Social Security Fund and Others)	552,425	755,179	428,522
Total	20,324,925	27,622,516	19,796,522

7.5 Employees' Information

As of 31 December 2023, the Company has a total of 226 employees (excluding executives). Employees can be divided according to their line of works into 5 groups, comprising of Asset Management Line, Service Line, Business Development Line, Accounting Line, Finance Line and Management Support Line. The details are as follows:

Line of work	2021	2022	2023
Asset Management Officer			
Debt Management Department	28	29	41
Litigation Department	25	32	40
Evaluation Department	-	6	6
Total Number of Asset Management Officer	53	67	87
Service Officer			
Customer Service Department and Financial Institutions	74	83	79
Credit Service Department	5	9	13
Legal and Juristic Acts Department	-	6	4
Total Number of Service Officer	79	98	96
Business Development Officer			
Business Development Department 1	-	-	-
Business Development Department 2	-	-	-
Total Number of Business Development Officer	-	-	-

Line of work	2021	2022	2023
Labor Management Officer			22
Labor Recruitment Department	-	-	-
Coordination Department	-	-	-
Marketing Department	-	-	-
Total Number of Labor Management Officer	-	-	22
Accounting and Finance Officer			
Accounting Department	3	5	2
Finance Department	3	4	2
Investor Relations	-	-	-
Total Number of Accounting and Finance Officer	5	9	4
Executive Support Officer			
Legal and Juristic Acts Department	-	-	-
Information Technology Department	3	5	5
Human Resources and Administration Department	4	3	4
Administration Support Department	3	3	3
General Support Department	4	4	5
Total Number of Administration Support Officer	14	15	17
Total	151	189	226

Employee Compensation

In 2023, the number of employees of the Company has increased by 37 people or 16.37%. The Company paid compensation to employees in the amount of 75,781,946.74 baht, which consisted of salary, commissions, bonuses, and provident fund.

Form (s) of Remuneration	2021	2022	2023
Monetary Compensation	45,001,888.00	49,534,274.10	74,491,665.22
Salary	28,251,089.83	32,773,072.18	49,457,830.47
Commission	14,589,188.00	14,156,155.08	19,869,214.75
Bonus	1,885,083.00	2,375,524.34	4,641,151.50
Provident fund	276,527.17	229,522.50	523,468.50
Other Compensations (Contributions to Social Security Fund)	1,505,527.00	274,438.06	1,290,281.52
Total	46,507,415.00	49,808,712.16	75,781,946.74

General Human Resources Policy

This is to strengthen the Company's human resources management, to select, develop, promote and maintain employees with skills, knowledge and ability, including motivating employees to use their knowledge and abilities to perform their jobs with maximum efficiency and effectiveness. The Company has guidelines for human resource management as follows:

- (1) All employees will be treated fairly and with dignity as part of the Company according to the principles of fairness and equality, focusing on the moral system and treating all employees fairly in employment, promotion, compensation for work, including the prevention of unfair actions at all levels.
- (2) The selection of individuals to be hired to hold various positions will be done fairly by the Company, taking into account the qualifications of each job position, educational qualifications, experience, physical condition, and other requirements necessary for the job. Employees will be appointed to appropriate positions or change job duties as the case may be. There is a recruitment process that is transparent and verifiable.
- (3) The Company will continuously support and develop employees. Training is organized for employees in order to develop their potential to be able to use the knowledge gained to develop a more efficient work style.
- (4) The Company will arrange for employees to work in a safe workplace by giving importance to quality of life, including improving the quality of life of employees even further because the Company is aware that quality of life plays an important role in job performance and employee motivation.

- (5) In determining compensation for employees, the Company will consider taking action fairly as appropriate to the conditions and nature of the work, performance, as well as the operating results of the Company.
- (6) The Company provides an evaluation system in a way that reflects the ability and effectiveness of work fairly. It is an evaluation of the success of the work which is in accordance with the objectives and goals of the Company.
- (7) The Company gives importance to taking care of welfare in organizing the wage and welfare system to employees appropriately. Welfare also covers various holidays, uniforms, bonuses and annual seminars, including giving employees the opportunity to express their opinions or make complaints on various matters.
- (8) The Company realizes that good communication will lead to efficiency and good working relationships. Therefore, the Company will encourage employees to always receive relevant news on appropriate occasions. Employees must not disseminate any news related to the Company to the media or outsiders, unless assigned by the Company.

Organization Development

The Company implements projects for sustainable development. There is an annual development plan to enhance knowledge and abilities for employees, so that employees can use the knowledge they have gained in developing their operations and are aware of the current rules and regulations related to their operations. These factors cause dramatic changes to the organization and lead to continuous development. In 2022, the Company has organized various development courses/projects divided into 3 projects as follows:

Company personnel development course

Employee development project to increase potential in accordance with business, laws and related regulations

- Project to develop employees providing customer information services
- Legal knowledge and various regulations development project as related to business
- Project to develop information technology knowledge, such as training in using the Power Bi program
- Knowledge training project on Personal Data Protection Act 2019

Executive Development Project

- Basic knowledge training project for new employees, training on vision, mission and ethics
- CFO 2023 Project Seminar and project to analyze the present and prepare for the future through financial statements by NYC Management Co., Ltd.
- IR in Action Training Program, Class 3, by the Association of Companies Listed on the Market for Alternative Investment (MAI)
- Course for learning about fundraising and preparation to develop important work systems

Project to instill organizational, culture and environment values

- Corporate Social Responsibility projects (CSR) that are appropriate for the business, with both executives and employees participating.

Labor Disputes

In 2023, the Company did not have any important labor disputes that had a significant impact on the Company's business, financial condition and results of operations. The Company is not aware of any events that may give rise to labor disputes which may have a significant impact on the business, financial status, and operating results of the Company.

7.6 Other Important Information

Company secretary

The Board of directors appointed Mr. Kittit Tungswong as the company secretary on 30 April 2019 with the responsibility to prepare and keep the register of directors, Board meeting invitation letter, Board meeting minutes, annual reports, shareholders' meeting invitation letter, and shall maintain and keep reports on the interests reported by directors and executives, including other tasks as assigned by the Capital Market Supervisory Board.

Person who was assigned to be directly responsible for supervising bookkeeping ("Accountant")

Ms. Suphanat Srikusalanukul performs duties as an accounting manager or the Company's accountant from 1 April 2023 until the present. The Company's accountant possesses all qualifications as prescribed by the Securities and Exchange Commission, and holds a bachelor's degree in Accounting, Faculty of Business Administration, from Kasetsart University, and has at least 5 years in total of working experience in accounting within the last 5 years.

Head of Internal Audit

The Company has appointed KPS Audit Company Limited ("KPS") to be an internal auditor to examine issues related to the Company's internal control system by assigning Mr. Wiwat Limnantasin with a responsibility to perform such duties. The Audit Committee has considered the qualifications and decided that they are appropriate and sufficient to perform such duties.

The Audit Committee has considered the qualifications of KPS and Mr. Wiwat Limnantasin and has the opinion that the Company and the

auditor are appropriate enough to perform such duties due to the independence and long experience in internal auditing. Moreover, Mr. Wiwat Limnantasin is also a person who understands the activities and operations of the Company. The qualifications of the person holding the position of the head of the internal audit unit are as follows:

Topic	Outsider Internal Auditors
internal auditor	Mr. Wiwat Limnantasin (The person who in charge of Internal Audit) KPS Audit Company Limited
Position	Partner
Internal Auditor's Experiences	Approximately 28 years
Audit Committees' Opinion on the Internal Auditor's Experiences	Mr. Wiwat Limnantasin possess good knowledge as well as good experiences in conducting the Company's Internal Audit.
Responsibilities	Conduct internal audits in various systems of the Company as assigned the Audit Committee assigned or deemed appropriate, including jointly present the Annual Internal Audit Plan to the Audit Committee for consideration.

Investor Relations

Name	Mr. Kitti Tungswiwong
Address	Investor Relations Department, No. 44/543-544 Phahonyothin Road, Anusawari Sub-district, Bang Khen District, Bangkok 10220
Telephone Number	02-016-4499
Fax	02-001-2555
Email	kitti@chayo555.com
Website	www.chayo555.com

Auditor's Remuneration**Audit Fee**

In 2023, the Company paid audit fees to Pricewaterhouse Coopers ABAS Company Limited for a total of 5,730,000 baht, increased by 1,320,000 baht or 29.93% from the previous year, mainly due to the expansion of the business of the Company and its subsidiaries, which plan to enter MAI market.

Non-audit Fee

- None -

8. Report on Key Performance in Corporate Governance**8.1 Summary of the Performance of the Board of Directors In the Past Year**

The Board of Directors consists of 9 directors, 4 of which are Independent Directors, 2 Non-Executive Directors and 3 Executive Directors, of which 1 Independent Director is the chairman of the board. The Board of Directors has performed duties to supervise the management in accordance with the policies, guidelines and goals that create the best interests of the shareholders under the framework of good business ethics and the best interests of all stake-holders. In 2023, the Board of Directors held a total of 8 meetings covering the following matters:

1. Supervise the operations of the Company for the best interest of the shareholders by performing duties with prudence and caution (Duty of Care), honesty (Duty of Loyalty) and avoid conflicts of interest with the Company. The Board also comply with the law, objectives, regulations and resolutions of the shareholders' meeting (Duty of Obedience) and disclose information to the shareholders accurately, completely and transparently (Duty of Disclosure).
2. Supervise the management to operate effectively in accordance with the established policies, strategies and plans as well as regularly monitor and evaluate the performance of the management.
3. Establish clear and appropriate operating regulations and arrange a transparent and effective internal control system.
4. Supervise the Company to operate business with ethics, respect the rights and take full responsibilities to the shareholders and all stakeholders and operate businesses that are beneficial to the society and the environment as well as the ability to adapt under changing factors in accordance with the principles of good corporate governance.
5. Continuously monitor the Company's performance in order to be in accordance with the action plan.

6. Consider defining a risk management policy to cover the entire organization and supervise the system or process for risk management with supporting measures and control process to appropriately reduce the impact on the Company's business.
7. Consider the management structure, appoint the sub-committees, Chief Executive Officer including the determination of the scope of powers and duties of the person mentioned above.
8. Consider and approve the budget according to the budget limit specified in the Company's Manual of Authorities.
9. Provide an accounting system, reliable financial reporting and auditing as well as to ensure that there is a process for assessing the suitability of internal controls and internal audits, risk management, financial reporting and the monitoring and evaluation within the Company.

Recruitment, Development and Evaluation of the Performance of the Directors

• Recruitment of directors and sub-committees

The Company recruits individuals to be appointed as directors and top executives according to the criteria and processes set by the Nomination and Remuneration Committee. The Nomination and Remuneration Committee consists of 4 directors and is responsible for selecting, screening, and nominating individuals with appropriate qualifications in accordance with the Company's regulations and nominates those with appropriate qualifications to acquire professional and diverse directors, considering the structure, size and composition of the committee and submitting opinions to the Board of Directors for approval and proposing the names to the shareholder meeting for further appointment. The criteria and methods for selecting company directors have been established as follows:

- 1) Provide opportunities for small shareholders to nominate qualified

persons to be considered for election as directors and received nominations from major shareholders

- 2) The qualifications of those who will be selected must comply with relevant laws and regulations, including the Public Limited Companies Act, Securities and Exchange Act B.E. 2535, company regulations and good corporate governance code of the Company.
- 3) Consider according to the criteria for selecting company directors of the Stock Exchange of Thailand.
- 4) Give priority to those with skills, experiences, professions, and specific qualifications in various fields that the board lacks which are absolutely essential to the business, without limiting or separating gender and race, or any differences in order to ensure that the composition of the committee is complete and in the best interest of the Company.
- 5) Consider the suitability of knowledge, experience, and specific abilities in the main business or industry in which the Company operates, so that the Board of Directors has elements in business, strategy, law, finance, accounting, economics, international business, and information technology to combine knowledge and abilities that are beneficial to the Company's operations.
- 6) Consider the committee's time dedication, by considering the number of companies in which each director will serve in a position, appropriate to the nature or business conditions of the Company to ensure that work efficiency will not decrease.
- 7) In the case of appointing independent directors, consider the independence of the person proposed to be an independent director according to the criteria set by the SEC Office and according to the definition of independent directors of the Company, having the independence qualifications as specified in the good corporate governance manual and disclosed on the Company website.

- 8) Performance in the past year (if any)
- 9) Providing useful feedback and opinions

Then, presenting the names of the selected directors to the shareholder meeting who will appoint the next directors.

Shareholders meeting appoints directors. Each director must receive approval votes of more than one-half of the total number of votes of shareholders in attendance and have the right to vote according to the following methods:

- 1) Each shareholder has one vote per share.
- 2) In voting to elect directors, the Company allows shareholders to use ballots to elect individual directors. Each shareholder must use all of their votes to elect one person or several people to be directors, but the votes cannot be divided among anyone to any extent.
- 3) Persons receiving the highest number of votes in descending order will be elected as a director, equal to the number of directors to be elected at that time. In the event that the persons elected in descending order have the same number of votes exceeding the number of required directors, the chairman of the meeting will have the deciding vote.

In the event that the position of Company Director is vacant for reasons other than retirement at the end of the term, the Company Directors shall select a person who has all the qualifications and does not have prohibited characteristics according to relevant laws to be a Company Director to fill the vacant position at the next Board meeting, unless the term of the vacant company director is less than 2 months. The person who assumes the position of director in place of the Company will hold the position of company director only for the remaining term of the company director he or she replaces.

• Qualifications of Independent Directors

- 1) To hold no more than 1.00% of the total number of shares with voting

rights of the Company, parent company, subsidiary company, associated company, major shareholders, or the controlling person of the Company. Shareholdings of related persons of that independent director must also be counted.

- 2) Not being or having been an executive director involved in the management of the business, employee, staff or advisor earning regular monthly salary, controlling person of the Company unless exempted from having the afore-mentioned characteristics for not less than 2 years before assuming the position of independent director. However, such prohibited characteristics do not include cases where the independent director was previously a government official or an advisor to a government agency that is a major shareholder or the controlling person of the Company.
- 3) Not being a person related by blood or by legal registration in the manner of being father, mother, spouse, sibling, and child, including spouse of child of other directors, executives, major shareholders, controlling persons, or a person who will be nominated to be a director, executive, or person with controlling power of the Company or subsidiary company.
- 4) Not having or ever had a business relationship with the Company, parent company, subsidiary company, associated company, major shareholder or controlling person of the Company in a manner that may impede the use of one's independent judgment, including not being or having never been a significant shareholder or controlling person of a person who has business relationships with the Company, parent company, subsidiary company, associated company, major shareholder or a controlling person of the Company, exempted from having the afore-mentioned characteristics for not less than 2 years before the date of assuming the position of independent director. Moreover, there is no benefit or interest, whether direct or indirect, both in the finances and management of the Company, affiliated companies, associated companies or persons who may have conflicts

in a manner that will cause a lack of independence.

However, such business relationships include normal trading transactions for the business of leasing or leasing real estate, transactions regarding assets or services or giving or receiving financial assistance by receiving or lending a loan, collateral, or giving assets as collateral for debts, including other similar circumstances, which resulting in the Company or the contracting party having a debt that must be paid to the other party. The calculation of such debt burden shall be in accordance with the method for calculating the value of connected transactions in accordance with the announcement of the Capital Market Supervisory Board regarding the criteria for entering into connected transactions, exempted for consideration of such debt burden, and include debt obligations incurred during the period of 1 year before the date of having a business relationship with the same person.

- 5) Not being or having been an auditor of the Company, parent company, subsidiary company, associated company, major shareholder or a controlling person of the Company and is not a significant shareholder controlling person or a partner of an audit firm (said “partner” means a person authorized by the audit firm to sign the audit report on behalf of that legal entity) where an auditor of the Company, parent company, subsidiary company, associated company, major shareholders or the controlling person of the Company belongs to, unless exempted from having the afore-mentioned characteristics for not less than 2 years before assuming the position as an independent director.
- 6) Not being or having ever been a professional service provider, including providing services as a legal advisor or financial advisor, which receives service fees exceeding 2 million baht per year from the Company, parent company, subsidiaries, associated companies, major shareholders or a controlling person of the Company and is not a significant

shareholder, controlling person, or a partner of that professional service provider (said “partner” means a person assigned by a professional service provider to be the person who signs the report of professional services on behalf of that juristic person), unless exempted from having the afore-mentioned characteristics for not less than 2 years before assuming the position as an independent director.

- 7) Not being a director appointed to represent the directors of the major shareholder company or shareholders who are related to the Company’s major shareholders.
- 8) Not operating a business that has the same nature and is in significant competition with the business of the Company or its subsidiaries, or being a significant partner in the partnership or being a director who participates in management, an employee, a staff member, or an advisor who receives a regular salary or holding shares exceeding 1 percent of the total number of shares with voting rights of other companies, which operates a business that has the same nature and is in significant competition with the business of the Company or its subsidiaries.
- 9) Not having any other characteristics that cause the inability to express independent opinions regarding the Company’s operations

- **Recruitment of the Highest-Level Executives**

The Nomination and Remuneration Committee will consider the criteria and methods for recruiting qualified individuals to hold the position of Chief Executive Officer and executives of the Company in order to obtain individuals with the knowledge, skills, experience, and characteristics necessary to drive the organization towards the goal, and nominate an appropriate person, along with the reasoning, for the Board of Directors to appoint the Chief Executive Officer. Then, the Chief Executive Officer considers appointing executives. The Nomination and Compensation Committee will supervise the establishment of appropriate compensation structures and evaluations at all levels and will

monitor and supervise the management and development of personnel to have appropriate knowledge, skills, experience, and motivation.

The Company has specified important positions that require a succession plan, including:

1. Chief Executive Officer
2. Deputy Chief Executive Officer
3. Chief Accounting and Finance Officer

The Company has specified that all 3 positions above must work with the management to determine the main responsibilities of each position, including qualifications, conduct, and specific career characteristics.

Selecting individuals to be included in the succession plan uses human resource management strategies, such as developing potential candidates or an external recruitment plan. The current three position holders will work together to determine strategies for developing potential candidates to develop successors.

• Personnel Development

The Company aims to promote the continuous development of personnel at all levels to have knowledge and abilities to advance in their careers by providing training and basic knowledge about the organization to new directors, to understand the work, roles and responsibilities. as well as promoting the continuous development of knowledge and understanding for directors which covers all aspects in order to perform duties efficiently and appropriately to changes in external circumstances, and for sustainable development of the Company.

• Performance Evaluation of the Board

The Board of Directors requires that performance be evaluated at least

once a year in the form of group and individual evaluations. The results of the evaluation will be used as a framework for reviewing performance in duties, problems and various obstacles. The evaluation results are used to analyze the performance of the directors' duties, as well as bringing suggestions to improve and develop operations further.

The Board of Directors' Meeting

The Board of Directors determines the schedule for the Board of Directors' meetings and sub-committees' meetings every year in advance for each directors to arrange time and attend meetings. In case of special agenda, additional meetings may be held as appropriate. Furthermore, the Board of Directors has assigned the company secretary to send the meeting invitation letter along with the meeting documents. The document contains correct, complete and sufficient information for consideration and it is clearly stated as a matter of acknowledgment or approval as the case may be. The meeting invitation letter is scheduled to be sent to the directors at least 7 days in advance for the directors to gain sufficient time to go over the detail as well as inform each departments in the organization to acknowledge the date of each Board of Directors' meeting.

At the meeting of the board of directors and sub-committees, there shall be no less than 2 out of 3 of the total number of directors. Therefore, a quorum was constituted in accordance with the corporate governance policy. Prior to the start of the meeting, the chairman of the board will inform the meeting that directors who may be related or have conflict of interests in any agenda should have abstained from voting at the meeting and refrained from providing opinions on that agenda. At the end of the meeting of the Board of Directors and sub-committees, the company secretary will prepare the minutes of the meeting within 14 days, which will be kept strictly organized for future review.

Meeting Attendance and Remuneration of Individual Committees

Details of the meeting attendance are as follows:

Name - Surname		Position	Number of attendance as of 31 December 2023						
			Share holder	Board of Directors	Audit Committee	Nomination and Remuneration Committee	Executive Committee	Risk Management Committee	Corporate Governance Committee
Mr. Wutisak	Lapcharoensap	Chairman of the Board and Independent Director	2/2	7/8	-	-	-	-	-
Air Chief Marshal Arnon	Jarayapant	Company Director, Independent Director, Chairman of the Audit Committee and Chairman of the Nomination and Remuneration Committee	2/2	8/8	4/4	2/2	-	-	-
Mr. Teerarat	Thangsatapornpong	Company Director, Independent Director, Audit Committee, Chairman of Risk Management Committee, Nomination and Remuneration Committee and Chairman of the Good Corporate Governance Committee	2/2	7/8	3/4	2/2	-	1/1	1/1
Mr. Vitthaya	Inala	Director	1/2	2/8	-	-	-	-	-
Mrs. Rosporn	Sooksomporn	Company Director, Independent Director and Audit Committee	2/2	8/8	4/4	-	-	-	-
Mr. Seksan	Rangsiyeranon	Company Director, Executive Director and Risk Management Committee	2/2	8/8	-	-	12/12	1/1	-
Mr. Suksan	Yasasin	Vice Chairman of the Board of Directors, Risk Management Committee, Corporate Governance Committee, Nomination and Compensation Committee, Chairman of Executive Committee and Chief Executive Officer	2/2	8/8	-	1/1	12/12	1/1	1/1
Mrs. Pim	Pattamasing Na Ayutthaya	Company Director, Risk Management Committee, Corporate Governance Committee, Executive Committee and Managing Director of Executive Support	2/2	8/8	-	-	11/12	1/1	1/1
Mr. Kitt	Tungsiwong	Company Director, Risk Management Committee, Nomination and Compensation Committee, Executive Committee, Deputy Chief Executive Officer, Company Secretary and Acting Managing Director Business Development	2/2	8/8	-	1/1	12/12	1/1	-

• Directors' Remuneration

Meeting Allowance

Remuneration for the Board of Directors and subcommittees in 2023 has been approved by the resolution of the 2023 Annual General Meeting of Shareholders on April 26, 2023. Directors' remuneration will be provided to independent directors only, the total remuneration of directors not to exceed 2,750,000 baht.

Board of Director	Meeting Allowance (baht/person/meeting*)	
	Chairman	Committee
Board of Directors	27,500	15,000
Audit Committee	12,500	10,000
Nomination and Remuneration Committee	12,500	10,000
Executive Committee	12,500	10,000
Risk Management Committee	12,500	10,000
Corporate Governance Committee	12,500	10,000

Remark : * Directors holding executive positions are not entitled to receive meeting allowances.



(1) Monetary Compensation

In 2023, the Company paid remuneration to 6 committees, namely the Board of Directors, Audit Committee, Nomination and Remuneration Committee, Executive Committee, Risk Management Committee and the Corporate Governance Committee. The directors' remuneration consists of meeting allowances (in this regard, directors who hold executive positions are not entitled to receive meeting allowances), which are paid according to the number of meeting attendance as follows:

Name - Surname		Meeting Allowance (Baht)							Bonus (Baht)	Total (Baht)
		Common Shareholder	Board of Directors	Audit Committee	Nomination and Remuneration Committee	Executive Committee	Risk Management Committee	Corporate Governance Committee		
Mr. Wutisak	Lapcharoensap	27,500	247,500	-	-	-	-	-	170,000	445,000
Air Chief Marshal Arnon	Jarayapant	15,000	135,000	62,500	12,500	-	-	-	140,000	365,000
Mr. Teerarat	Thangsatapornpong	15,000	135,000	50,000	10,000	-	12,500	12,500	140,000	375,000
Mr. Vitthaya	Inala	15,000	75,000	-	-	-	-	-	120,000	210,000
Mrs. Rosporn	Sooksomporn	15,000	135,000	50,000	-	-	-	-	140,000	340,000
Mr. Seksan	Rangsiyeranon	15,000	135,000	-	-	130,000	10,000	-	120,000	410,000
Mr. Suksan	Yasasin ^{1/}	-	-	-	-	-	-	-	-	0
Mrs. Pim	Pattamasing Na Ayutthaya ^{1/}	-	-	-	-	-	-	-	-	0
Mr. Kitt	Tungsriwong ^{1/}	-	-	-	-	-	-	-	-	0
Total		102,500	862,500	162,500	22,500	130,000	22,500	12,500	830,000	2,145,000

(2) Other non-monetary compensation

In addition to paying directors' remuneration in form of meeting allowances. There are also other non-monetary compensation which are Company's directors and executive officers liability insurance.

Subsidiary and Associated Companies Operations Supervision

1 Guideline for Subsidiary and Associated Companies Operations Supervision

The Company has a policy of investing in subsidiaries or associated companies that support the Company's business as well as investing in companies that are consistent with its goals, vision and strategic plan for the Company's growth, which will increase the Company's operating results or profits, or invest in businesses that benefit the Company in order to increase the Company's competitiveness and to achieve the goal of being a leading entrepreneur in its main business. Subsidiaries and/or associated companies may consider investing in additional businesses if it is a business with potential to grow or can expand the business, or beneficial to the business of the Company Group which can create good returns on investment. The Company will set up a governance mechanism for the Company to control, manage and be responsible for the operations of the subsidiaries as if they were a unit of the Company, including measures to monitor management and establish an appropriate and sufficiently tight internal control system of the subsidiaries to protect the interests of the investment of the Company in accordance with the specified criteria, which the company sees the potential to create mutual benefits to increase channels for earning income and increase the Company's profitability. The Company considers the proportion of investments appropriate to the risks that may occur and the financial position of the Company by analyzing investments appropriately before deciding to invest in various projects. Such investment decisions must be approved by the Board of Directors' meeting or the shareholders'

meeting (as the case may be) and must be consistent with the related announcement of the Capital Market Supervisory Board and announcement of the Stock Exchange of Thailand. In addition, the Company will appoint company representatives with qualifications and experience to participate in the Board of Directors of that company at least in proportion to the shareholding, to set important policies and supervise the operations of said subsidiaries and associated companies.

The Company establishes corporate governance policies for subsidiaries and associated companies. The objective is to determine direct and indirect measures and mechanisms so that the Company can effectively supervise and manage the affairs of its subsidiaries and associated companies. The Board of Directors is responsible for overseeing the management and is responsible for the operations of subsidiaries and associated companies, in order to meet the goal, business growth direction, and the Company's strategic plan, including public company law, Civil and Commercial Code, securities law and related laws and related announcements, regulations and criteria of the Capital Market Supervisory Board, the Securities and Exchange Commission and the Stock Exchange of Thailand. The details are as follows:

- 1) The Company will consider sending individuals to represent the Company as directors, executives, or persons with controlling authority in subsidiaries and associated companies according to the proportion of shareholding in each company to supervise that subsidiaries and associated companies operate in accordance with the law, corporate governance policy, including other policies of the Company. However, sending company representatives to be directors in each subsidiary and associated company must be considered and approved by the Board of Directors' meeting. Taking into account the appropriateness of each company.

- 2) If any transaction or action of the subsidiary is considered to be an acquisition or disposal of assets according to the announcement of the acquisition or disposal of assets or connected transactions according to related connected transaction announcements, resulting in the Company being obliged to request approval from the Company's Board of Directors' meeting and/or approval from the Company's shareholders' meeting and/or approval from relevant legal agencies before entering into the said transaction, subsidiaries may only enter into transactions or carry out such operations after receiving approval from the Company's Board of Directors' meeting and/or the Company's shareholders' meeting and/or relevant agencies (depending on the case).

In this regard, related transactions between the Company and its subsidiaries and associated companies must be based on business reasons and according to market prices with clear supporting reasons and principles. The Company must also arrange for disclosure of such transactions in the financial statements every time, in accordance with the Company's auditing standards in the Stock Exchange of Thailand. The Company will disclose information about both parties connected to prevent conflicts of interest that may arise.

In addition, in the case where subsidiaries and associated companies enter into transactions or in the case of certain events of subsidiaries and associated companies which obligates the Company to disclose information to SET, according to the regulations set by the Stock Exchange of Thailand's board of directors, representative directors of such subsidiaries and associated companies have a duty to notify the Company's management as soon as they become aware of the plan to enter into the transaction or that event.

- 3) Board of Directors and executives of subsidiaries and associated companies have duties and responsibilities to disclose information regarding financial status and performance to the Company. It is specified that the relevant announcements of the Capital Market Supervisory Board and announcement of the Stock Exchange of Thailand's board of directors will apply mutatis mutandis, including disclosing and delivering information to the Board of Directors on their own interests and those of related persons or conducting transactions in a manner that may cause conflicts of interest and avoid doing transactions that may cause conflicts of interest.
- 4) The Company will determine the necessary plans and actions to ensure that the subsidiaries and associated companies disclose information regarding their operating results and financial status to the Company, taking necessary actions and monitoring the subsidiaries and associated companies to have an adequate and appropriate information disclosure system and internal control systems for business operations.

In addition, the Company will closely monitor the operating results and operations of said subsidiaries and associated companies and present the analysis results, including expressing opinions or suggestions to the Board of Directors, the subsidiary's board of directors or associated companies for use in considering setting policies or improving and promoting the business of subsidiaries and associated companies for continuous development and growth.

2 Shareholders' Agreement

- None -

[Monitor to Ensure the Compliance with Corporate Governance Policies and Guidelines](#)

- **Operate in accordance with laws, rules and regulations**

The Company places importance on compliance with laws, rules, regulations, announcements of agencies related to the business and status of the Company, including compliance with international business ethics. Directors, executives, and employees are required to conduct themselves within the framework of laws, rules, and regulations and must not be involved in, assist, or do anything that violates other related laws and regulations.

The Company does not support actions that violate intellectual property rights or illegal actions, requiring directors, executives, and employees to conduct themselves within the framework of laws, rules, and regulations and must not be involved in, assist, or do anything that violates other laws and regulations related to intellectual property.

- **Preventing Conflicts of Interest**

The Company establishes a policy regarding prevention of conflicts of interest based on the principle that any decision in conducting business activities must be made in the best interest of the Company and its shareholders only. The Company's personnel, including directors, executives, and employees, will not use the opportunity in their position as Company personnel to seek their own or others' interests, whether it is a financial benefit or any other aspect, and should avoid actions that cause conflicts of interest. In the case that the directors, executives, and employees of the Company enter into any transaction in their personal name or in the name of a juristic person in which they have an interest in the Company, the directors, executives, and employees of the Company must disclose such items according to the criteria set by the Company. All directors, executives, and employees of the Company have a duty to protect the legitimate interests of the Company with the following guidelines:

1. Directors, executives, and employees should refrain from operating businesses with the same conditions and is in competition with the

Company's business, whether such action is done for the benefit of oneself or others, which may cause damage to the Company, whether directly or indirectly; or becoming a partner or shareholders who have decision-making power, a director or executives in businesses that have the same characteristics and are in significant competition with the Company's business, unless the Company has a mechanism that can ensure that such action will not affect the Company and will be in the best interests of the Company and shareholders as a whole. In the case that any directors, executives, and employees operate businesses with the same conditions and is in competition with the Company's business, they must report to the Company immediately.

2. Directors and executives should disclose the business or activities that they or their family, relatives, or dependents has entered into such transactions personally that may cause conflicts of business interest with the Company, such as joint investments or having interests with business partners or a customer of the Company or holding any position. This includes holding a position as an advisor to a business partner doing business with the Company or a customer of the Company, whether selling products or providing such services is done in conjunction with the Company is direct or indirect.
3. Directors, executives and employees of the Company must make decisions regarding business operations with the Company's best interests in mind.
4. Directors, executives, and employees of the Company must avoid entering into connected transactions with themselves that may cause conflicts of interest with the Company. In cases where such transactions are necessary, it must be done in the best interests of the Company and any actions and decisions of the Company's directors, executives and employees must be free from the influence of personal desires or

of persons related to that personnel, whether related by blood or not. In addition, such action must be performed specifically with a fair and appropriate price, similar to entering into a transaction with a third party. In the event that the directors, executives, and employees of the Company must decide or approve a transaction with a possible conflict of interest, the directors, executives, and employees of the Company will report it to their supervisors for consideration and approval. The directors, executives, and employees of the Company must not participate in the consideration of that matter.

5. Directors, executives and employees of the Company must work full time to the best of their ability, not conducting any personal business that affects the Company's performance of duties and working hours.
6. Directors, executives and employees of the Company must avoid financial involvement and/or relationships with other third parties which will result in loss of interest to the Company or conflicts of interest or obstructing efficient operations of the Company.
7. Directors, executives, and employees of the Company must not provide or use inside information of the Company for their own or others' benefit, regardless of whether such action will cause damage to the Company or not. In addition, the Company's directors, executives, and employees must strictly comply with the Company's Insider Trading Policy.
8. Directors, executives, and employees of the Company must not do any act that is in the nature of administration or management that undermines the interests of the Company or favors the interests of other persons or any juristic person, whether such action is done for their own benefit or that of others.
9. Directors and executives must abstain from voting or must not participate in the consideration, as well as having no authority to consider and approve entering into transactions or entering into any transaction in which

he or she has a conflict of interest, or those involved or those having their own interests entering into transactions that may cause conflicts of interest with the Company. In the case that directors and executives enter into transactions that may cause such conflicts of interest, the directors and executives must notify the Company of their relationship or interest in the said transaction as well.

- **Supervision of the Use of Inside Information**

The Company's Board of Directors and executives must comply with guidelines regarding disclosure and reporting of holdings and changes in holdings of securities and futures contracts of themselves, their spouses, or cohabiting partners, including minor children, as specified in the Securities and Exchange Act B.E. 2535 (including amendments) (the "Securities Act"), Public Limited Companies Act B.E. 2535 (including amendments), Announcements of the Securities and Exchange Commission, and related announcements from the Capital Market Supervisory Board, as well as any other related rules strictly.

- 1. Use of Inside Information**

The Company is aware of the importance and responsibility towards shareholders and stakeholders of the Company in accordance with the principles of good corporate governance. Therefore, in order to increase the confidence of shareholders, investors and all related parties, the Company has therefore established measures regarding the use of inside information by the Company's personnel, including the Board of Directors, executives, and those holding positions in the accounting and finance fields, persons responsible for operations, employees, spouses, and minor children of such persons, to create equality and fairness in the use of internal information of the Company. The Company has established a prohibition on personnel at all levels of the Company as mentioned above, including family members of all such personnel who receive internal information of the Company

which is material to changes in the price of securities and which has not yet been disclosed to the public, whether for securities trading or for inviting other people to buy, sell, offer to buy, or offer to sell the Company's shares, whether by themselves or through a broker. This is regardless of whether such actions are done for oneself or others. In addition, the Company prohibits the aforementioned personnel and their family members from using facts that are material to changes in the price of securities and that have not yet been disclosed to the public and revealing it so that others may do so and receive benefits in return. The Company will regard the illegal use of inside information for the benefit of trading the securities of the Company as speculative trading or creating an advantage for any group, which is considered an offense according to the Securities Act and other related regulations and is considered a disciplinary offense. The Company has regulations prohibiting directors, executives and related operators, employees, staff, and other insiders, including persons who are presumed to know or possess inside information or other listed companies related to inside information, from disclosing financial statements or other information that has an impact on the price of the Company's securities to outsiders or those who are not involved. Moreover, they are prohibited from trading the Company's securities for one month before the Company's information is released to investors and 24 hours after the Company's information is released to investors.

2. Measures to Protect Computer Systems and Information Security

- 2.1 Restrict access to non-public information which can only be known by executives at the specified level and disclosed to the Company's employees as necessary on a need-to-know basis and inform employees that it is confidential information and there are limitations on its use.
- 2.2 Set up a security system in the workplace to prevent unauthorized access and use of confidential files and documents.

- 2.3 Owners of data that have not yet been disclosed to the public must instruct those involved to strictly follow security procedures.

3. Penalties for Insider Trading

Violators will be disciplined starting with a written warning, wage cut, suspension without pay or possible dismissal from work. This depends on the seriousness of the offense and may be punished according to law by relevant official agencies, as the case may be.

In 2023, there were no directors, executives, including those holding executive positions in accounting or finance field who conducted securities trading during the period specified by the Company to refrain from trading.

• Anti-corruption

The Company is committed to conducting business with ethics under the framework of good corporate governance by adhering to the corporate governance code, Code of Conducts and Ethics in Business Operations, having social and environmental responsibility and all stakeholders in conducting business with transparency, fairness, and verifiability to show intent and determination to fight against all forms of corruption. The Company has therefore established an anti-corruption policy and clear guidelines for conducting business.

Directors, executives, and employees of the Company must not demand, perform, or accept any form of corruption, directly or indirectly, for the benefit of the organization, themselves, their families, friends, and acquaintances, or for the benefit of business. This covers every business in every country and every relevant agencies of the Company. Conducting business with various agencies, whether government agencies, state enterprises, or private companies, etc., both domestically and abroad, must be carried out transparently, fairly, and in compliance with the laws of Thailand and the

laws of foreign countries with which the Company does business.

The Company must regularly review compliance with this anti-corruption policy, as well as reviewing the guidelines and operational requirements to comply with business changes, rules, regulations, and legal requirements. Any violations of the policy as support of or cooperation with corruption will be considered punishable according to the Company's regulations and may be punished by law if the action is illegal.

The Company determines that directors, executives, and employees at all levels to must act carefully against forms of corruption as follows:

1. Do not carry out or participate in any form of corruption, both directly and indirectly.
2. Carry out thorough communication at the board, executives and employees level, by stipulating that every operation process is strictly within the scope of the law; or if there is an error in the operating process due to negligence and unawareness of the situation then be punished as prescribed by law.
3. Directors, executives and employees will not commit or support corruption in any case and will strictly comply with anti-corruption measures.
4. Directors, executives and employees have a duty to report to the Company any actions that are considered corruption related to the Company by informing their supervisors or responsible person and cooperate in investigating various facts.
5. The Company will provide fairness and protection for complainants who report corruption, as well as for people who cooperate in reporting and investigating corruption.
6. Those who commit corruption must be considered for disciplinary punishment according to the regulations set by the Company and may be punished according to law for such offenses.
7. Directors, executives, and employees have a duty to comply with good corporate governance and anti-corruption policies. The Board of Directors has assigned the management to communicate and comply with anti-corruption measures.
8. Company directors, executives and employees are prohibited from taking any action to request or accept property or any other benefits for oneself or others that are an inducement to act or neglect to perform duties or may cause the Company to lose its legitimate benefits. Moreover, company directors, executives, and employees are prohibited from giving or offering to give property or any other benefits to third parties in order to induce that person to do or refrain from doing anything that is against the law or in violation of his or her position, or in exchange for special privileges that should not be received as follows:
 - 8.1. Do not give or receive bribes in any form in return for business benefits and do not authorize others to give or receive bribes on their behalf.
 - 8.2. Company operations and communications with the government sector must be transparent, honest and must be carried out in accordance with relevant laws.
 - 8.3. Directors, executives, and employees must not receive money or any personal benefits from customers, business partners, or any other person as a result of working on behalf of the Company.
 - 8.4. Directors, executives and employees must not borrow or solicit money or items from customers or people doing business with the Company, except for loaning money from a bank or financial institution as a customer of the bank or financial institution.
 - 8.5. The Company has no policy of offering money, incentives, gifts, special benefits in any form, directly or through third parties, to

customers and partners of the Company, external agencies, or government officials in order to gain or maintain business benefits or advantages. There is also no policy of paying prizes or any other payments to expedite the process or facilitate it, except for traditional business entertainment, trade discounts and company promotional projects with criteria in the anti-corruption measures self-assessment form according to the rules of the Securities and Exchange Commission.

- 8.6. Directors, executives, and employees should avoid receiving gifts, both monetary and non-monetary, from business partners or people related to the Company's business, except during festivals or traditions. However, the value must not exceed 5,000 baht. In cases of necessity in receiving a gift or any other property with a value higher than 5,000 baht, they must report to their supervisor for appropriate action.
- 8.7. Directors, executives, and employees can receive business entertainment for the benefit of the Company's business and avoid receiving entertainment in an excessive manner from normal relationships from other people related to the Company or those who will be future business partners.
- 8.8. Directors, executives and employees can be invited to attend seminars and field trips and the travel expenses can be paid by the trading partners who are stakeholders. This is only for business benefits and must be approved by an authorized supervisor only. However, they are prohibited from accepting money or any other benefits from partners.
- 8.9. In some situations, others may view gifting and entertainment as a conflict of interest, or in more serious cases, it is considered a bribe. If it is considered that others may view the gift or entertainment

as an act intended to gain business benefits from/or the government, or for any benefit from the government, directors, executives, and employees must not give gifts or provide such entertainment.

- 8.10. The Company stipulates that accepting donations, charitable donation, public benefit, and giving or receiving financial support must be transparent by following the review and approval process according to company regulations and comply with the law, not contrary to morality, not any action that will cause damage to society as a whole, and is not relevant to or has not been used as an excuse for bribery. In the event of suspicion that may have legal implications, one must seek written advice from the Legal Department or in other important matters, they are at the discretion of the management.

In 2023, there were no directors, executives and employees who has taken any action that caused corruption.

- **Whistleblowing**

The Company has established a policy for whistleblowing and complaints for those involved in anti-corruption to be confident that the Company provides channels and processes for whistleblowing and complaints that are transparent, safe and fair to those who report or complain, which the information and details of the whistleblower or the complainant as well as the offender that has been reported to the Company will be kept confidential. For any disclosure of information, the Company will provide careful consideration and taking into account the safety and damage of the whistleblowers or the complainant, data source or related persons. In 2023, the Company received no complaints that are significant and have an impact on the Company's operations. The communication channels provided by the Company are as

follows:

1. Employees can complain to their direct supervisors
2. Human Resources Department : Telephone: 02-004-5565, 086-819-3333
3. Via the Company's website: www.chayo555.com
4. Via email : center@chayo555.com

Action taken with respect to complaints

The recipient of the complaint shall collect facts related to violations or non-compliance with the Code of Conduct to determine the procedure and appropriate management methods in each case to propose measures to prevent violations or non-compliance with the Code of Conduct including mitigate damage to those affected and report the results to the complainants (in case of the review of identity).

Measures to protect the complainants or those who cooperate in the investigation of facts

- (1) The complainant or the person who cooperates in the investigation of facts may choose to remain anonymous. However, if there is a case of reviewing identity, the Company will be able to contact and report the results.
- (2) Upon receiving a complaint, the recipient shall keep the relevant information confidential. and shall only disclose as necessary to those responsible only.
- (3) The Company strictly prohibits retaliation against complainants or those who cooperate in the investigation of facts. Any retaliation will result in the highest level disciplinary action. This may include a dismissal of internal control and risk management.

8.2 Report on the Performance of the Audit Committee

Number of meetings and attendance of the Audit Committee

Name - Surname		Audit Committee Meeting Year 2023 (meeting attendance / all meetings)
1. Air Chief	Jarayapant	4/4
	Marshal Arnon	
2. Mr. Teerarat	Thangsatapornpong	4/4
3. Mrs. Rosporn	Sooksomporn	4/4

Performance of the Audit Committee

In 2023, the results of the audit committee's performance are as follows:

1. Review the quarterly financial statements and the Company's 2023 financial statements, both in terms of accuracy and adequate disclosure of information by meeting with the auditor and some of the time attend meetings with auditors without management to ensure that the Company's financial reports have been prepared accurately, completely, as they should be in essence and are reliable in accordance with generally accepted accounting standards, including adequate disclosure of financial statements before presenting to the Board of Directors for approval.
2. Consider to have an internal audit that is efficient and effective by considering the annual internal audit plan and internal audits result reports from the auditors including follow-up and progress in resolving issues (if any) with the management on an ongoing basis.
3. Consider the results of the review of the Company's performance in accordance with the Civil and Commercial Code, Public Limited Companies Act, Securities

and Exchange Act, stock exchange requirements and laws related to the Company's business.

4. Review the Company's risk management which there are the assessment of external and internal risks. The Risk management and progress monitoring from relevant departments to ensure the business operates to achieve the established goals and if there is an event that may affect the formulation of the Company's objectives, the risk shall be managed to an acceptable level in a timely manner.
5. Review and provide opinions on entering into connected transactions or transactions that may have conflicts of interest annually and quarterly.
6. Consider the performance of the auditor and the auditor's remuneration based on business knowledge, experience, appropriateness of remuneration and independence of the auditors and propose for the consideration and appointment of the Company's auditors and audit fees to the Board of Directors for further approval at the Annual General Meeting of Shareholders.

In summary, the Audit Committee has fulfilled its duties as stipulated in the Audit Committee Charter approved by the Board of Directors and has an opinion that the Company has reported financial information and the operation that are accurate, complete. The Company also has appropriate and effective internal control system, internal audit and risk management. There is a legal practice, terms and obligations, a proper actions to be taken for connected transactions, adequate operations in accordance with the good corporate governance that are sufficient and reliable as well as the consideration of the independence of the auditors to be appointed and offered the audit fees.

8.3 Number of Meetings and Attendance of Sub-Committees

Number of Meetings and Attendance of Sub-Committees

The meeting attendance of the Nomination and Remuneration Committee is as follows:

Name - Surname		Audit Committee Meeting Year 2023 (meeting attendance / all meetings)
1.	Air Chief Marshal Jarayapant Arnon	2/2
2.	Mr. Teeranat Thangsatapornpong	2/2
3.	Mr. Suksan Yasasin	2/2
4.	Mr. Kittit Tungswong	2/2

Performance of the Nomination and Remuneration Committee

The Nomination and Remuneration Committee consists of 4 directors, which there are 2 Independent Directors. The Nomination and Remuneration Committee has performed duties as assigned by the Board of Directors carefully, transparent, fairly and taking into account the best interests of shareholders and stakeholders. In 2023, the Nomination and Remuneration held a total of 2 meetings, covering the following matters:

1. Consider and appoint the directors to replace those who have retired by considering persons with appropriate qualifications and in accordance with the specified qualifications criteria to propose to the Board of Directors for consideration and approval to nominate suitable persons to the Annual

General Meeting of Shareholders for consideration and appointment of the next director.

2. Consider and appoint directors to replace those who have resigned and the Nomination and Remuneration Committee has used prudence in considering the persons who possess knowledge, competency and qualifications that are appropriate to propose to the Board of Directors for consideration and appointment of the director.
3. Consider and determine the remuneration for the Board of Directors and sub-committees for the year 2023, by considering factors that are in accordance with their responsibilities and duties to propose to the Board of Directors and the Annual General Meeting of Shareholders for the year 2023 for approval.
4. Consider and determine the criteria for paying bonuses for the year 2022 to propose to the Board of Directors for approval.

In addition, in the year 2023, the Board of Directors has given the opportunity for shareholders to nominate a suitable person to be selected as a director. It appears that no shareholder nominated a person to join the director selection process in the Annual General Meeting of Shareholders 2024.

The meeting attendance of the Risk Management Committee is as follows:

Name - Surname		Audit Committee Meeting Year 2023 (meeting attendance / all meetings)
1.	Mr. Teerarat Thangsatapornpong	1/1
2.	Mr. Suksan Yasasin	1/1
3.	Mrs. Pim Pattamasing Na Ayutthaya	1/1
4.	Mr. Seksan Rangsiyeranon	1/1
	Mr. Nattapol Thipchatchawanwong ^{1/}	0/1
5.	Mr. Kittit Tungsiwong	1/1

Remark : ^{1/} Mr. Nattapol Thipchatchawanwong has resigned from the Risk Management Committee on 31 March 2023.

Performance of the Risk Management Committee

The Risk Management Committee consists of 5 members, with the chairman being an Independent Director. The Risk Management Committee has performed its duties in accordance with best practices and principles of good governance. In 2023, the Risk Management Committee held a total of 1 meeting covering the following matters:

1. Follow up on risk management results for the year 2023 and provide advise to the Risk Management Working Group to improve the Company's risk management to be appropriate and effective. In addition, risk management was reviewed in accordance with the risk management policy to propose to the Audit Committee for acknowledgment.

2. Assess risk management results in accordance with established policies to be efficient and effective.
3. Improve risk management and take action to ensure that risk management is adequate and appropriate and is able to manage risks to an acceptable level along with the continuous implementation of the risk management.

The meeting attendance of the Corporate Governance Committee is as follows:

Name - Surname		Audit Committee Meeting Year 2023 (meeting attendance / all meetings)
1.	Mr. Teerarat Thangsatapornpong	1/1
2.	Mr. Suksan ยศYasasin	1/1
3.	Mrs. Pim Pattamasing Na Ayutthaya	1/1

Performance of the Corporate Governance Committee

The Corporate Governance Committee consists of 3 members, with the chairman being an Independent Director. The Corporate Governance Committee is responsible for developing and promoting compliance with the principles of good corporate governance to meet international standards and to be accepted by shareholders, investors, regulators and other stakeholders. In 2023, the Executive Committee held a total of 1 meeting.

The meeting attendance of the Executive Committee is as follows:

Name - Surname		Audit Committee Meeting Year 2023 (meeting attendance / all meetings)
1.	Mr. Suksan Yasasin	12/12
2.	Mr. Seksan Rangsiyeranon	12/12
3.	Mrs. Pim Pattamasing Na Ayutthaya	11/12
4.	Mr. Kittit Tungsiwong	12/12
5.	Mr. Nattapol Thipchatchawanwong	12/12
	Ms. Naowarat Sangkrot	4/12
6.	Mr. Natthawat Yasasin	9/12

Remark : ^{1/} Mr. Nattapol Thipchatchawanwong has resigned from the Company on 31 March 2023 but still maintains his status as an executive director of the Company.

^{2/} Ms. Naowarat Sangkrot resigned from the Company on 30 April 2023.

^{3/} The Company has appointed Mr. Nattawat Yasasin to hold the position of executive director, effective from 11 May 2023.

Performance of the Executive Committee

The Executive Committee consists of 3 Executive Directors and 1 Non-Executive Director. The Executive Committee has performed duties to supervise the operations in accordance with the objectives and goals set by the Board of Directors. In 2023, the Executive Committee held a total of 12 meetings, covering the following matters:

1. Consider and establish a policy, business strategy and operating plan including the management structure and approval powers of the Company to propose to the Board of Directors.
2. Consider the annual budget to propose to the Board of Directors and control the disbursement of budgets to be in accordance with the approval of the Board of Directors.
3. Control, supervise and monitor the Company's performance to be in accordance with the policies, goals, business plans, business strategy, the set budget and various administrative powers as approved by the Board of Directors to be efficient and conducive to business conditions and report the operating results to the Board of Directors.
4. Consider and approve the operations that are normal business transactions of the Company. The credit limit for each transactions is in accordance with the Approval Authority Table approved by the Board of Directors.
5. Consider the organizational structure that is suitable for the Company's operations to propose to the Board of Directors for approval.

9. Internal Control and Connected Transactions

9.1 Internal Control

The Company is committed to having a good internal control system and internal audit system, therefore, applying the principles of internal control according to the guidelines and internal control framework of COSO Internal Control-Integrated Framework (COSO: The Committee of Sponsoring Organizations of the Treadway Commission), which is an international standard internal control guideline and framework, to use as a guideline for the Company's internal control and internal auditing. The audit will focus on risk-based auditing as a guideline for inspecting and evaluating the internal control system.

The Company is aware of internal control and internal auditing, considered it an important basis for running a successful business and steady and sustainable growth. Therefore, an efficient, effective, and adequate internal control and internal audit system which is appropriate to the characteristics and scale of work or environment is established to ensure that the various departments of the Company have complied with relevant rules, regulations and policies, with reliable, accurate, and complete reporting and efficient and effective operations. The Company places importance on prevention of loss, damage, and correction rather than investigation after the incident has occurred.

The Company has appointed internal auditors who are independent and report directly to the Audit Committee to assist the Audit Committee and the Board of Directors to be confident that main operations and important activities of the Company are operated according to the specified guidelines efficiently and have strict and appropriate internal controls to ensure that internal control and internal auditing cover all aspects.

In addition, the Board of Directors has assigned the Audit Committee to review the internal control and present it to the Board of Directors to monitor the internal control in various fields to be sufficient, suitable and effective for business operations. This includes resources implementation, property maintenance, risk prevention and mitigation, potential damages prevention and control and financial reports preparation that are accurate and reliable as well as in compliance with the laws, rules and regulations related to the Company's business operations. There shall also be the preparation of employee ethics, determination of disciplinary action, appropriate channels and procedures for complaints acceptance.

Supervision of Internal Control Systems and Risk Management

The supervision of business operations and the adequacy of the Company's internal control system are under the supervision of the Board of Directors. The Board of Directors assigns the Audit Committee to take full responsibility in the supervision of the internal control system and the risk management in accordance with the following important criteria:

1. The Board of Directors supervises the risk management and internal control system of the Company by appointing and assigning the Audit Committee to take full responsibility in risk management and control according to their duties and responsibilities. The Company's risk management and control guidelines are carried out under the internal control policy, corporate governance policy and risk management.
2. The Audit Committee independently performs the duties in assessing the sufficiency and appropriateness of the internal control system, which is determined and supervised by the Executive Committee including the efficiency of the audit process. The Company's Audit Committee has annually reviewed the sufficiency of internal control. There are the

reviews of the policies and guidelines for the internal audit work of the Internal Audit, the supervision of the suitability of the internal control system and the adequacy of the internal control and audit system. This is to ensure that the Company operates in accordance with the legal requirements. The Audit Committee will report the audit results to the Board of Directors for consideration.

3. The Company has continually developed information systems to improve the quality of information and to communicate information effectively including the information technology risk management. The information security policy of information technology systems has been established to supervise and operate information technology to be appropriate and sufficient.
4. The Company has monitored and evaluated internal control results by reporting the defects in the internal control system to the responsible person to establish measures for corrective action in a timely manner. The results of the review of the operations in accordance with the internal control are required to report to Senior Management, Audit Committee and the Board of Directors regularly.

Cases where the Opinion of the Audit Committee is Different from the Opinion of the Board of Directors.

In 2023, the Company has 4 Audit Committee meetings with the attendees consisting of Chairman of the Audit Committee, Secretary of the Audit Committee, Internal Auditors, Auditors and Company Executives which the related agenda, opinions and resolution of the Audit Committee Meeting is presented to the Board of Directors meeting for every meeting. The Chairman of the Audit Committee and all members of the Audit Committee will attend every Board of Directors' meetings. However, the opinions on internal control

that are presented to the Audit Committee and the Board of Directors for consideration shows that there is no issue that the opinion of the Audit Committee differs from the opinion of the Board of Directors or the auditor in any way.

Opinion of the Board of Directors on the Company's Internal Control System

At the Board of Directors' meeting, the Audit Committee and the 3 Independent Directors attended the meeting. The Board of Directors has considered and assessed the internal control system sufficiency of The Securities and Exchange Commission, Thailand (SEC), which is prepared according to the concept of The Committee of Sponsoring Organizations of the Tread way Commission or COSO as follows:

1. Control Environment
2. Risk Assessment
3. Control Activities
4. Information & Communication
5. Monitoring Activities

The Board of Directors has an opinion that the Company has internal control that is sufficient and appropriate for its business operations and has enough personnel to effectively implement internal control.

Internal Audit Comments

PricewaterhouseCoopers ABAS Company Limited, the Company's auditor for financial information for the year ending on December 31, 2023, had no further comments on the financial statements.

Opinions on the Internal Control System, Internal Audit Results and Internal Auditor's Follow-Up Results

To ensure that the internal control system, risk management and corporate

governance is effective and continually improved to help the Company achieve its goals. Therefore, the Company has appointed an internal auditor who is a third party to perform the duty of auditing the sufficiency of the internal control system, which is KPS Audit Company Limited ("Internal Auditor"), who is independent and report directly to the Audit Committee. Therefore, the internal auditors are required to report their audit results on a quarterly basis to the Audit Committee and the Company's management for the benefit of good corporate governance.

For the year 2023, KPS Audit Company Limited has prepared an audit plan for the year 2023 based on the Company's risks to propose to the Audit Committee to consider and approve the plan. The emphasis is placed on ensuring efficient and effective operations as well as being able to comply with the laws and regulations (Compliance) and present reports (Reporting) in an appropriate and reliable manner. This is to ensure that the internal controls are still operating efficiently and consistently. The internal audit has examined the important work systems, including the human resource management system, expense management system, business lending system, revenue management system and litigation system including following up on outstanding issues every quarter. There are meetings with management every time which has received good cooperation and effective management. In 2023, the Company has successfully resolved most of the outstanding issues that are left.

Head of Internal Audit of the Company

The Company hires an outside agency (Outsource) to act as the Company's internal auditor. KPS has been appointed to be the auditor of the internal control system for the year 2023, which KPS has assigned Mr. Wiwat Limnantasin to be mainly responsible for performing the duties of internal auditor for the year 2023.

The Audit Committee has considered the qualifications of KPS and Mr. Wiwat Limnantasin and has the opinion that the Company and the auditor are appropriate enough to perform such duties due to the independence, qualifications, education and long experience in internal auditing. Moreover, he received training in courses related to appropriate internal auditing work, including the Certificate of Certified Professional Internal Audit of Thailand (CPIAT) and the Internal Audit Training Program to prepare to become a Certified Internal Auditor (CIA Preparation) etc.

However, the consideration and approval of the appointment, removal, and transfer of the head of the internal audit department of CCAP must be approved by the Audit Committee. The qualifications of the person holding the position of Head of Internal Audit appear in Attachment 3.

9.2 Related Transactions

An overview of the related transactions that the Company entered into with persons who may have conflicts of interest

In 2023, the Company entered into various transactions with persons who may have conflicts of interest according to the definition of Notification of the Securities and Exchange Commission KorJor. 17/2551 Re: Determination of Definitions in the Notifications Relating to Issuance and offer for Sale of Securities dated 15 December 2008 and its amendments. This includes transactions between the group of companies, major shareholders, executives, controlling persons and/or persons who may have any conflicts of interest of the Company for the purpose of the Company's business operations.

1. Normal Business Transactions

Normal business transactions is a transaction that the Company and its subsidiaries have made in accordance with the nature of the main

operating activities. Such transactions are necessary for the Company's and its subsidiaries' core business. Therefore, the Company and its subsidiaries will continue to conduct such transactions in the future.

2. Normal Business Support Transactions

Normal business support transactions is a transaction that the Company and its subsidiaries have made to support the main operating activities of the Company and/or subsidiaries with general commercial conditions similar to the transactions between the third parties and/or having commercial conditions that shall not cause the Company and subsidiaries to lose benefits.

3. Transaction Relating to Assets or Service

Transaction relating to assets or service is a transaction that the Company and/or the Group has entered into a transaction in order to acquire or dispose of assets and rights, including giving or receiving services. However, before listing on the Market for Alternative Investment (MAI), the Company have not had a policy to enter into a transaction of the acquisition or disposition of assets that has high value or significant size. In addition, the Company has a policy to enter into a transaction of giving or receiving services without any conflict of interest.

4. Rental or lease of immovable property of not exceeding 3 years

Rental or lease of immovable property for not exceeding 3 years is a transaction that the Company rents a building from a person who may have conflicts of interest for the purpose of the operations of the business, for example as an office building or a document storage facility, including office building rental transactions between the Company and its subsidiaries. The Company expects to continue to enter into such transactions in the future.

5. Transaction Regarding Offer or Receipt of Financial Assistance

Transaction regarding offer or receipt of financial assistance is a transaction to manage the financial liquidity of Chayo Group Public Company Limited and its subsidiaries for the maximum benefit of the shareholders.

Details of Related Transactions

Related transactions of the Company with related persons in the fiscal year 2022, ending on December 31, 2022, which was approved by the Audit Committee meeting No. 1/2023 on February 24, 2023, and the fiscal year 2023, ending on December 31, 2023, which was approved by The Audit Committee Meeting No. 1/2024 on February 23, 2024 can be summarized as follows:

Company	Partner companies	Types of transaction	Determine the price by	Amount per month (Baht)	Transaction value in 2022	Transaction value in 2023
1. Chayo Group Company Limited	Chayo Asset Management Company Limited	Office rental and service fees	Market price: The average rent and service in similar areas is 170 - 200 baht/sq.m. Therefore, the Company charges rent and service at 170 baht/sq.m.	150,000.00	1,800,000.00	1,200,000.00
2. Chayo Group Company Limited	Chayo Property and Service Company Limited	Office rental and service fees	Market price: The average rent and service in similar areas is 170 - 200 baht/sq.m. Therefore, the Company charges rent and service at 170 baht/sq.m.	37,000.00	444,000.00	296,000.00
3. Chayo Group Company Limited	Chayo Capital Company Limited	Office rental and service fees	Market price: The average rent and service in similar areas is 170 - 200 baht/sq.m. Therefore, the Company charges rent and service at 170 baht/sq.m (using 30 sq.m.)	8,000.00	96,000.00	64,000.00
4. Chayo Group Company Limited	Chayo Asset Management Company Limited	Management fee	Use the cost price of the business and allocate it according to the real working hours of executives in various positions.	2,400,000.00	28,800,000.00	28,800,000.00

Company	Partner companies	Types of transaction	Determine the price by	Amount per month (Baht)	Transaction value in 2022	Transaction value in 2023
5. Chayo Group Company Limited	Chayo Property and Service Company Limited	Management fee	Use the cost price of the business and allocate it according to the real working hours of executives in various positions.	180,000.00	6,000,000.00	2,160,000.00
6. Chayo Group Company Limited	Chayo Asset Management Company Limited	Interest income	The interest rate is 6.50% per year, based on the interest rate that the Company loans from the general public at an interest rate of 6.20% - 6.45% per year.		134,258,610.40	187,545,117.33
7. Chayo Group Company Limited	Chayo Capital Company Limited	Interest income	The interest rate is 6.50% per year, based on the interest rate that the Company loans from the general public at an interest rate of 6.20% - 6.45% per year.		12,859,315.12	18,809,753.63
8. Chayo Group Company Limited	Chayo Asset Management Company Limited	Receiving commission fee	Market price: setting the payment rate equal to the payment to outside companies.		975,738.83	553,867.18
9. Chayo Group Company Limited	Chayo Property and Service Company Limited	Paying commission fee	Market price: setting the payment rate equal to the payment to outside companies.		6,439.77	410,875.58
10. Chayo Asset Management Company Limited	Chayo Group Company Limited	Receiving commission fee (CGC port hires CHAM to help manage)	Market price: setting the payment rate equal to the payment to outside companies.		1,792,530.67	546,126.85
11. Chayo Asset Management Company Limited	Chayo Property and Service Company Limited	Paying commission fee	Market price: setting the payment rate equal to the payment to outside companies.		3,174,349.98	1,643,425.61

Company	Partner companies	Types of transaction	Determine the price by	Amount per month (Baht)	Transaction value in 2022	Transaction value in 2023
12. Chayo Asset Management Company Limited	Chayo JV Asset Management Company Limited	Paying commission fee	Market price: setting the payment rate equal to the payment to outside companies.		-	1,522,960.50
13. Chayo Group Company Limited	Chayo JV Asset Management Company Limited	Management fee	Use the cost price of the business and allocate it according to the real working hours of executives in various positions.	300,000.00	-	3,600,000.00
14. Chayo Group Company Limited	Chayo JV Asset Management Company Limited	Interest income	The interest rates are based on returns from investments in Project Best Ocean.		-	36,224,387.68
15. Chayo Group Company Limited	555 Service Company Limited	Interest income	The interest rate is 6.75% per year, based on the interest rate that the Company loans from the general public at an interest rate of 6.20% - 6.45% per year.		-	1,345,191.80
16. Chayo Group Company Limited	Chayo JV Asset Management Company Limited	Office rental and service fees	Market price: The average rent and service in similar areas is 110 baht/sq.m. Therefore, the Company charges rent and service at 110 baht/sq.m (using 24 sq.m.)	4,700.00	-	18,800.00
17. Chayo Group Company Limited	555 Service Company Limited	Office rental and service fees	Market price: The average rent and service in similar areas is 110 baht/sq.m. Therefore, the Company charges rent and service at 110 baht/sq.m (using 18 sq.m.)	3,500.00	-	14,000.00

Company	Partner companies	Types of transaction	Determine the price by	Amount per month (Baht)	Transaction value in 2022	Transaction value in 2023
18. Chayo Group Company Limited	Chayo Property and Service Company Limited	Office rental and service fees	Market price: The average rent and service in similar areas is 110 baht/sq.m. Therefore, the Company charges rent and service at 110 baht/sq.m (using 130 sq.m.)	25,200.00	-	100,800.00
19. Chayo Group Company Limited	Chayo Asset Management Company Limited	Office rental and service fees	Market price: The average rent and service in similar areas is 110 baht/sq.m. Therefore, the Company charges rent and service at 110 baht/sq.m (using 212.8 sq.m.)	41,000.00	-	164,000.00
20. Chayo Group Company Limited	Chayo Asset Management Company Limited	Office rental and service fees	Market price: The average rent and service in similar areas is 110 baht/sq.m. Therefore, the Company charges rent and service at 110 baht/sq.m (using 538.25 sq.m.)	105,000.00	-	420,000.00
21. Chayo Group Company Limited	Chayo Capital Company Limited	Office rental and service fees	Market price: The average rent and service in similar areas is 110 baht/sq.m. Therefore, the Company charges rent and service at 110 baht/sq.m (using 127.74 sq.m.)	14,000.00	-	56,000.00
22. Chayo Group Company Limited	Chayo Capital Company Limited	Management fee	Use the cost price of the business and allocate it according to the real working hours of executives in various positions.	27,500.00	-	110,000.00
23. Chayo Asset Management Company Limited	Chayo Capital Company Limited	Management fee	Use the cost price of the business and allocate it according to the real working hours of executives in various positions.	1,500.00	-	6,000.00

Necessity and Reasonableness of Related Transactions

The Audit Committee has considered the following transactions in the table mentioned above and provided opinion that the aforementioned related transactions are transactions that are necessary reasonable with fair prices and conditions cause no damages to the Company.

Policies or Future Trends of Related Transactions**Measures or Procedures Regarding the Approval of the Connected Transactions**

The Board of Directors' Meeting No. 3/2024 on March 8, 2024 resolved to approve the policy on connected transactions and related transactions and a policy to prevent conflicts of interest. The Company places importance on conducting business with transparency and fairness to all shareholders equally. Therefore, policies and standards for controlling the Company's related transactions have been established with related persons, following the principles of compliance with the law on securities and the stock exchange, with details as follows:

- 1) The Board of Directors will clearly arrange for consideration and approval of related transactions or connected transactions clearly and transparently according to the law, rules, procedures, and strictly disclose information on related transactions or connected transactions through screening by the Audit Committee. It will oversee compliance with the regulations, announcements, orders, and related criteria of the Capital Market Supervisory Board, the SEC Office, and the Stock Exchange of Thailand, as well as consider disclosing accurate and complete information about related transactions or connected transactions to the public.
- 2) The Company must prepare a report summarizing related transactions or connected transactions to report to the Audit Committee meeting

and the Board of Directors meeting for consideration every quarter and disclose the transactions in the annual information disclosure form and the Company's Form 56-1 One Report.

- 3) Consideration and approval of related transactions or transactions related to major shareholders, directors, executives, or persons with possible conflicts of interest or persons related to the Company or subsidiary company, directors with vested interests and/or directors who are related persons will not attend the meeting and will not have the right to vote in considering and approving the said transaction.
- 4) The management is allowed to approve making related transactions or connected transactions with general trading conditions when the Board of Directors approved in principle of such transactions, if those transactions have commercial agreements in the same manner as a reasonable person would do with a normal counterparty, under reasonable conditions and can be verified and does not cause a transfer of benefits. The Company will prepare a report summarizing every transaction to report in the audit committee meeting and quarterly board meetings, for consideration and comments on the necessity of entering into the transaction and its reasonableness.
- 5) In making related transactions or connected transactions that are not commercial agreements/general trading conditions, the Company will arrange for an audit committee to consider, review and give opinions on the conditions regarding the necessity and reasonableness of making such transactions, by considering fair and reasonable prices and conditions in line with normal business practices in the same industry and/or there is a comparison with the price of transactions with third parties and/or market price and/or have prices or conditions of transactions at the same level as third parties and/or can demonstrate that the said

transaction has reasonable or fair prices and conditions before the Company or subsidiary companies will request approval to enter into the transaction.

Future Trend or Policy of Connected Transactions

The Company expects that in the future, the Company may still have conducted the connected transactions with individuals and legal entities that may have conflicts of interest with the Company. The connected transactions shall be transactions that are necessary and beneficial to the Company. The future trend of the connected transactions will involve normal business support transactions.

Transaction regarding offer or receipt of financial assistance from the major shareholder of the Company shall occur according to the necessity of conducting business. The Company has established a policy to provide sufficient sources of funds for its business operations, in which the Company has been listed on the stock exchange. The Company will mainly use the funds received from fundraising and borrowing from financial institutions for its business operations without the need to seek financial assistance from the shareholders again. The Board of Directors is of the opinion that this is no longer necessary as the Company is in the process of negotiating with financial institutions regarding such conditions.

However, if there is any connected transaction with a person or juristic person who may have conflicts of interest, the Company shall comply with the Securities and Exchange Act, regulations, notifications and orders of the Capital Market Supervisory Board. The Securities and Exchange Commission, Thailand and the Stock Exchange of Thailand and The Stock Exchange of Thailand.

Reasons that persons who may have conflicts of interest holding shares in subsidiaries and associated companies exceeding 10% instead of directly holding shares of the Company.

- None -





Part 3 Financial Statement



CHAYO GROUP PUBLIC COMPANY LIMITED

Consolidated and separate financial statements

31 December 2023

Report of the Board of Directors' Responsibilities for Financial Statements

The Board of Directors of Chayo Group Public Company Limited is responsible for the consolidated financial statements of the Company and its subsidiaries, including financial information appearing in the Annual Report. The financial statements have been prepared in accordance with generally accepted accounting principles in Thailand with appropriate accounting policies applied on a conservative and consistent basis and careful judgment. Adequate disclosures have been made in the notes to the financial statements while adhering to regulations and announcements of the Securities and Exchange Commission Stock Exchange of Thailand and the Bank of Thailand. These financial statements have been audited by independent certified auditors who have given their unqualified opinions, which reflected fair and transparent financial position and operating performance that is useful information for shareholders and general investors.

The Board of Directors has also adopted and maintained an appropriate and efficient system of risk management as well as internal control systems to ensure that the reliability and completeness of financial information are in place with ability to identify weak points to protect the Company's assets in order to prevent risks from fraud or materially irregular operation.

In this regard, the Board of directors has appointed an Audit Committee consisting of independent directors to oversee the quality of financial reports and internal control systems. The opinion of the Audit Committee on this matter appeared in the report of the Audit Committee which is presented in this annual report.

The Board of Directors believed that the Company has a total satisfactory level of internal control systems and internal audit and can reasonably assure that the financial statement of the Company and consolidated financial statements of the Company and its subsidiary as at December 31, 2023 are reliable.



Mr. Wutisak Lapcharoensap
Chairman of the Board

Independent Auditor's Report

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

My opinion

In my opinion, the consolidated financial statements and the separate financial statements present fairly, in all material respects, the consolidated financial position of Chayo Group Public Company Limited (the Company) and its subsidiaries (the Group) and separate financial position of the Company as at 31 December 2023, and its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with Thai Financial Reporting Standards (TFRS).

What I have audited

The consolidated and separate financial statements comprise:

- the consolidated and separate statements of financial position as at 31 December 2023;
- the consolidated and separate statements of comprehensive income for the year then ended;
- the consolidated and separate statements of changes in equity for the year then ended;
- the consolidated and separate statements of cash flows for the year then ended; and
- the notes to the consolidated and separate financial statements, which include significant accounting policies and other explanatory information.

Basis for opinion

I conducted my audit in accordance with Thai Standards on Auditing (TSAs). My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the consolidated and separate financial statements section of my report. I am independent of the Group and the Company in accordance with Code of Ethics for Professional Accountants including Independence Standards issued by the Federation of Accounting Professions (TFAC Code) 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 TFAC Code. 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	How my audit addressed the key audit matters
<p><i>Interest income from loans to non-performing assets</i></p> <p>Referring to Note 5.20 to the financial statements for Accounting policies - Revenue recognition, interest income from loans to non-performing assets contributed 84.04% to the Group's total revenues. The Group recognises interest income from loans to non-performing assets based on estimated future cash inflow. This is determined by the quality, type and age of debt, referring to historical records of debt collection discounted with the effective interest rate.</p> <p>I focussed on auditing this area because it required management's significant judgment when determining the assumption to estimate revenues, which are material to the consolidated financial statements</p>	<p>I understood the principle that management used to recognise interest income from loans to non-performing assets. I also assessed the appropriateness of the principle with the general practice of other companies in the same industry.</p> <p>I understood the process of estimating cash flows and the effective interest rate at the initial date.</p> <p>I tested a sample of estimated cash flows and effective interest rates, as well as related factors used to estimate cash flows and the effective interest rate at the acquisition date. This included assessing the appropriateness of factors affecting the estimation of cash flows and effective interest rate at the acquisition date such as hair cut rate, repayment rate, legal status of receivables, collateral values and initial cost allocation.</p> <p>I tested a sample to calculate the interest income from loans to non-performing assets. In addition, I tested a sample of repayments for loans to non-performing assets.</p> <p>From the above procedures, I found no material errors.</p>
<p><i>Allowance for expected credit losses of loans to non-performing assets</i></p> <p>As at 31 December 2023, total gross loans to non-performing assets balance reported in the consolidated financial statements and the separate financial statements were Baht 7,774.37 million and Baht 807.04 million, respectively. The allowances for expected credit losses were Baht 878.21 million and Baht 224.76 million, which represents 11.30% and 27.85% of loans to non-performing assets in the consolidated financial statements and the separate financial statements, respectively.</p> <p>Referring to Note 5.6 to the financial statements for Accounting policies - Loans to non-performing assets, The Group recognised loss on impairment of loans to non-performing assets when it anticipated that discounted cash flows for the present values of receivables were lower than the carrying value.</p> <p>I focussed on auditing this area because it required management's significant judgment to determine the assumptions used to estimate the allowance for expected credit losses, which are material to the consolidated financial statements and separate financial statements.</p>	<p>I understood the principle that management used to recognise the allowance for expected credit losses of loans to non-performing assets.</p> <p>I assessed credit on a loan samples and the reasonableness of the assumptions for the cash flow forecasts prepared by management by comparing with the historical results of each type of loan. For cash flows forecasts based on realisation of collateral, I agreed the collateral valuation to the current valuation report prepared by independent valuers. I recalculated ECL for exposures assessed.</p> <p>I involved the IT specialist in areas such as reviewing the appropriateness of the reliability of loan information in the system and system calculation accuracy.</p> <p>From the above procedures, I found that the assumptions used to estimate the allowance for the expected credit losses are reasonable according to the supporting evidence.</p>

Other information

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

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

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

When I read the annual report, if I conclude that there is a material misstatement therein, I am required to communicate the matter to the audit committee.

Responsibilities of the director for the consolidated and separate financial statements

The directors are responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with TFRS, and for such internal control as the directors determine is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

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

The audit committee assists the directors in discharging their responsibilities for overseeing the Group's and the Company's financial reporting process.

Auditor's responsibilities for the audit of the consolidated and separate financial statements

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

As part of an audit in accordance with TSAs, I exercise professional judgment and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group and the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group and the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

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

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

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

PricewaterhouseCoopers ABAS Ltd.



Paiboon Tunkoon

Certified Public Accountant (Thailand) No. 4298
Bangkok
23 February 2024

	Notes	Consolidated financial statements			Separate financial statements		
			Reclassified	Reclassified		Reclassified	Reclassified
		31 December	31 December	1 January	31 December	31 December	1 January
		2023	2022	2022	2023	2022	2022
		Baht	Baht	Baht	Baht	Baht	Baht
Assets							
Current assets							
Cash and cash equivalents	10	623,384,924	1,021,420,435	1,332,204,275	284,386,627	77,676,335	496,523,204
Restricted deposits at							
financial institutions - current	11	500,000	500,000	500,000	500,000	500,000	500,000
Financial assets measured at amortised cost		7,830,443	7,797,790	1,486,883	1,117,276	1,109,110	1,216,818
Trade and other receivables	12	60,216,286	23,185,919	46,377,511	539,499,184	293,732,594	174,228,369
Inventory		-	-	1,087,723	-	-	-
Deposit for purchasing							
loans to non-performing assets	14	124,137,869	80,931,892	71,300,826	50,000	233,645	-
Current portion of loan receivables	15	1,054,270,801	644,851,182	335,850,463	-	-	-
Current portion of lease receivables		-	-	-	550,315	-	-
Other current assets		38,677,943	23,888,866	21,009,485	30,465,206	22,153,537	19,273,075
Total current assets		1,909,018,266	1,802,576,084	1,809,817,166	856,568,608	395,405,221	691,741,466
Non-current assets							
Restricted deposits at							
financial institutions - non-current	11	11,994,316	4,842,616	8,915,080	2,540,669	2,537,515	1,725,208
Loans to non-performing assets, net	17	6,896,155,901	4,928,059,240	2,855,988,012	582,280,710	422,412,535	334,502,985
Loan receivables, net	15	5,277,398	2,564,294	2,744,893	-	-	-
Finance lease receivables		-	-	-	2,874,902	-	-
Investments in subsidiaries	18	-	-	-	1,504,328,622	1,426,674,466	545,149,973
Loan to related parties	37.6	-	-	-	3,837,799,900	3,208,799,900	2,093,799,900
Investment properties, net	19	29,839,161	11,843,405	12,496,315	29,030,829	22,220,497	23,340,329
Foreclosed assets, net	20	405,194,910	368,046,239	332,826,954	-	-	-
Property, plant and equipment, net	21	51,325,837	54,340,725	46,712,783	39,546,092	30,801,911	22,032,343
Right-of-use assets, net	22	13,673,539	21,755,456	9,932,442	7,836,271	14,464,258	4,943,624
Intangible assets, net	23	4,528,511	2,402,757	2,661,899	2,121,290	2,259,408	2,090,476
Deferred tax assets	24	3,063,733	364,260	22,581	-	-	-
Other non-current assets		1,340,201	6,574,500	7,758,500	826,801	917,500	716,500
Total non-current assets		7,422,393,507	5,400,793,492	3,280,059,459	6,009,186,086	5,131,087,990	3,028,301,338
Total assets		9,331,411,773	7,203,369,576	5,089,876,625	6,865,754,694	5,526,493,211	3,720,042,804

The accompanying notes are an integral part of these consolidated and separate financial statements.

	Notes	Consolidated financial statements			Separate financial statements		
			Reclassified	Reclassified		Reclassified	Reclassified
		31 December	31 December	1 January	31 December	31 December	1 January
		2023	2022	2022	2023	2022	2022
		Baht	Baht	Baht	Baht	Baht	Baht
Liabilities and equity (Cont'd)							
Equity							
Share capital	28						
Authorised share capital							
1,250,916,179 ordinary shares							
a par value of Baht 0.50 each		625,458,090			625,458,090		
(2022: 1,338,718,124 ordinary shares at							
a par value of Baht 0.50 each)			669,359,062			669,359,062	
(1 January 2022: 1,287,347,292 ordinary							
shares at a par value of Baht 0.50 each)				643,673,646			643,673,646
Issued and paid-up share capital							
1,137,190,272 ordinary shares,							
paid-up, Baht 0.50 each		568,595,136			568,595,136		
(2022: 1,066,390,144 ordinary shares at							
paid-up, Baht 0.50 each)			533,195,072			533,195,072	
(1 January 2022: 961,950,267 ordinary							
shares at paid-up, Baht 0.50 each)				480,975,134			480,975,134
Share premium, net	28	1,701,411,155	1,701,411,155	1,522,611,805	1,701,411,155	1,701,411,155	1,522,611,805
Discount from business combinations							
under common control		(9,678,120)	(9,678,120)	(9,678,120)	-	-	-
Capital reserve for share-based payment transactions	4	3,253,750	1,258,688	-	-	-	-
Transaction cost from increase of subsidiary's equity		(3,885,750)	(3,885,750)	(3,885,750)	-	-	-
Shares to be issued	4	-	13,326,800	108,733,482	-	13,326,800	108,733,482
Retained earnings							
Appropriated							
Legal reserve	29	29,347,483	22,421,912	17,522,975	29,347,483	22,421,912	17,522,975
Unappropriated		1,058,659,776	699,622,455	487,013,366	272,442,625	166,090,008	106,701,672
Discount from change in ownership							
interests in subsidiaries		(925,521)	-	-	-	-	-
Equity attributable to owners of the parent		3,346,777,909	2,957,672,212	2,603,292,892	2,571,796,399	2,436,444,947	2,236,545,068
Non-controlling interests		948,746,300	892,820,937	871,010,536	-	-	-
Total equity		4,295,524,209	3,850,493,149	3,474,303,428	2,571,796,399	2,436,444,947	2,236,545,068
Total liabilities and equity		9,331,411,773	7,203,369,576	5,089,876,625	6,865,754,694	5,526,493,211	3,720,042,804

The accompanying notes are an integral part of these consolidated and separate financial statements.

	Notes	Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022
		Baht	Baht	Baht	Baht
Interest income	31	1,475,804,803	963,417,268	182,223,955	145,981,330
Services income from debt collection service	37.1	33,715,711	35,033,988	23,562,019	21,721,079
Revenue from sales		-	754,908	-	-
Service income from recruitment		17,551,679	-	-	-
Costs of rendering services and managing non-performing assets	33, 37.2	(269,851,632)	(241,167,120)	(42,265,702)	(53,108,370)
Cost of recruitment service	33	(7,776,491)	-	-	-
Costs of goods sold	33	-	(893,645)	-	-
Gross profit		1,249,444,070	757,145,399	163,520,272	114,594,039
Other income	32, 37.4	13,026,204	8,379,015	406,621,417	266,839,645
Gains on disposal of foreclosed assets		88,682,858	49,523,535	-	-
Administrative expenses	33	(119,907,092)	(86,644,081)	(65,228,447)	(56,138,636)
Expected credit loss		(406,938,335)	(218,932,467)	(119,852,898)	(65,898,142)
Finance costs	34	(254,178,236)	(159,898,325)	(244,660,502)	(153,689,392)
Profit before income tax		570,129,469	349,573,076	140,399,842	105,707,514
Income tax expense	35	(121,297,494)	(75,113,173)	(1,888,436)	(7,728,765)
Profit for the year		448,831,975	274,459,903	138,511,406	97,978,749
Other comprehensive expense:					
Items that will not be reclassified to profit or loss					
Remeasurements of post-employment benefit obligations	27	(972,721)	-	(875,833)	-
Income tax on items that will not be reclassified to profit or loss	35	194,545	-	175,167	-
Other comprehensive expense for the year, net of tax		(778,176)	-	(700,666)	-
Total comprehensive income for the year		448,053,799	274,459,903	137,810,740	97,978,749

The accompanying notes are an integral part of these consolidated and separate financial statements.

	Notes	Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022
		Baht	Baht	Baht	Baht
Profit attributable to:					
Owners of the parent		391,142,675	251,199,502	138,511,406	97,978,749
Non-controlling interests		57,689,300	23,260,401	-	-
		448,831,975	274,459,903	138,511,406	97,978,749
Total comprehensive income attributable to:					
Owners of the parent		390,495,444	251,199,502	137,810,740	97,978,749
Non-controlling interests		57,558,355	23,260,401	-	-
		448,053,799	274,459,903	137,810,740	97,978,749
Earnings per share	36				
Weighted-average ordinary shares (shares)		1,137,190,272	1,129,607,107	1,137,190,272	1,129,607,107
Basic earnings per share (Baht per share)		0.3440	0.2224	0.1218	0.0867
Diluted earnings per share (Baht per share)		0.3440	0.2154	0.1218	0.0840

Consolidated financial statements															
Attributable to owners of the parent															
Notes	Issued and paid-up share capital Baht	Share premium, net Baht	Discount from business combinations under common control		Capital reserve for share-based payment transactions Baht	Transaction cost from increase of subsidiaries' equity Baht		Shares to be issued Baht	Retained earnings		Discount from change in ownership interests in subsidiaries		Total owners of the parent Baht	Non-controlling interests Baht	Total equity Baht
			Baht	Baht		Baht	Baht		Baht	Baht	Baht	Baht			
Opening balance as at 1 January 2023 (restated)	533,195,072	1,701,411,155	(9,678,120)	1,258,688	(3,885,750)	13,326,800	22,421,912	699,622,455	-	2,957,672,212	892,820,937	3,850,493,149			
Changes in equity for the year															
Subsidiary's ordinary shares issued	-	-	-	-	-	-	-	-	-	-	-	-	35,937,500	-	35,937,500
Legal reserve	-	-	-	-	-	-	6,925,571	(6,925,571)	-	-	-	-	-	-	-
Stock dividend	35,400,064	-	-	-	-	(13,326,800)	-	(22,073,264)	-	-	-	-	-	-	-
Dividend	-	-	-	-	-	-	-	(2,459,288)	-	(2,459,288)	-	-	(50,501,637)	-	(52,960,925)
Increase from capital reserve for share-based payment transaction	-	-	-	1,995,062	-	-	-	-	-	1,995,062	-	-	-	-	1,995,062
Change in ownership interest in subsidiaries	-	-	-	-	-	-	-	-	-	(925,521)	12,931,145	12,005,624	-	-	12,005,624
Total comprehensive income for the year	-	-	-	-	-	-	-	390,495,444	-	390,495,444	57,558,355	448,053,799	-	-	448,053,799
Closing balance as at 31 December 2023	568,595,136	1,701,411,155	(9,678,120)	3,253,750	(3,885,750)	-	29,347,483	1,058,659,776	(925,521)	3,346,777,909	948,746,300	4,295,524,209			4,295,524,209
Opening balance as at 1 January 2022 (restated)	480,975,134	1,522,611,805	(9,678,120)	-	(3,885,750)	108,733,482	17,522,975	487,013,366	-	2,603,292,892	871,010,536	3,474,303,428			
Changes in equity for the year															
Change in ownership interest in subsidiaries	-	-	-	-	-	-	-	-	-	-	(1,450,000)	(1,450,000)	-	-	(1,450,000)
Exercised warrants	18,914,767	178,799,350	-	-	-	(92,417,459)	-	-	-	105,296,658	-	105,296,658	-	-	105,296,658
Legal reserve	-	-	-	-	-	-	4,898,937	(4,898,937)	-	-	-	-	-	-	-
Stock dividend	33,305,171	-	-	-	-	(2,989,223)	-	(30,315,948)	-	-	-	-	-	-	-
Dividend	-	-	-	-	-	-	-	(3,375,528)	-	(3,375,528)	-	-	-	-	(3,375,528)
Increase from capital reserve for share-based payment transaction	-	-	-	1,258,688	-	-	-	-	-	1,258,688	-	-	-	-	1,258,688
Total comprehensive income for the year	-	-	-	-	-	-	-	251,199,502	-	251,199,502	23,260,401	274,459,903	-	-	274,459,903
Closing balance as at 31 December 2022 (restated)	533,195,072	1,701,411,155	(9,678,120)	1,258,688	(3,885,750)	13,326,800	22,421,912	699,622,455	-	2,957,672,212	892,820,937	3,850,493,149			3,850,493,149

The accompanying notes are an integral part of these consolidated and separate financial statements.

		Separate financial statements						
		Notes	Issued and paid-up share capital	Share premium, net	Shares to be issued	Retained earnings		Total equity
						Baht	Baht	
Opening balance as at 1 January 2023 (restated)			533,195,072	1,701,411,155	13,326,800	22,421,912	166,090,008	2,436,444,947
Changes in equity for the year								
Legal reserve	29	-	-	-	-	6,925,571	(6,925,571)	-
Stock dividend	28, 30	35,400,064	-	-	(13,326,800)	-	(22,073,264)	-
Dividend	30	-	-	-	-	-	(2,459,288)	(2,459,288)
Total comprehensive income for the year		-	-	-	-	-	137,810,740	137,810,740
Closing balance as at 31 December 2023			568,595,136	1,701,411,155	-	29,347,483	272,442,625	2,571,796,399
Opening balance as at 1 January 2022 (restated)		4	480,975,134	1,522,611,805	108,733,482	17,522,975	106,701,672	2,236,545,068
Changes in equity for the year								
Exercised warrants		18,914,767	178,799,350	(92,417,459)	-	-	-	105,296,658
Legal reserve	29	-	-	-	-	4,898,937	(4,898,937)	-
Stock dividend	28, 30	33,305,171	-	-	(2,989,223)	-	(30,315,948)	-
Dividend	30	-	-	-	-	-	(3,375,528)	(3,375,528)
Total comprehensive income for the year		-	-	-	-	-	97,978,749	97,978,749
Closing balance as at 31 December 2022 (restated)			533,195,072	1,701,411,155	13,326,800	22,421,912	166,090,008	2,436,444,947

The accompanying notes are an integral part of these consolidated and separate financial statements.

	Notes	Consolidated		Separate	
		financial statements		financial statements	
		Reclassified		Reclassified	
		2023	2022	2023	2022
		Baht	Baht	Baht	Baht
Cash flows from operating activities					
Profit before income tax		570,129,469	349,573,076	140,399,842	105,707,514
Adjustments:					
Depreciation and amortisation	19 , 21, 22, 23	10,993,042	8,791,338	7,323,651	5,521,983
Expected credit loss		406,938,335	218,932,467	119,852,898	65,898,142
Impairment charge on property, plant and equipments	21	2,066,119	-	10,746	-
(Gain) loss on disposal of property, plant and equipments	32	3,827	(92)	-	-
Gains on disposal of foreclosed assets		(88,682,858)	(49,523,535)	-	-
(Gain) loss on lease termination		(207,780)	-	-	-
Gains on sales of investment in subsidiaries		-	-	(3,384,375)	
Employee benefit expenses	27	826,478	874,328	287,675	560,894
Non-cash employee benefits expense – share-based payments		1,995,062	1,258,688	1,528,407	1,184,195
Dividend income	32, 37.4	-	-	(120,969,462)	(80,000,000)
Interest income	31	(1,475,804,803)	(963,417,268)	(182,223,955)	(145,981,330)
Other interest income	32	(8,635,352)	(3,457,479)	(247,880,607)	(149,299,194)
Finance costs	34	254,178,236	159,898,325	244,660,502	153,689,392
Changes in working capital:					
Trade and other receivables		(34,695,015)	23,191,592	3,435,884	20,683,975
Inventory		-	1,087,723	-	-
Deposit for purchasing loans to non-performing assets		(43,205,977)	(9,631,066)	183,645	(233,645)
Loan receivables		(439,881,143)	(293,742,911)	-	-
Other current assets		(9,622,801)	(3,265,237)	(6,552,333)	(2,880,415)
Loans to non-performing assets		(1,443,976,615)	(1,723,984,092)	(145,950,047)	(54,284,166)
Foreclosed assets		158,206,065	51,503,382	-	-
Other non-current assets		5,234,299	1,184,000	90,699	(201,000)
Trade and other payables		19,000,153	16,515,015	(8,319,237)	20,893,578
Other current liabilities	4	22,111,099	3,008,901	15,232,596	236,845
Employee benefit obligations		-	(5,579,333)	-	(5,579,333)
Other non-current liabilities	4	(12,384,751)	12,293,751	(13,741,439)	12,383,751
Cash used in operating activities		(2,105,414,911)	(2,204,488,427)	(196,014,910)	(51,698,814)
Other interest received		6,263,512	3,418,968	18,128,416	9,106,348
Interest received		465,822,964	344,121,324	48,452,929	46,457,804
Interest paid		(252,633,390)	(171,077,265)	(242,466,143)	(164,900,759)
Income tax paid		(17,961,178)	(11,445,833)	(1,870,640)	(152,706)
Net cash used in operating activities		(1,903,923,003)	(2,039,471,233)	(373,770,348)	(161,188,127)

The accompanying notes are an integral part of these consolidated and separate financial statements.

		Consolidated		Separate	
		financial statements		financial statements	
		Reclassified		Reclassified	
		2023	2022	2023	2022
Notes		Baht	Baht	Baht	Baht
Cash flows from investing activities					
		(7,147,998)	(2,000,000)	-	(500,000)
Increase in restricted deposits at financial institutions					
Dividends received	37.4	-	-	101,507,750	80,000,000
Payments on loans to related parties	4, 37.6	-	-	(897,000,000)	(1,920,000,000)
Proceeds from loans to related parties	4, 37.6	-	-	268,000,000	805,000,000
Purchases of property, plant and equipment	21	(22,360,607)	(11,026,104)	(19,591,350)	(10,755,843)
Proceeds from property, plant and equipment		-	93	-	-
Purchases of investment properties	19	-	-	(7,500)	-
Purchases of intangible assets	23	(1,664,000)	(432,000)	(114,000)	(432,000)
Payments on financial assets measured at amortised cost		-	(200,000)	-	(200,000)
Payments on investments in subsidiaries	18	-	-	(89,062,500)	(881,450,000)
Payments for acquisition in a subsidiary's ownership interest		-	(1,450,000)	-	-
Proceeds from lease		-	-	164,828	-
Net cash used in investing activities		(31,172,605)	(15,108,011)	(636,102,772)	(1,928,337,843)
Cash flows from financing activities					
		150,000,000	120,000,000	-	70,000,000
Proceeds from long-term borrowings from financial institutions	25				
Repayments of long-term borrowings from financial institutions	25	(33,160,810)	(59,190,219)	(20,040,000)	(33,340,000)
Proceeds from short-term borrowings from financial institutions	25	340,000,000	110,000,000	40,000,000	10,000,000
Repayments of long-term borrowings from financial institutions	25	(140,000,000)	(60,000,000)	(40,000,000)	(10,000,000)
Repayments of short-term borrowings from others		(850,000)	-	-	-
Payment for principal elements of lease payments		(3,707,170)	(2,603,874)	(2,718,802)	(1,570,396)
Proceeds on debentures	25	1,517,900,000	1,834,000,000	1,517,900,000	1,834,000,000
Payments of debentures	25	(274,614,300)	(300,000,000)	(274,614,300)	(300,000,000)
Proceeds from exercise warrants		-	105,296,658	-	105,296,658
Proceeds from issuance of ordinary shares of subsidiary		35,937,500	-	-	-
Dividends paid to shareholders	30	(3,943,486)	(3,707,161)	(3,943,486)	(3,707,161)
Dividends paid to non-controlling interests		(50,501,637)	-	-	-
Net cash generated from financing activities		1,537,060,097	1,743,795,404	1,216,583,412	1,670,679,101
Net (decrease) increase in cash and cash equivalents		(398,035,511)	(310,783,840)	206,710,292	(418,846,869)
Cash and cash equivalents at the beginning of the year		1,021,420,435	1,332,204,275	77,676,335	496,523,204
Cash and cash equivalents at the end of the year		623,384,924	1,021,420,435	284,386,627	77,676,335
Non-cash transactions:					
The significant non-cash transactions occurred during the years ended 31 December 2023 and 2022 are as follows:					
		18,736,459	126,344	8,001,979	-
Reclassify land and building from investment properties					
Purchase of property, plant, and equipment on credit	21	15,462	-	-	-
Reclassify of right-of-use assets		-	-	3,590,045	-
Termination of right-of-use assets		3,152,376	-	-	-
Acquisition of right-of-use assets		-	15,872,139	-	11,673,442
Debt settlement to foreclosed assets		75,796,878	37,199,132	-	-
Stock dividend		35,400,064	30,315,948	22,073,264	30,315,948
Dividend payable	37.4	-	-	19,461,712	-

The accompanying notes are an integral part of these consolidated and separate financial statements.

1 General information

Chayo Group Public Company Limited ("the Company") is a public company incorporated and resident in Thailand. On 13 September 2023, the Company changed the registered office's location to 44/543-544 Phahonyothin Road, Anusawaree, Bangkok, Bangkok 10220.

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

The Group is allowed to operate Asset Management Business under the Royal Enactment of Financial Institution Asset Management Corporation B.E. 2541 by Bank of Thailand on 21 March 2014 and 9 April 2021 and to provide personal loans and nano loans by Ministry of Finance on 8 February 2019.

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

These consolidated and separate financial statements were authorised for issue by the Board of Directors on 23 February 2024.

2 Basis of preparation

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

The consolidated and separate financial statements have been prepared under the historical cost convention.

The preparation of financial statements in conformity with Thai Financial Reporting Standard requires management to use certain critical accounting estimates and to exercise its judgement in applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas that are more likely to be materially adjusted due to changes in estimates and assumptions are disclosed in Note 8.

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

3 New and amended financial reporting standards

3.1 Amended financial reporting standards that are effective for accounting period beginning or after 1 January 2023 and related to the Group

- a) **Amendment to TAS 16 - Property, plant and equipment** clarified to prohibit entities from deducting from the cost of an item of PP&E any proceeds received from selling any items produced while the entity is preparing that asset for its intended use.
- b) **Amendment to TAS 37 - Provisions, contingent liabilities and contingent assets** clarified that, in considering whether a contract is onerous, the direct costs of fulfilling a contract include both the incremental costs of fulfilling the contract and an allocation of other costs directly related to fulfilling the contract. Before recognising a separate provision for an onerous contract, the entity must recognise any impairment losses that have occurred on the assets used in fulfilling the contract.
- c) **Amendment to TAS 41 Agriculture** clarified about removal of the requirement for entities to exclude cash flows for taxation when measuring fair value of biological asset.
- d) **Amendment to Thai Financial Reporting Standard 3 - Business combinations** clarified some minor amendments to update its references to the Conceptual Framework for Financial Reporting and added a consideration for the recognition of liabilities and contingent liabilities acquired from business combinations. The amendments also confirmed that contingent assets shouldn't be recognised at the acquisition date.
- e) **Amendment to Thai Financial Reporting Standard 9 - Financial Instruments** clarified which fees should be included in the 10% test for the derecognition of financial liabilities. It should only include fees between the borrower and lender.

Amended Thai Financial Reporting Standards do not have significant impact to the Group.

3.2 Amended financial reporting standards that are effective for accounting period beginning or after 1 January 2024 and related to the Group

The following amended Thai Financial Reporting Standards were not mandatory for the current reporting period and the Group has not early adopted them.

- a) **Amendment to TAS 1 - Presentation of financial statements** revised the disclosure from '*significant* accounting policies' to '*material* accounting policies'. The amendment also provides guidelines on identifying when the accounting policy information is material. Consequently, immaterial accounting policy information does not need to be disclosed. If it is disclosed, it should not obscure material accounting information.
- b) **Amendment to TAS 8 - Accounting policies, changes in accounting estimates and errors** revised to the definition of 'accounting estimates' to clarify how companies should distinguish between changes in accounting policies and changes in accounting estimates. The distinction is important because changes in accounting estimates are applied prospectively to transactions, other events and conditions from the date of that change. Whereas changes in accounting policies are generally applied retrospectively to past transactions and other past events as well as the current period as if the new accounting policy had always been applied.
- c) **Amendments to TAS 12 - Income taxes**

- c.1) Companies must recognise any deferred tax related to assets and liabilities arising from a single transaction that, on initial recognition, gives rise to equal amounts of taxable and deductible temporary differences. Example transactions are leases and decommissioning obligations.

The amendment should be applied to transactions on or after the beginning of the earliest comparative period presented. In addition, entities should recognise deferred tax assets (to the extent that they can probably be utilised) and deferred tax liabilities at the beginning of the earliest comparative period for all deductible and taxable temporary differences associated with:

- right-of-use assets and lease liabilities, and
- decommissioning, restoration and similar liabilities, and the corresponding amounts recognised as part of the cost of the related assets.

The cumulative effect of recognising these adjustments is recognised at the beginning of retained earnings or any other component of equity, as appropriate.

- c.2) Companies must apply all income taxes arising from the tax law enacted or substantively enacted to implement the Pillar Two model rules published by the Organisation for Economic Co-operation and Development (OECD), an international organisation.

In December 2021, the OECD released the Pillar Two model rules to apply the Global Anti-Base Erosion Proposal, or 'GloBE' to reform international corporate taxation. Large multinational enterprises within the rules' scope must calculate the GloBE effective tax rates for each territory in which they operate and pay a top-up tax for the differences between these and the 15% minimum rate.

In December 2023, the amendments to TAS 12 provide a temporary relief from the requirement to recognise and disclose deferred taxes arising from enacted or substantively enacted tax law that implements the Pillar Two model rules, including tax law that implements qualified domestic minimum top-up taxes described in those rules. The amendments also require affected companies to disclose:

- the fact that they have applied the exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes
- their current tax expense (if any) related to the Pillar Two income taxes, and
- during the period between the legislation being enacted or substantially enacted and the legislation becoming effective, known or reasonably estimable information that would help users of financial statements to understand an entity's exposure to Pillar Two income taxes arising from that legislation. If this information is not known or reasonably estimable, entities are instead required to disclose a statement to that effect and information about their progress in assessing the exposure.

Earlier application is permitted.

- d) **Amendment to Accounting Guidance related to financial instruments and disclosures applicable to insurance business** revised the disclosures in 'material accounting policies' to align with Amendment to TAS 1 - Presentation of financial statements.

Management is in the process of assessing the significant impact of the amended Thai Financial Reporting Standards to the Group.

3.3 Amended financial reporting standards that is effective for the accounting period beginning on or after 1 January 2025 and related to the Group

- a) **Thai Financial Reporting Standard 17 Insurance Contracts** Thai Financial Reporting Standard 17 has replaced Thai Financial Reporting Standard 4 Insurance Contracts.

Thai Financial Reporting Standard 17 does not have significant impact to the Group.

4 Impacts from reclassification of accounts

The Group and the Company has reclassified certain accounts in the financial statements for the year ended 31 December 2023. Therefore, the financial statements for the years ended 31 December 2022 and 1 January 2022 have been reclassified.

There is no effect towards retained earnings as at 31 December 2022 and profit for the year ended 31 December 2022 regarding the reclassification.

The retroactive impacts to the consolidated and separate financial statements are as follows:

		Consolidated financial statements		
		As of 31 December 2021 As previously reported Baht	Effect from reclassification Baht	As of 1 January 2022 As reclassified Baht
Statement of financial position	Notes			
Current liabilities				
Trade and other payables	A	82,438,418	(16,316,023)	66,122,395
Equity				
Share to be issued	A	92,417,459	16,316,023	108,733,482
		Consolidated financial statements		
		As of 31 December 2022 As previously reported Baht	Effect from reclassification Baht	As of 31 December 2022 As reclassified Baht
Statement of financial position	Notes			
Current liabilities				
Trade and other payables	A	95,632,577	(13,326,800)	82,305,777
Other current liabilities	B	18,783,271	(6,192,375)	12,590,896
Non-current liabilities				
Other non-current liabilities	B	1,578,095	10,836,656	12,414,751
Equity				
Capital reserve for share-based payment transactions	B	5,902,969	(4,644,281)	1,258,688
Share to be issued	A	-	13,326,800	13,326,800

Statements of Changes in Equity for the year ended 31 December 2022	Note	Consolidated financial statements		
		As previously report Baht	Effect from reclassification Baht	As reclassified Baht
Opening balance as at 1 January 2022	A	92,417,459	16,316,023	108,733,482
Share to be issued				
Statements of Cash Flow for the year ended 31 December 2022	Note	Consolidated financial statements		
		As previously report Baht	Effect from reclassification Baht	As reclassified Baht
Cash flow from operating activities				
Changes in working capital				
Other current liabilities	B	13,845,557	(10,836,656)	3,008,901
Other non-current liabilities	B	1,457,095	10,836,656	12,293,751
Statement of financial position	Notes	Separate financial statements		
		As of 31 December 2021 As previously reported Baht	Effect from reclassification Baht	As of 1 January 2022 As reclassified Baht
Current assets				
Short-term loan to related parties	C	2,093,799,900	(2,093,799,900)	-
Non-current assets				
Loan to related parties	C	-	2,093,799,900	2,093,799,900
Current liabilities				
Trade and other payables	A	36,976,721	(16,316,023)	20,660,698
Equity				
Share to be issued	A	92,417,459	16,316,023	108,733,482
Statement of financial position	Notes	Separate financial statements		
		As of 31 December 2022 As previously reported Baht	Effect from reclassification Baht	As of 31 December 2022 As reclassified Baht
Current assets				
Short-term loan to related parties	C	3,208,799,900	(3,208,799,900)	-
Non-current assets				
Loan to related parties	C	-	3,208,799,900	3,208,799,900
Current liabilities				
Trade and other payables	A	54,549,443	(13,326,800)	41,222,643
Other current liabilities	B	9,814,500	(6,192,375)	3,622,125
Non-current liabilities				
Other non-current liabilities	B	7,695,064	6,192,375	13,887,439
Equity				
Share to be issued	A	-	13,326,800	13,326,800

Statements of Changes in Equity for the year ended 31 December 2022	Note	Separate financial statements		
		As previously report Baht	Effect from reclassification Baht	As reclassified Baht
Opening balance as at 1 January 2022				
Share to be issued	A	92,417,459	16,316,023	108,733,482
Statements of Cash Flow for the year ended 31 December 2022	Note	Separate financial statements		
		As previously report Baht	Effect from reclassification Baht	As reclassified Baht
Cash flow from operating activities				
Changes in working capital				
Other current liabilities	B	11,073,501	(10,836,656)	236,845
Other non-current liabilities	B	1,547,095	10,836,656	12,383,751
Cash flow from investing activities				
Payments on short-term loans to related parties	C	(1,920,000,000)	1,920,000,000	-
Proceeds from short-term loans to related parties	C	805,000,000	(805,000,000)	-
Payments on loans to related parties	C	-	(1,920,000,000)	(1,920,000,000)
Proceeds from loans to related parties	C	-	805,000,000	805,000,000
Explanation for reclassification				
A) Reclassification for the recognition of stock dividend payable				
B) Reclassification for the recognition of share-based payment				
C) Reclassification for the recognition of short-term loan to related parties				

5 Accounting policies

5.1 Accounting for consolidation

a) Subsidiaries

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

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

b) Changes in ownership interests

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

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

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

c) **Intercompany transactions on consolidation**

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

5.2 Business combination

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

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

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

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

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

Acquisition-related cost

Acquisition-related cost are recognised as expenses.

Step-up acquisition

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

Changes in fair value of contingent consideration paid/received

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

Business combination under common control

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

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

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

5.3 Cash and cash equivalents

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

5.4 Restricted deposits

Restricted deposits mean deposits with banks with restrictions on withdrawals.

5.5 Loan receivables

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

The impairment of trade receivables is disclosed in Note 5.8 d).

5.6 Loans to non-performing assets

The Group acquires in secured and non-secured assets from financial institutions and credit facility companies from bidding for debts collection which is expected to be collected for 5 - 8 years from the acquisition date. The Group has no rights to claim the repayment from the seller when the debts cannot be collected.

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

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

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

5.7 Trade receivables

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

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

The impairment of trade receivables are disclosed in Note 5.8 d).

5.8 Financial asset

a) Classification

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

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

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

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

b) Recognition and derecognition

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

Measurement

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

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

c) Debt instruments

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

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

d) Impairment

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

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

For loan receivables, the Group applies Thai Financial Reporting Standard 9 general approach in measuring the impairment. Under the general approach, the 12-month or the lifetime expected credit loss is applied depending on whether there has been a significant increase in credit risk since the initial recognition.

The significant increase in credit risk (from initial recognition) assessment is performed every end of reporting period by comparing i) expected risk of default as of the reporting date and ii) estimated risk of default on the date of initial recognition.

The Group assesses expected credit loss by taking into consideration forward-looking information and past experiences. The expected credit loss is a probability-weighted estimate of credit losses (probability-weighted present value of estimated cash shortfall). The cash shortfall is the difference between all contractual cash flows that are due to the Group and all cash flows expected to receive, discounted at the original effective interest rate.

When measuring expected credit losses, the Group reflects the following:

- probability-weighted estimated uncollectible amounts
- time value of money; and
- supportable and reasonable information as of the reporting date about past experience, current conditions and forecasts of future situations.

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

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

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

Staging

The Group identified that the credit risk of financial assets will be increased significantly from the initial recognition date when the overdue of principle or accrued interest income has past due more than 30 days. The criteria which the Group applies is consistent with the Thai Financial Reporting Standard 9. Moreover, when the credit risk of financial assets is increased significantly, the staging of these financial assets which have a significant increase in credit risk are transferred from Stage 1 to Stage 2. The staging of these financial assets will be move back to Stage 1 once they no longer meet the criteria.

Definition of default and credit-impaired financial instruments

The Group defines a financial instrument as default or credit-impaired which is considered to have occurred when there is evidence that the customer is experiencing financial difficulty which is likely to significantly affect the ability to repay. Exposures are considered to be credit-impaired if they are past due for 90 days or more or possesses signs indicating weaknesses which are likely to impact ability to meet future financial obligations. The default definition is consistent with that used for risk management purposes. Exposures that are credit-impaired are classified as Stage 3 and could be upgraded to Stage 2 if the customer no longer meet credit impaired definition, and exposures are classified as Stage 1 if significant increase in credit risk since initial recognition is no longer significant.

e) Interest income recognition

Interest income is calculated by applying the effective interest rate to the gross carrying is applied to the amortised cost of the financial asset, except for financial assets that are not POCI but have subsequently becomes credit-impaired (a stage 3), for which interest revenue is calculated by applying the effective interest rate to their amortised cost (net of the expected credit loss provision).

5.9 Investment properties

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

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

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

All other repairs and maintenance costs are expensed when incurred.

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

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

Buildings and building improvements	20 years
-------------------------------------	----------

5.10 Foreclosed assets

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

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

5.11 Property, plant and equipment

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

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

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

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

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

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

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

5.12 Intangible assets

Computer software

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

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

5.13 Impairment of assets

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

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

5.14 Leases

Leases - where the Group is the lessee

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

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

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

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

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

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

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

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

Leases - where the Group is the lessor

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

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

5.15 Financial liabilities

a) Classification

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

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

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

b) Measurement

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

c) Derecognition and modification

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

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

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

5.16 Current and deferred income taxes

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

Current tax

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

Deferred income tax

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

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

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

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

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

5.17 Employee benefits

a) Short-term employee benefits

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

b) Defined contribution plan

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

c) Defined benefit plans

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

The defined benefit obligation is calculated every 3 year by an independent actuary using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using market yield of government bonds that matches the terms and currency of the expected cash outflows.

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

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

d) Termination benefits

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

5.18 Provisions

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

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

5.19 Share capital

Ordinary shares dividends are classified as equity.

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

5.20 Revenue recognition

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

Interest income from loans to non-performing assets is recognised using the effective interest method calculated from estimated future cash inflows. If actual cash flows from collection exceed calculated revenues, the remaining cash collection will be amortised from the value of loans to non-performing assets for each period. In the case that all investment amount is written off, the Group shall recognise cash inflows as interest income from loans to non-performing assets and recognise loss on impairment immediately when there is an indication for significant decrease in cash flows. The future cash flows from loans to non-performing assets are estimated based on the quality, type and age of debt and referred to historical records of debt collection, where the total estimation shall not over the amount of cash flows estimated by management since the purchase of the assets. It is expected that the debt collection will last 5-8 years since the date of acquired loans to non-performing assets.

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

Interest income is recognised using the effective interest method.

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

Other income is recognised using the accrual basis.

5.21 Dividend distribution

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

6 Financial risk management**6.1 Financial risk**

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

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

6.1.1 Market risk**Cash flow and fair value interest rate risk**

The Group's key financial assets and liabilities including cash and cash equivalents, restricted deposits at financial institutions, trade and other receivables, deposit for purchasing loans to non-performing assets, loan receivables, loans to non-performing assets, short-term borrowings and long-term borrowings. Most of the financial assets and liabilities bear fixed interest rates, while some financial assets and liabilities bear floating interest rates which are close to the market rate. The Group assesses that the interest rate risk is insignificant. However, the Group and the Company will use interest rate swap to management the risk when necessary.

The Group and the Company do not apply hedge accounting.

As at 31 December 2023, 31 December 2022 and 1 January 2022, financial assets and liabilities classified by types of interest rate are as follows;

Descriptions	Consolidated financial statements							
	31 December 2023							
	Fixed interest rates				Floating interest rates			
	Within 1 year Baht	1 - 5 years Baht	Over 5 years Baht	Within 1 year Baht	1 - 5 years Baht	Over 5 years Baht	Interest bearing Baht	Non- bearing Baht
Financial assets								
Cash and cash equivalents	-	-	-	563,993,228	-	-	59,391,696	623,384,924
Restricted deposits at financial institutions	-	1,840,669	-	500,000	10,153,647	-	-	12,494,316
Financial assets measured at amortised cost	7,830,443	-	-	-	-	-	-	7,830,443
Trade and other receivables	-	-	-	-	-	-	60,216,286	60,216,286
Deposit for purchasing loans to non-performing assets	-	-	-	-	-	-	124,137,869	124,137,869
Loan receivables	1,066,659,805	7,281,359	-	-	-	-	-	1,073,941,164
Loans to non-performing assets	-	7,774,367,381	-	-	-	-	-	7,774,367,381
Other financial assets	-	-	-	-	-	-	1,767,000	1,767,000
Total financial assets	1,074,490,248	7,783,489,409	-	564,493,228	10,153,647	-	245,512,851	9,678,139,383
Financial liabilities								
Short-term borrowings from financial institutions	249,550,840	-	-	-	-	-	-	249,550,840
Long-term borrowings from financial institutions	-	-	-	47,200,436	181,881,487	-	-	229,081,923
Debentures	885,790,779	3,292,264,491	-	-	-	-	-	4,178,055,270
Trade and other payables	-	-	-	-	-	-	106,332,000	106,332,000
Lease liabilities	3,501,938	8,941,934	-	-	-	-	-	12,443,872
Other financial liabilities	-	-	-	-	-	-	12,140,700	12,140,700
Total financial liabilities	1,138,843,557	3,301,206,425	-	47,200,436	181,881,487	-	118,472,700	4,787,604,605

Descriptions	Consolidated financial statements							
	31 December 2022 (Reclassified)							
	Fixed interest rates				Floating interest rates			
	Within 1 year Baht	1 - 5 years Baht	Over 5 years Baht	Within 1 year Baht	1 - 5 years Baht	Over 5 years Baht	Interest bearing Baht	Non- bearing Baht
Financial assets								
Cash and cash equivalents	-	-	-	879,237,346	-	-	142,183,089	1,021,420,435
Restricted deposits at financial institutions	-	2,443,640	-	500,000	2,398,976	-	-	5,342,616
Financial assets measured at amortised cost	7,797,790	-	-	-	-	-	-	7,797,790
Trade and other receivables	-	-	-	-	-	-	23,185,919	23,185,919
Deposit for purchasing loans to non-performing assets	-	-	-	-	-	-	80,931,892	80,931,892
Loan receivables	646,414,334	2,584,794	-	-	-	-	-	648,999,128
Loans to non-performing assets	-	5,413,237,186	-	-	-	-	-	5,413,237,186
Other financial assets	-	-	-	-	-	-	2,242,546	2,242,546
Total financial assets	654,212,124	5,418,265,620	-	879,737,346	2,398,976	-	248,543,446	7,203,157,512
Financial liabilities								
Short-term borrowings from financial institutions	50,000,000	-	-	-	-	-	-	50,000,000
Short-term loans from others	850,000	-	-	-	-	-	-	850,000
Long-term borrowings from financial institutions	-	-	-	31,949,782	80,387,272	-	-	112,337,054
Debentures	-	2,939,176,049	-	-	-	-	-	2,939,176,049
Trade and other payables	-	-	-	-	-	-	82,305,777	82,305,777
Lease liabilities	3,986,095	15,525,103	-	-	-	-	-	19,511,198
Other financial liabilities	-	-	-	-	-	-	16,480,169	16,480,169
Total financial liabilities	54,836,095	2,954,701,152	-	31,949,782	80,387,272	-	98,785,946	3,220,660,247

Consolidated financial statements								
1 January 2022 (Reclassified)								
Descriptions	Fixed interest rates			Floating interest rates				Non- Interest bearing Baht
	Within 1 year Baht	1 - 5 years Baht	Over 5 years Baht	Within 1 year Baht	1 - 5 years Baht	Over 5 years Baht	Total Baht	
Financial assets								
Cash and cash equivalents	300,751	-	-	1,255,338,337	-	-	1,332,204,275	
Restricted deposits at financial institutions	-	8,915,080	-	500,000	-	-	9,415,080	
Financial assets measured at amortised cost	1,486,883	-	-	-	-	-	1,486,883	
Trade and other receivables	-	-	-	-	-	-	46,377,511	
Deposit for purchasing loans to non-performing assets	-	-	-	-	-	-	71,300,826	
Loan receivables	335,911,933	2,756,189	-	-	-	-	338,668,122	
Loans to non-performing assets	-	3,123,785,001	-	-	-	-	3,123,785,001	
Other financial assets	-	-	-	-	-	-	2,962,325	
Total financial assets	337,699,567	3,135,456,270	-	1,255,838,337	-	-	4,926,200,023	
Financial liabilities								
Short-term loans from others	850,000	-	-	-	-	-	850,000	
Long-term borrowings from financial institutions	-	-	-	28,757,975	22,707,614	-	51,465,589	
Debentures	298,132,847	1,118,283,827	-	-	-	-	1,416,416,674	
Trade and other payables	-	-	-	-	-	-	66,122,395	
Lease liabilities	1,133,149	5,109,783	-	-	-	-	6,242,932	
Other financial liabilities	-	-	-	-	-	-	4,974,700	
Total financial liabilities	300,115,996	1,123,393,610	-	28,757,975	22,707,614	-	71,097,095	
							1,546,072,290	

Separate financial statements									
31 December 2023									
Descriptions	Fixed interest rates					Floating interest rates			
	Within 1 year Baht	1 - 5 years Baht	Over 5 years Baht	Within 1 year Baht	1 - 5 years Baht	Over 5 years Baht	Interest bearing Baht	Non- bearing Baht	Total Baht
Financial assets									
Cash and cash equivalents	-	-	-	281,446,695	-	-	-	2,939,932	284,386,627
Restricted deposits at financial institutions	-	1,840,669	-	500,000	700,000	-	-	-	3,040,669
Financial assets measured at amortised cost	1,117,276	-	-	-	-	-	-	-	1,117,276
Trade and other receivables	-	-	-	-	-	-	-	-	539,499,184
Loans to related parties	-	-	3,837,799,900	-	-	-	539,499,184	-	3,837,799,900
Lease receivables	550,315	2,874,902	-	-	-	-	-	-	3,425,217
Deposit for purchasing loans to non-performing assets	-	-	-	-	-	-	-	50,000	50,000
Loans to non-performing assets	-	807,039,564	-	-	-	-	-	-	807,039,564
Other financial assets	-	-	-	-	-	-	-	873,000	873,000
Total financial assets	1,667,591	811,755,135	3,837,799,900	281,946,695	700,000	-	543,362,116	-	5,477,231,437
Financial liabilities									
Long-term borrowings from financial institutions	-	-	-	19,973,137	26,491,764	-	-	-	46,464,901
Debentures	885,790,779	3,292,264,491	-	-	-	-	-	-	4,178,055,270
Trade and other payables	-	-	-	-	-	-	37,954,814	-	37,954,814
Lease liabilities	2,858,716	8,264,055	-	-	-	-	-	-	11,122,771
Other financial liabilities	-	-	-	-	-	-	2,923,700	-	2,923,700
Total financial liabilities	888,649,495	3,300,528,546	-	19,973,137	26,491,764	-	40,878,514	-	4,276,521,456

Descriptions	Separate financial statements									
	31 December 2022 (Reclassified)									
	Fixed interest rates					Floating interest rates				
	Within 1 year Baht	1 - 5 years Baht	Over 5 years Baht	Within 1 year Baht	1 - 5 years Baht	Over 5 years Baht	Interest bearing Baht	Non- bearing Baht	Total Baht	
Financial assets										
Cash and cash equivalents	-	-	-	74,264,191	-	-	3,412,144	-	77,676,335	
Restricted deposits at financial institutions	-	1,837,515	-	500,000	700,000	-	-	-	3,037,515	
Financial assets measured at amortised cost	1,109,110	-	-	-	-	-	-	-	1,109,110	
Trade and other receivables	-	-	-	-	-	-	293,732,594	-	293,732,594	
Loans to related parties	3,208,799,900	-	-	-	-	-	-	-	3,208,799,900	
Deposit for purchasing loans to non-performing assets	-	-	-	-	-	-	233,645	-	233,645	
Loans to non-performing assets	-	527,318,491	-	-	-	-	-	-	527,318,491	
Other financial assets	-	-	-	-	-	-	1,196,546	-	1,196,546	
Total financial assets	3,209,909,010	529,156,006	-	74,764,191	700,000	-	298,574,929	-	4,113,104,136	
Financial liabilities										
Long-term borrowings from financial institutions	-	-	-	19,974,768	46,464,901	-	-	-	66,439,669	
Debentures	-	2,939,176,049	-	-	-	-	-	-	2,939,176,049	
Trade and other payables	-	-	-	-	-	-	41,222,643	-	41,222,643	
Lease liabilities	2,718,803	11,122,770	-	-	-	-	-	-	13,841,573	
Other financial liabilities	-	-	-	-	-	-	10,756,669	-	10,756,669	
Total financial liabilities	2,718,803	2,950,298,819	-	19,974,768	46,464,901	-	51,979,312	-	3,071,436,603	

Separate financial statements									
1 January 2022 (Reclassified)									
Descriptions	Fixed interest rates					Floating interest rates			
	Within 1 year Baht	1 - 5 years Baht	Over 5 years Baht	Within 1 year Baht	1 - 5 years Baht	Over 5 years Baht	Interest bearing Baht	Non- bearing Baht	Total Baht
Financial assets									
Cash and cash equivalents	-	-	-	492,320,092	-	-	-	4,203,112	496,523,204
Restricted deposits at financial institutions	-	1,725,208	-	500,000	-	-	-	-	2,225,208
Financial assets measured at amortised cost	1,216,818	-	-	-	-	-	-	-	1,216,818
Trade and other receivables	-	-	-	-	-	-	174,228,369	-	174,228,369
Loans to related parties	2,093,799,900	-	-	-	-	-	-	-	2,093,799,900
Loans to non-performing assets	-	373,510,799	-	-	-	-	-	-	373,510,799
Other financial assets	-	-	-	-	-	-	-	716,500	716,500
Total financial assets	2,095,016,718	375,236,007	-	492,820,092	-	-	179,147,981	-	3,142,220,798
Financial liabilities									
Long-term borrowings from financial institutions	-	-	-	19,990,000	9,760,411	-	-	-	29,750,411
Debentures	298,132,847	1,118,283,827	-	-	-	-	-	-	1,416,416,674
Trade and other payables	-	-	-	-	-	-	20,660,698	-	20,660,698
Lease liabilities	567,760	3,170,767	-	-	-	-	-	-	3,738,527
Other financial liabilities	-	-	-	-	-	-	1,938,200	-	1,938,200
Total financial liabilities	298,700,607	1,121,454,594	-	19,990,000	9,760,411	-	22,598,898	-	1,472,504,510

6.1.2 Credit risk

Credit risk arises from cash and cash equivalents, contractual cash flows of debt instruments carried at a) amortised cost, b) at fair value through other comprehensive income (FVOCI) and c) at fair value through profit or loss (FVPL), favourable derivative financial instruments and deposits with banks and financial institutions, as well as credit exposures to customers, including outstanding receivables.

a) Risk management

Credit risk is managed on a group basis. For banks and financial institutions, only independently rated parties are accepted.

If customers are independently rated, these ratings are used. Otherwise, if there is no independent rating, risk control assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the board. The compliance with credit limits by customers is regularly monitored by line management.

For derivative financial instruments, management has established limits so that, at any time, less than 10% of the fair value of favourable contracts outstanding are with any individual counterparty.

The Group's investments in debt instruments are considered to be low risk investments. The credit ratings of the investments are monitored for credit deterioration.

b) Security

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

c) Impairment of financial assets

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

- Cash and cash equivalents
- Restricted deposits at financial institutions
- Financial assets measured at amortised cost
- Trade and other receivables
- Loans to related parties
- Deposit for purchasing loans to non-performing assets
- Loan receivables and;
- Loans to non-performing assets

While financial assets are also subject to the impairment requirements of Thai Financial Reporting Standard 9, the identified impairment loss was immaterial except loan receivables and loans to non-performing assets.

Loan receivables

The Group applies general approach to measure expected credit losses. The Group always accounts for expected credit losses which involves a three-stage expected credit loss impairment model. The stage dictates how the entity measures impairment losses and applies the effective interest rate method. In which, the three-stage expected credit loss impairment will be as the following stages:

- Stage 1 - from initial recognition of a financial assets to the date on which the credit risk of the asset has not increased significantly relative to its initial recognition, a loss allowance is recognised equal to the credit losses expected to result from defaults occurring over the next 12 months.
- Stage 2 - following a significant increase in credit risk relative to the initial recognition of the financial assets, a loss allowance is recognised equal to the credit losses expected over the remaining life of the asset.
- Stage 3 - when a financial asset is considered to be credit-impaired, a loss allowance equal to full lifetime expected credit losses is to be recognised.

The expected credit loss (ECL) is measured on either a 12-month or lifetime basis depending on whether a significant increase in credit risk has occurred since initial recognition or whether an asset is considered to be credit-impaired. Expected credit loss is the discounted product of the probability of default (PD), loss given default (LGD), and exposure at default (EAD), defined as follows:

- Probability of default (PD) represents the likelihood of a borrower defaulting on its financial obligation (as per definition of default and credit-impaired), either over the next 12 months (12-month PD) or over the remaining lifetime (lifetime PD) of the obligation.
- Exposure at default (EAD) is based on the amounts that the Group expects to be owed at the time of default, over the next 12 months (12-month EAD) or over the remaining lifetime (lifetime EAD).
- Loss given default (LGD) represents the Group's expectation of the extent of the loss on a defaulted exposure. LGD varies by type of counterparty, type and seniority of claim and availability of collateral or other credit support. LGD is expressed as a percentage loss per unit of exposure at the time of default (EAD). LGD is calculated on a 12-month or lifetime basis.

The expected credit loss is determined by projecting the PD, LGD, and EAD for each future month and for each individual exposure or collective segment. These three components are multiplied together. This effectively calculates an ECL for future, which is then discounted back to the reporting date and summed. The discount rate used in the ECL calculation is the original effective interest rate or an approximation thereof. The 12-month and lifetime EADs are determined based on the expected payment profile.

Impairment losses on loan receivables are presented as net impairment losses within operating profit. Subsequent recoveries of amounts previously written off are credited against the same line item.

Loans to non-performing assets

The Group and the Company write-off loans to non-performing assets when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Group, a failure to make contractual payments.

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

The reconciliations of loss allowances for trade receivables and loans to non-performing assets for the years ended 31 December 2023 and 2022 are as follows:

	Consolidated financial statements			
	Loss allowance measured at amount equal to			
	12 months expected credit losses Baht	Lifetime Expected credit losses Baht	Lifetime expected credit losses (credit-impaired financial assets) Baht	Total Baht
As of 1 January 2022	72,766	-	267,796,989	267,869,755
Increase in loss allowance recognised in profit or loss during the year	20,090	25,996	218,886,381	218,932,467
Less Closes account from debt settlement to foreclosed assets	-	-	(40,624)	(40,624)
As of 31 December 2022	92,856	25,996	486,642,746	486,761,598
As of 31 December 2023	92,856	25,996	486,642,746	486,761,598
Increase in loss allowance recognised in profit or loss during the year	1,517,821	237,664	406,535,430	408,290,915
Less Closes account from debt settlement to foreclosed assets	-	-	(2,448,068)	(2,448,068)
As of 31 December 2023	1,610,677	263,660	890,730,108	892,604,445

	Separate financial statements			Total Baht
	Loss allowance measured at amount equal to			
	12 months expected credit losses Baht	Lifetime Expected credit losses Baht	Lifetime expected credit losses (credit-impaired financial assets) Baht	
As of 1 January 2022	-	-	39,007,814	39,007,814
Increase in loss allowance recognised in profit or loss during the year	-	-	65,898,142	65,898,142
As of 31 December 2022	-	-	104,905,956	104,905,956
As of 1 January 2023	-	-	104,905,956	104,905,956
Increase in loss allowance recognised in profit or loss during the year	-	-	119,852,898	119,852,898
As of 31 December 2023	-	-	224,758,854	224,758,854

6.1.3 Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. At the end of the reporting period the Group held deposits at call of Baht 623,384,924 (2022: Baht 1,021,420,435) that are expected to readily generate cash inflows for managing liquidity risk.

Due to the dynamic nature of the underlying businesses, the Group Treasury maintains flexibility in funding by maintaining availability under committed credit lines.

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

a) Financing arrangements

The Group and the Company have access to the following undrawn credit facilities as at 31 December 2023 and 2022 as follows:

	Consolidated financial statements		Separate financial statements	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
Floating rate				
Expiring within one year				
- Bank loans	-	30,000,000	-	30,000,000
	-	30,000,000	-	30,000,000

b) Maturity of financial liabilities

The tables below analyse the Group's financial liabilities into relevant maturity groupings based on their contractual maturities for all non-derivative financial liabilities.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months of some financial liabilities equal their carrying balances as the impact of discounting is not significant.

31 December 2023

Financial liabilities

Short-term borrowings from a financial institution	-	250,000,000	-	250,000,000
Long-term borrowings from a financial institution	-	47,382,509	194,672,506	242,055,015
Debentures	-	889,485,700	3,545,930,068	4,435,415,768
Trade and other payables	-	106,332,000	-	106,332,000
Lease liabilities	-	4,035,876	9,693,619	13,729,495
Other financial liabilities	12,140,700	-	-	12,140,700

Total

31 December 2022 (Reclassified)

Financial liabilities

Short-term borrowings from a financial institution	-	50,000,000	-	50,000,000
Short-term borrowings from others	850,000	-	-	850,000
Long-term borrowings from a financial institution	-	32,040,000	80,620,000	112,660,000
Debentures	-	-	2,964,100,000	2,964,100,000
Trade and other payables	-	82,305,777	-	82,305,777
Lease liabilities	-	4,865,876	17,159,495	22,025,371
Other financial liabilities	16,480,169	-	-	16,480,169

Total

1 January 2022 (Reclassified)

Financial liabilities

Short-term borrowings from others	850,000	-	-	850,000
Long-term borrowings from a financial institution	-	28,904,219	22,946,000	51,850,219
Debentures	-	300,000,000	1,130,100,000	1,430,100,000
Trade and other payables	-	66,122,395	-	66,122,395
Lease liabilities	-	1,679,665	5,169,371	6,849,036
Other financial liabilities	4,974,700	-	-	4,974,700

Total

31 December 2023

Financial liabilities

Long-term borrowings from a financial institution	-	20,040,000	27,847,907	47,887,907
Debentures	-	889,485,700	3,545,930,068	4,435,415,768
Trade and other payables	-	37,954,814	-	37,954,814
Lease liabilities	-	3,350,664	8,998,888	12,349,552
Other financial liabilities	2,923,700	-	-	2,923,700

Total

31 December 2022 (Reclassified)

Financial liabilities

Long-term borrowings from a financial institution	-	20,040,000	46,620,000	66,660,000
Debentures	-	-	2,964,100,000	2,964,100,000
Trade and other payables	-	41,222,643	-	41,222,643
Lease liabilities	-	3,350,664	12,349,552	15,700,216
Other financial liabilities	10,756,669	-	-	10,756,669

Total

Consolidated financial statements			
On demand Baht	Within 1 year Baht	1 - 5 years Baht	Total Baht
-	250,000,000	-	250,000,000
-	47,382,509	194,672,506	242,055,015
-	889,485,700	3,545,930,068	4,435,415,768
-	106,332,000	-	106,332,000
-	4,035,876	9,693,619	13,729,495
12,140,700	-	-	12,140,700
12,140,700	1,297,236,085	3,750,296,193	5,059,672,978

Consolidated financial statements			
On demand Baht	Within 1 year Baht	1 - 5 years Baht	Total Baht
-	50,000,000	-	50,000,000
850,000	-	-	850,000
-	32,040,000	80,620,000	112,660,000
-	-	2,964,100,000	2,964,100,000
-	82,305,777	-	82,305,777
-	4,865,876	17,159,495	22,025,371
16,480,169	-	-	16,480,169
17,330,169	169,211,653	3,061,879,495	3,248,421,317

Consolidated financial statements			
On demand Baht	Within 1 year Baht	1 - 5 years Baht	Total Baht
850,000	-	-	850,000
-	28,904,219	22,946,000	51,850,219
-	300,000,000	1,130,100,000	1,430,100,000
-	66,122,395	-	66,122,395
-	1,679,665	5,169,371	6,849,036
4,974,700	-	-	4,974,700
5,824,700	396,706,279	1,158,215,371	1,560,746,350

Separate financial statements			
On demand Baht	Within 1 year Baht	1 - 5 years Baht	Total Baht
-	20,040,000	27,847,907	47,887,907
-	889,485,700	3,545,930,068	4,435,415,768
-	37,954,814	-	37,954,814
-	3,350,664	8,998,888	12,349,552
2,923,700	-	-	2,923,700
2,923,700	950,831,178	3,582,776,863	4,536,531,741

Separate financial statements			
On demand Baht	Within 1 year Baht	1 - 5 years Baht	Total Baht
-	20,040,000	46,620,000	66,660,000
-	-	2,964,100,000	2,964,100,000
-	41,222,643	-	41,222,643
-	3,350,664	12,349,552	15,700,216
10,756,669	-	-	10,756,669
10,756,669	64,613,307	3,023,069,552	3,098,439,528

1 January 2022 (Reclassified)	Separate financial statements			
	On demand Baht	Within 1 year Baht	1 - 5 years Baht	Total Baht
Financial liabilities				
Long-term borrowings from a financial institution	-	20,040,000	9,960,000	30,000,000
Debentures	-	300,000,000	1,130,100,000	1,430,100,000
Trade and other payables	-	20,660,698	-	20,660,698
Lease liabilities	-	1,028,442	3,104,216	4,132,658
Other financial liabilities	1,938,200	-	-	1,938,200
Total	1,938,200	341,729,140	1,143,164,216	1,486,831,556

6.2 Capital management

6.2.1 Risk management

The Group's objectives when managing capital are to:

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

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

Consistent with others in the industry, the Group monitors capital based on the basis of the debt to equity and net interest bearing debt to equity ratios.

The Group and the Company have net debt and net interest bearing debt to equity ratio as at 31 December 2023, 31 December 2022 and 1 January 2022 as follows:

	Consolidated financial statements			Separate financial statements		
	31 December 2023 Baht	Reclassified 31 December 2022 Baht	Reclassified 1 January 2022 Baht	31 December 2023 Baht	Reclassified 31 December 2022 Baht	Reclassified 1 January 2022 Baht
Total debt	5,035,887,564	3,352,876,427	1,615,573,197	4,293,958,295	3,090,048,264	1,483,497,736
Equity (including non- controlling interests)	4,295,524,209	3,850,493,149	3,474,303,428	2,571,796,399	2,436,444,947	2,236,545,068
Debt to equity ratio (%)	117.24	87.08	46.50	166.96	126.83	66.33

	Consolidated financial statements		Separate financial statements	
	2023 Baht	Reclassified 2022 Baht	2023 Baht	Reclassified 2022 Baht
Net interest bearing debt	4,669,131,905	3,121,874,301	4,235,642,942	3,019,457,291
Equity (including non-controlling interests)	4,295,524,209	3,850,493,149	2,571,796,399	2,436,444,947
Net interest bearing debt to equity ratio (%)	108.70	81.08	164.70	123.93

The net debt to equity ratio increased from 87.08% to 117.24% and net interest bearing debt increased from 81.08% to 108.70% as the Group issued new debentures.

Loan covenants

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

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

The Group has complied with these covenants throughout the reporting period. As at 31 December 2023, the ratio of debt to equity ratio was 117.24% (2022: 87.50%).

Debenture covenants

Under the terms of the debenture, the Group is required to comply with the following financial covenants:

- Net interest bearing debt to equity ratio must be not more than 2.5:1

The Group has complied with these covenants throughout the reporting period. As at 31 December 2023, the net interest bearing debt to equity ratio was 108.70% (2022: 81.08%).

7 Fair value

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

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

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

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

The fair value measurement of financial assets and liabilities comply with the accounting policy which disclose on Notes 5.8 and 5.15.

The following table presents financial assets and liabilities that are measured at amortised cost.

	Consolidated financial statements											
	Level 1			Level 2			Level 3			Total		
	Reclassified 31 December 2023	Reclassified 31 December 2022	Reclassified 1 January 2022	Reclassified 31 December 2023	Reclassified 31 December 2022	Reclassified 1 January 2022	Reclassified 31 December 2023	Reclassified 31 December 2022	Reclassified 1 January 2022	Reclassified 31 December 2023	Reclassified 31 December 2022	Reclassified 1 January 2022
	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht
Financial assets												
Cash and cash equivalents	623,384,924	1,021,420,435	1,332,204,275	-	-	-	-	-	-	623,384,924	1,021,420,435	1,332,204,275
Restricted deposits	12,494,316	5,342,616	9,415,080	-	-	-	-	-	-	12,494,316	5,342,616	9,415,080
Financial assets measured at amortised cost	7,830,443	7,797,790	1,486,883	-	-	-	-	-	-	7,830,443	7,797,790	1,486,883
Trade and other receivables	-	-	-	60,216,286	23,185,919	46,377,511	-	-	-	60,216,286	23,185,919	46,377,511
Deposit for purchasing loan to non-performing assets	-	-	-	124,137,869	80,931,892	71,300,826	-	-	-	124,137,869	80,931,892	71,300,826
Loan receivables	-	-	-	-	-	-	647,415,476	338,595,356	338,595,356	1,059,548,199	647,415,476	338,595,356
Loans to non-performing assets	-	-	-	-	-	-	4,928,059,240	2,855,988,012	2,855,988,012	6,896,155,901	4,928,059,240	2,855,988,012
Other financial assets	-	-	-	1,767,000	2,242,546	2,962,325	-	-	-	1,767,000	2,242,546	2,962,325
Total	643,709,683	1,034,560,841	1,343,106,238	186,121,155	106,360,357	120,640,662	5,575,474,716	3,194,583,368	8,785,534,938	6,716,395,914	4,658,330,268	
Financial liabilities												
Short-term borrowings from financial institutions	-	-	-	249,550,840	50,000,000	-	-	-	-	249,550,840	50,000,000	-
Short-term borrowing from others	-	-	-	-	850,000	850,000	-	-	-	-	850,000	850,000
Long-term borrowings from financial institutions	-	-	-	229,081,923	112,337,054	51,465,589	-	-	-	229,081,923	112,337,054	51,465,589
Debentures	-	-	-	4,122,421,505	2,934,791,767	1,414,575,726	-	-	-	4,122,421,505	2,934,791,767	1,414,575,726
Trade and other payables	-	-	-	106,332,000	82,305,777	66,122,395	-	-	-	106,332,000	82,305,777	66,122,395
Lease liabilities	-	-	-	12,443,872	19,511,198	6,242,932	-	-	-	12,443,872	19,511,198	6,242,932
Other financial liabilities	-	-	-	12,140,700	16,480,169	4,974,700	-	-	-	12,140,700	16,480,169	4,974,700
Total	-	-	-	4,731,970,840	3,216,275,965	1,544,231,342	-	-	-	4,731,970,840	3,216,275,965	1,544,231,342

Separate financial statements												
	Level 1			Level 2			Level 3			Total		
	31 December 2023	31 December 2022	Reclassified 1 January 2022	31 December 2023	31 December 2022	Reclassified 1 January 2022	31 December 2023	31 December 2022	Reclassified 1 January 2022	31 December 2023	Reclassified 1 January 2022	31 December 2023
	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht
Financial assets												
Cash and cash equivalents	284,386,627	77,676,335	496,523,204	-	-	-	-	-	-	284,386,627	77,676,335	496,523,204
Restricted deposits at financial institutions	3,040,669	3,037,515	2,225,208	-	-	-	-	-	-	3,040,669	3,037,515	2,225,208
Financial assets measured at amortised cost	1,117,276	1,109,110	1,216,818	-	-	-	-	-	-	1,117,276	1,109,110	1,216,818
Trade and other receivables	-	-	-	539,499,184	293,732,594	174,228,369	-	-	-	539,499,184	293,732,594	174,228,369
Loans to related parties	-	-	-	3,837,799,900	3,208,642,719	2,093,706,404	-	-	-	3,837,799,900	3,208,642,719	2,093,706,404
Lease receivables	-	-	-	3,425,217	-	-	-	-	-	3,425,217	-	-
Deposit for purchasing loans to non-performing assets	-	-	-	50,000	233,645	-	-	-	-	50,000	233,645	-
Loans to non-performing assets	-	-	-	-	-	-	582,280,710	422,412,535	334,502,985	582,280,710	422,412,535	334,502,985
Other financial assets	-	-	-	873,000	1,196,546	716,500	-	-	-	873,000	1,196,546	716,500
Total	288,544,572	81,822,960	499,965,230	4,381,647,301	3,503,805,504	2,268,651,273	582,280,710	422,412,535	334,502,985	5,252,472,583	4,008,040,999	3,103,119,488
Financial liabilities												
Long-term borrowings from financial institutions	-	-	-	46,464,901	66,439,669	29,750,411	-	-	-	46,464,901	66,439,669	29,750,411
Debt securities	-	-	-	4,122,421,505	2,934,791,767	1,414,575,726	-	-	-	4,122,421,505	2,934,791,767	1,414,575,726
Trade and other payables	-	-	-	37,954,814	41,222,643	20,660,698	-	-	-	37,954,814	41,222,643	20,660,698
Lease liabilities	-	-	-	11,122,771	13,841,573	3,738,527	-	-	-	11,122,771	13,841,573	3,738,527
Other financial liabilities	-	-	-	2,923,700	10,756,669	1,938,200	-	-	-	2,923,700	10,756,669	1,938,200
Total	-	-	-	4,220,887,691	3,067,052,321	1,470,663,562	-	-	-	4,220,887,691	3,067,052,321	1,470,663,562

The fair value of financial assets and financial liabilities are approximately to the carrying amounts.

The fair value of current borrowings and loans approximates their carrying amount as the impact of discounting is not significant.

Transfer between fair value hierarchy

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

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

(a) Financial instruments in level 1

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

(b) Financial instruments in level 2

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

(c) Financial instruments in level 3

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

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

Valuation processes

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

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

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

8 Critical accounting estimates and judgements

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

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

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

b) Estimated impairment of loans to non-performing assets

The Group and the Company annually evaluate whether loans to non-performing assets have suffered any impairment, in accordance with the accounting policy stated in Note 5.6. The recoverable amounts have been determined based on the present value of estimated future cash receipts that have been revised discounted at the original effective interest rate which reflects the quality of non-performing assets as at the financial report date.

c) Allowance for expected credit loss of loan receivables

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

d) Defined retirement benefit obligations

The present value of the retirement benefit obligations depends on a number of assumptions. Key assumptions used and impacts from possible changes in key assumptions are disclosed in note 27.

e) Useful life of intangible asset

The Group and the Company estimate the useful life of internally developed software to be at least 3 years based on the expected technical obsolescence of such assets. However, the actual useful life may be shorter or longer than the determined life, depending on technical innovations.

f) Determination of lease terms

Critical judgement in determining the lease term, the Group and the Company consider all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

For leases of properties, the most relevant factors are historical lease durations, the costs and conditions of leased assets.

Most extension options on offices and vehicles leases have not been included in the lease liability, because the Group and the Company consider i) the underlying asset condition and/or ii) insignificant cost to replace the leased assets.

The lease term is reassessed if an option is actually exercised (or not exercised) or the Group and the Company become obliged to exercise (or not exercise) it. The assessment of reasonable certainty is only revised if a significant event or a significant change in circumstance affecting this assessment occur, and that it is within the control of the Group and the Company.

g) Determination of discount rate applied to leases

The Group and the Company determine the incremental borrowing rate as follows:

- Where possible, use recent third-party financing received by the individual lessee as a starting point, adjusting to reflect changes in its financing conditions.
- Make adjustments specific to the lease, e.g. term, country, currency and security.

9 Segment information

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

The Group operates in 6 main segments:

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

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

Consolidated financial statements							
For the year ended 31 December 2023							
	Management of non- performing assets Baht	Service from debt collection Baht	Call center services Baht	Loans Baht	Selling goods and/or providing services Baht	Recruitment services Baht	Total Baht
Revenues	1,368,857,337	38,781,483	-	106,947,466	-	17,551,679	1,532,137,965
Revenues from inter-segment	-	(5,065,772)	-	-	-	-	(5,065,772)
Revenues from segment	1,368,857,337	33,715,711	-	106,947,466	-	17,551,679	1,527,072,193
Costs	(250,242,254)	(21,376,652)	-	(3,298,498)	-	(7,776,491)	(282,693,895)
Costs from inter-segment	5,065,772	-	-	-	-	-	5,065,772
Costs from segment	(245,176,482)	(21,376,652)	-	(3,298,498)	-	(7,776,491)	(277,628,123)
Segment results	1,123,680,855	12,339,059	-	103,648,968	-	9,775,188	1,249,444,070
Unallocated costs							(119,907,092)
Profit from operation							1,129,536,978
Other incomes							13,026,204
Gain on disposal of foreclosed assets							88,682,858
Expected credit loss							(406,938,335)
Finance costs							(254,178,236)
Profit before income tax							570,129,469
Income tax expense							(121,297,494)
Net profit							448,831,975
Timing of revenue recognition							
At a point in time	-	33,715,711	-	-	-	-	33,715,711
Over time	1,368,857,337	-	-	106,947,466	-	17,551,679	1,493,356,482
Total revenues from segment	1,368,857,337	33,715,711	-	106,947,466	-	17,551,679	1,527,072,193

Consolidated financial statements						
For the year ended 31 December 2022						
	Management of non-performing assets Baht	Service from debt collection Baht	Call center services Baht	Loans Baht	Selling goods and/or providing services Baht	Total Baht
Revenues	888,854,346	40,983,047	-	74,562,922	754,908	1,005,155,223
Revenues from inter-segment	-	(5,949,059)	-	-	-	(5,949,059)
Revenues from segment	888,854,346	35,033,988	-	74,562,922	754,908	999,206,164
Costs	(219,981,323)	(23,638,590)	-	(3,638,438)	(893,645)	(248,151,996)
Costs from inter-segment	6,084,791	-	-	6,440	-	6,091,231
Costs from segment	(213,896,532)	(23,638,590)	-	(3,631,998)	(893,645)	(242,060,765)
Segment results	674,957,814	11,395,398	-	70,930,924	(138,737)	757,145,399
Unallocated costs						(86,644,081)
Profit from operation						670,501,318
Other incomes						8,379,015
Gain on disposal of foreclosed assets						49,523,535
Expected credit loss						(218,932,467)
Finance costs						(159,898,325)
Profit before income tax						349,573,076
Income tax expense						(75,113,173)
Net profit						274,459,903
Timing of revenue recognition						
At a point in time	-	35,033,988	-	-	754,908	35,788,896
Over time	888,854,346	-	-	74,562,922	-	963,417,268
Total revenues from segment	888,854,346	35,033,988	-	74,562,922	754,908	999,206,164

Disaggregation of revenue from contracts with customers for the separate financial statements are as follows:

Separate financial statements			
For the year ended 31 December 2023			
	Management of non-performing assets Baht	Service from debt collection Bah	Total Baht
Timing of revenue recognition			
At a point in time	-	23,562,019	23,562,019
Over time	182,223,955	-	182,223,955
Total revenues from segment	182,223,955	23,562,019	205,785,974
Separate financial statements			
For the year ended 31 December 2022			
	Management of non-performing assets Baht	Service from debt collection Bah	Total Baht
Timing of revenue recognition			
At a point in time	-	21,721,079	21,721,079
Over time	145,981,330	-	145,981,330
Total revenues from segment	145,981,330	21,721,079	167,702,409

10 Cash and cash equivalents

	Consolidated financial statements		Separate financial statements	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
Cash on hand	41,920	55,286	8,006	14,200
Deposits held at call with banks	623,343,004	1,021,365,149	284,378,621	77,662,135
Total	623,384,924	1,021,420,435	284,386,627	77,676,335

The interest rates of deposits held at call with banks of saving accounts and 3 months fixed deposit account are 0.10% - 1.95% per annum (2022: 0.10% - 0.50% per annum).

11 Restricted deposits at financial institutions

As at 31 December 2023 and 2022, restricted deposits at financial institutions of the Group and the Company are fixed deposits for securing the performance of debt collection services which is in the normal course of business.

12 Trade and other receivables

	Consolidated financial statements		Separate financial statements	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
Trade receivables	32,504,303	7,444,571	3,085,453	3,946,492
Less Allowance for expected credit loss	-	-	-	-
Trade receivables, net	32,504,303	7,444,571	3,085,453	3,946,492
Amounts due from related parties (Note 37.5)	-	-	163,684	290,387
Dividend receivables from related parties (Note 37.5)	-	-	19,461,712	-
Interest receivables from loans to related parties (Note 37.5)	-	-	515,891,427	288,486,017
Accrued income ⁽¹⁾	14,383,000	3,018,872	-	-
Prepaid expenses	1,053,219	854,472	895,734	623,082
Advances	1,783,231	1,720,377	-	386,616
Others	10,492,533	10,147,627	1,174	-
Total	60,216,286	23,185,919	539,499,184	293,732,594

⁽¹⁾ The Group has accrued income from selling collaterals of loans to non-performing assets by auction from Legal Execution Department amounting to Baht 14.38 million.

Fair values of trade receivables

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

13 Financial assets and financial liabilities

Classification of the Group's and the Company's financial assets and financial liabilities are as follows:

	Consolidated financial statements			Separate financial statements		
	31 December 2023 Baht	Reclassified 31 December 2022 Baht	Reclassified 1 January 2022 Baht	31 December 2023 Baht	Reclassified 31 December 2022 Baht	Reclassified 1 January 2022 Baht
Financial assets						
<i>Financial assets at amortised cost</i>						
Cash and cash equivalents	623,384,924	1,021,420,435	1,332,204,275	284,386,627	77,676,335	496,523,204
Restricted deposits at financial institutions	12,494,316	5,342,616	9,415,080	3,040,669	3,037,515	2,225,208
Financial assets measured at amortised cost	7,830,443	7,797,790	1,486,883	1,117,276	1,109,110	1,216,818
Trade and other receivables	60,216,286	23,185,919	46,377,511	539,499,184	293,732,594	174,228,369
Loans to related parties	-	-	-	3,837,799,900	3,208,799,900	2,093,799,900
Lease receivables	-	-	-	3,425,217	-	-
Deposit for purchasing loans to non-performing assets	124,137,869	80,931,892	71,300,826	50,000	233,645	-
Loan receivables	1,059,548,199	647,415,476	338,595,356	-	-	-
Loans to non-performing assets	6,896,155,901	4,928,059,240	2,855,988,012	582,280,710	422,412,535	334,502,985
Other financial assets	1,767,000	1,963,500	2,962,325	873,000	917,500	716,500
	8,785,534,938	6,716,116,868	4,658,330,268	5,252,472,583	4,007,919,134	3,103,212,984
Financial liabilities						
<i>Financial liabilities at amortised cost</i>						
Short-term borrowings from financial institutions	249,550,840	50,000,000	-	-	-	-
Short-term borrowing from others	-	850,000	850,000	-	-	-
Long-term borrowings from financial institutions	229,081,923	112,337,054	51,465,589	46,464,901	66,439,669	29,750,411
Debentures	4,178,055,270	2,939,176,049	1,416,416,674	4,178,055,270	2,939,176,049	1,416,416,674
Trade and other payables	106,332,000	82,305,777	66,122,395	37,954,814	41,222,643	20,660,698
Lease liabilities	12,443,872	19,511,198	6,242,932	11,122,771	13,841,573	3,738,527
Other financial liabilities	12,140,700	16,480,169	4,974,700	2,923,700	10,756,669	1,938,200
	4,787,604,605	3,220,660,247	1,546,072,290	4,276,521,456	3,071,436,603	1,472,504,510

13.1 Other financial assets at amortised cost

a) Classification of financial assets at amortised cost

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

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

Financial assets at amortised cost other than trade receivables include the following:

	Consolidated financial statements					
	31 December 2023			31 December 2022 (Reclassified)		
	Current Baht	Non-current Baht	Total Baht	Current Baht	Non-current Baht	Total Baht
Restricted deposits at financial institutions	500,000	11,994,316	12,494,316	500,000	4,842,616	5,342,616
Financial assets measured at amortised cost	7,830,443	-	7,830,443	7,797,790	-	7,797,790
Deposit for purchasing loans to non-performing assets	124,137,869	-	124,137,869	80,931,892	-	80,931,892
Loan receivables	1,066,659,805	7,281,359	1,073,941,164	646,414,334	2,584,794	648,999,128
Loans to non-performing assets	-	7,774,367,381	7,774,367,381	-	5,413,237,186	5,413,237,186
Other financial assets	311,200	1,455,800	1,767,000	1,963,500	-	1,963,500
Less: Allowance for expected credit loss	(12,389,004)	(880,215,441)	(892,604,445)	(1,563,153)	(485,198,445)	(486,761,598)
Total	1,187,050,313	6,914,883,415	8,101,933,728	736,044,363	4,935,466,151	5,671,510,514

	Separate financial statements					
	31 December 2023			31 December 2022 (Reclassified)		
	Current Baht	Non-current Baht	Total Baht	Current Baht	Non-current Baht	Total Baht
Restricted deposits at financial institutions	500,000	2,540,669	3,040,669	500,000	2,537,515	3,037,515
Financial assets measured at amortised cost	1,117,276	-	1,117,276	1,109,110	-	1,109,110
Loans to related parties	-	3,837,799,900	3,837,799,900	-	3,208,799,900	3,208,799,900
Lease receivables	550,315	2,874,902	3,425,217	-	-	-
Deposit for purchasing loans to non-performing assets	50,000	-	50,000	233,645	-	233,645
Loans to non-performing assets	-	807,039,564	807,039,564	-	527,318,491	527,318,491
Other financial assets	46,200	826,800	873,000	917,500	-	917,500
Less: Allowance for expected credit loss	-	(224,758,854)	(224,758,854)	-	(104,905,956)	(104,905,956)
Total	2,263,791	4,426,322,981	4,428,586,772	2,760,255	3,633,749,950	3,636,510,205

b) Fair values of other financial assets at amortised cost

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

c) Allowance for expected credit loss

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

14 Deposit for purchasing loans to non-performing assets

As at 31 December 2023 and 2022, the Group and the Company bid for purchasing non-performing assets during the auctions. The deposit will be returned when the auctions ended or will be net off with the purchase price if the Group and the Company win the bidding.

15 Loan receivables, net

As of 31 December 2023 and 2022, loan receivables are as follows:

Consolidated financial statements			
31 December 2023			
	Due within 1 year Baht	Due over than 1 year Baht	Total Baht
Loan receivables	1,018,022,471	7,281,359	1,025,303,830
Add Interest receivables	48,646,586	-	48,646,586
Less Front-end fee	(9,252)	-	(9,252)
	1,066,659,805	7,281,359	1,073,941,164
Less Allowance for expected credit loss	(12,389,004)	(2,003,961)	(14,392,965)
Loan receivables, net	1,054,270,801	5,277,398	1,059,548,199
Consolidated financial statements			
31 December 2022			
	Due within 1 year Baht	Due over than 1 year Baht	Total Baht
Loan receivables	629,724,719	2,584,794	632,309,513
Add Interest receivables	19,406,612	-	19,406,612
Less Front-end fee	(92,309)	-	(92,309)
Less Unearned interest	(2,624,688)	-	(2,624,688)
	646,414,334	2,584,794	648,999,128
Less Allowance for expected credit loss	(1,563,152)	(20,500)	(1,583,652)
Loan receivables, net	644,851,182	2,564,294	647,415,476

As at 31 December 2023 and 2022, the loan receivables, net, allowance for expected credit loss and net carrying amount of loan receivables as follows:

	31 December 2023		
	Loan receivables, net Baht	Allowance for expected credit loss Baht	Net carrying amount Baht
Staging			
Performing financial assets	560,399,690	(1,610,677)	558,789,013
Under-performing financial assets	22,565,387	(263,660)	22,301,727
Non-performing financial assets	490,976,087	(12,518,628)	478,457,459
Total	1,073,941,164	(14,392,965)	1,059,548,199
	31 December 2022		
	Loan receivables, net Baht	Allowance for expected credit loss Baht	Net carrying amount Baht
Staging			
Performing financial assets	435,789,006	(92,856)	435,696,150
Under-performing financial assets	116,525,902	(25,996)	116,499,906
Non-performing financial assets	96,684,220	(1,464,800)	95,219,420
Total	648,999,128	(1,583,652)	647,415,476

16 Allowance for expected credit loss

The change of allowance for expected credit loss for the years ended 31 December 2023 and 2022 are as follows:

	Performing financial assets (12-month ECL) Baht	Under-performing financial assets (Lifetime ECL - not credit impaired) Baht	Non-performing financial assets (Lifetime ECL - credit impaired) Baht	Total Baht
As of 1 January 2023	92,856	25,996	1,464,800	1,583,652
Changes due to staging:				
Performing financial assets	(36,359)	4,935	31,424	-
Under-performing financial assets	-	(23,040)	23,040	-
Non-performing financial assets	-	429	(429)	-
Changes due to new estimation of credit loss	437,648	177,981	10,454,743	11,070,372
Newly acquired financial assets	1,137,229	78,891	591,425	1,807,545
Derecognition of financial assets	(20,697)	(1,532)	(46,375)	(68,604)
As of 31 December 2023	1,610,677	263,660	12,518,628	14,392,965

	Performing financial assets (12-month ECL) Baht	Under- performing financial assets (Lifetime ECL - not credit impaired) Baht	Non- performing financial assets (Lifetime ECL - credit impaired) Baht	Total Baht
As of 1 January 2022	63,615	1,458	7,695	72,768
Changes due to staging:				
Performing financial assets	(2,829)	780	2,049	-
Under-performing financial assets	1,458	(1,458)	-	-
Non-performing financial assets	7,318	-	(7,318)	-
Changes due to new estimation of credit loss	(4,666)	28	117,511	112,873
Newly acquired financial assets	73,190	25,188	1,345,240	1,443,618
Derecognition of financial assets	(45,230)	-	(377)	(45,607)
As of 31 December 2022	92,856	25,996	1,464,800	1,583,652

17 Loans to non-performing assets, net

As of 31 December 2023 and 2022, loans to non-performing assets are as follows:

	Consolidated financial statements		Separate financial statements	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
Loans to non-performing assets	5,647,288,168	4,264,202,064	519,378,086	373,428,039
<u>Add</u> Accrued interest income	2,127,079,213	1,149,035,122	287,661,478	153,890,452
<u>Less</u> Allowance for expected credit loss	(878,211,480)	(485,177,946)	(224,758,854)	(104,905,956)
Loans to non-performing assets, net	6,896,155,901	4,928,059,240	582,280,710	422,412,535

The movements of loans to non-performing assets for years ended 31 December 2023 and 2022 are as follows:

	Consolidated financial statements		Separate financial statements	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
At 1 January	4,928,059,240	2,855,988,012	422,412,535	334,502,985
Additions	1,510,457,335	1,791,117,687	152,391,770	72,274,271
<u>Add</u> Accrued interest income	995,398,526	602,707,849	133,771,026	99,523,526
<u>Less</u> Closes account from debt settlement to foreclosed assets	(75,796,878)	(37,199,132)	-	-
<u>Less</u> Disposals	(17,733,322)	(28,503,138)	(50,320)	(10,793,848)
<u>Less</u> Proceeds from loans to non-performing assets	(48,747,398)	(38,630,457)	(6,391,403)	(7,196,257)
<u>Less</u> Allowance for expected credit loss	(395,481,602)	(217,421,581)	(119,852,898)	(65,898,142)
At 31 December	6,896,155,901	4,928,059,240	582,280,710	422,412,535

As at 31 December 2023, loans to non-performing assets in the consolidated financial statements consisted of 748,611 contracts (2022: 427,487 contracts), and 676 contracts have collaterals which are land or building (2022: 572 contracts). The appraised value of collaterals is Baht 6,571.60 million (2022: Baht 6,108.65 million). Loan to non-performing assets in the separate financial statement consisted of 115,578 contracts (2022: 70,560 contracts).

Loans to non-performing assets as at 31 December 2023 and 2022 can be analysed by aging from the date of acquisition of loans to non-performing assets as follows:

	Consolidated financial statements		Separate financial statements	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
Less than 1 year	1,499,904,625	1,784,796,337	150,389,347	70,467,205
1 - 2 years	1,748,024,764	1,156,491,848	69,697,551	205,928,220
2 - 3 years	1,133,857,498	574,270,373	203,969,976	97,032,614
3 - 4 years	563,108,469	465,516,094	95,321,212	-
4 - 5 years	455,865,894	176,837,847	-	-
More than 5 years	246,526,918	106,289,565	-	-
Total amounts loans to non-performing assets	5,647,288,168	4,264,202,064	519,378,086	373,428,039

17.1 Classified by loan type

	Consolidated financial statements	
	2023 Baht	2022 Baht
Overdrafts	3,964,067,968	3,964,231,030
Loans	43,873,734,335	35,571,386,449
Notes	358,550,288	358,550,288
Hire-purchase receivables	24,599,191,476	20,611,221,648
Financial lease receivables	10,925,762	10,925,762
Credit cards	14,331,510,704	13,575,697,283
Others	14,962,086,833	10,241,528,330
<u>Less</u> Deferred revenue	(96,452,779,198)	(80,069,338,726)
Total loans net of deferred revenue	5,647,288,168	4,264,202,064
<u>Add</u> Accrued interest receivables	2,127,079,213	1,149,035,122
Total loans net of deferred revenue and accrued interest receivables	7,774,367,381	5,413,237,186
<u>Less</u> Allowance for expected credit loss	(878,211,480)	(485,177,946)
Total loans to non-performing assets, net	6,896,155,901	4,928,059,240
	Separate financial statements	
	2023 Baht	2022 Baht
Hire-purchase receivables	12,030,535,549	7,847,987,869
Financial lease receivables	10,925,762	10,925,762
<u>Less</u> Deferred revenue	(11,522,083,225)	(7,485,485,592)
Total loans net of deferred revenue	519,378,086	373,428,039
<u>Add</u> Accrued interest receivables	287,661,478	153,890,452
Total loans net of deferred revenue and accrued interest receivables	807,039,564	527,318,491
<u>Less</u> Allowance for expected credit loss	(224,758,854)	(104,905,956)
Total loans to non-performing assets, net	582,280,710	422,412,535

17.2 Allowance for expected credit loss

The reconciliations of allowance for expected credit loss for loans to non-performing assets at amortised cost other than trade receivables for the years ended 31 December 2023 and 2022 are as follows:

	Consolidated financial statements	Separate financial statements
	Loss allowance measured at amount equal to Lifetime expected credit losses (credit-impaired financial assets) Baht	Loss allowance measured at amount equal to Lifetime expected credit losses (credit-impaired financial assets) Baht
As of 1 January 2022	267,796,989	39,007,814
Increase in allowance for expected credit loss recognised in profit or loss during the year	217,421,581	65,898,142
<u>Less</u> Closes account from debt settlement to foreclosed assets	(40,624)	-
As of 31 December 2022	485,177,946	104,905,956
As of 1 January 2023	485,177,946	104,905,956
Increase in allowance for expected credit loss recognised in profit or loss during the year	395,481,602	119,852,898
<u>Less</u> Closes account from debt settlement to foreclosed assets	(2,448,068)	-
As of 31 December 2023	878,211,480	224,758,854

18 Investments in subsidiaries

18.1 Investment details

As at 31 December 2023 and 2022, the subsidiaries included in consolidated financial statement. The subsidiaries have only ordinary shares in which the Group directly holds those shares. The proportion of ownership interests held by the Group is equal to voting rights in subsidiaries held by the Group.

Company name	Country of incorporation	Business	Holding percentage		Registered ordinary shares		Paid-up ordinary shares		Registered preferred shares		Paid-up ordinary shares		Cost	
					2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
			%	%	Baht '000	Baht '000	Baht '000	Baht '000	Baht '000	Baht '000	Baht '000	Baht '000	Baht '000	Baht '000
Chayo Asset Management Co., Ltd.	Thailand	Management of non-performing assets	99.99	99.99	200,000	200,000	200,000	200,000	-	-	-	-	212,153	212,088
Chayo Property and Service Co., Ltd.	Thailand	Debt collection and call center service	99.99	99.99	20,000	20,000	20,000	20,000	-	-	-	-	21,000	21,000
Chayo Capital Co., Ltd.	Thailand	Personal loans	71.25	76.00	375,000	250,000	375,000	250,000	-	-	-	-	267,626	190,036
555 Service Co., Ltd. (Formerly "555 Shopping Co., Ltd.")	Thailand	Selling goods and/or providing services	95.00	95.00	7,000	7,000	7,000	7,000	-	-	-	-	6,350	6,350
Chayo JV Asset Management Co., Ltd	Thailand	Management of non-performing assets	55.00	55.00	200,000	200,000	200,000	200,000	1,600,000	1,600,000	1,600,000	1,600,000	997,200	997,200
													1,504,329	1,426,674

18.2 Movements of investments

Movements of investments in subsidiaries for the years ended 31 December 2023 and 2022 are as follows:

	Investment in cost method	
	2023 Baht '000	2022 Baht '000
Opening net book value	1,426,674	545,150
Increase in investment	89,063	881,450
Share-based payment in subsidiaries	467	74
Disposal of investment under share-based payment	(11,875)	-
Closing net book value	1,504,329	1,426,674

19 Investment properties

	Consolidated financial statements		
	Land Baht	Buildings and building improvements Baht	Total Baht
At 1 January 2022			
At cost	1,397,916	15,055,838	16,453,754
Less Accumulated depreciation	-	(3,957,439)	(3,957,439)
Net book value	1,397,916	11,098,399	12,496,315
For the year ended 31 December 2022			
Beginning net book value	1,397,916	11,098,399	12,496,315
Transfer out	-	(126,344)	(126,344)
Depreciation charge	-	(526,566)	(526,566)
Ending net book value	1,397,916	10,445,489	11,843,405
At 31 December 2022			
At cost	1,397,916	14,929,494	16,327,410
Less Accumulated depreciation	-	(4,484,005)	(4,484,005)
Net book value	1,397,916	10,445,489	11,843,405
For the year ended 31 December 2023			
Beginning net book value	1,397,916	10,445,489	11,843,405
Transfer in	8,767,080	9,969,379	18,736,459
Depreciation charge	-	(740,703)	(740,703)
Ending net book value	10,164,996	19,674,165	29,839,161
At 31 December 2023			
At cost	10,164,996	24,898,873	35,063,869
Less Accumulated depreciation	-	(5,224,708)	(5,224,708)
Net book value	10,164,996	19,674,165	29,839,161

In the consolidated financial statements, depreciation expense of Baht 740,703 (2022: Baht 526,566) has been charged in administrative expenses.

Separate financial statements			
	Land Baht	Buildings and improvements Baht	Total Baht
At 1 January 2022			
At cost	4,661,218	23,820,757	28,481,975
<u>Less</u> Accumulated depreciation	-	(5,141,646)	(5,141,646)
Net book value	4,661,218	18,679,111	23,340,329
For the year ended 31 December 2022			
Beginning net book value	4,661,218	18,679,111	23,340,329
Depreciation charge	-	(1,119,832)	(1,119,832)
Ending net book value	4,661,218	17,559,279	22,220,497
At 31 December 2022			
At cost	4,661,218	23,820,757	28,481,975
<u>Less</u> Accumulated depreciation	-	(6,261,478)	(6,261,478)
Net book value	4,661,218	17,559,279	22,220,497
For the year ended 31 December 2023			
Beginning net book value	4,661,218	17,559,279	22,220,497
Additions	-	7,500	7,500
Transfer in	5,503,778	2,498,201	8,001,979
Depreciation charge	-	(1,199,147)	(1,199,147)
Ending net book value	10,164,996	18,865,833	29,030,829
At 31 December 2023			
At cost	10,164,996	26,326,458	36,491,454
<u>Less</u> Accumulated depreciation	-	(7,460,625)	(7,460,625)
Net book value	10,164,996	18,865,833	29,030,829

In the separate financial statements, depreciation expense of Baht 1,199,147 (2022: Baht 1,119,832) has been charged in administrative expenses.

The fair values of investment properties in land and building in consolidated and separate financial statements were at Baht 75.94 million and Baht 60.43 million, respectively.

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

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

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

	Consolidated financial statements		Separate financial statements	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
Rental income	180,000	173,000	1,576,800	2,417,000
Direct operating expenses incurred by the investment properties resulting in rental income for the year	-	(42,981)	(1,199,147)	(1,205,469)
Total	180,000	130,019	377,653	1,211,531

The carrying value of investment property pledge as security for current and non-current borrowings are Baht 18.47 million for the Group and Baht 26.63 million for the Company respectively. (2022: nil and nil)

Minimum lease payments receivable on lease of investment properties are as follows:

	Consolidated financial statements		Separate financial statements	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
Within 1 year	165,000	165,000	1,217,400	1,497,000
Between 1 and 2 years	-	-	221,600	720,000
Between 2 and 3 years	-	-	-	-
Between 3 and 4 years	-	-	-	-
Between 4 and 5 years	-	-	-	-
Later than 5 years	-	-	-	-
	165,000	165,000	1,439,000	2,217,000

20 Foreclosed assets, net

During the years ended 31 December 2023 and 2022, movements of foreclosed assets are as follows:

	Consolidated financial statements		Separate financial statements	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
At 1 January	368,046,239	332,826,954	-	-
Additions	12,471,181	105,547,907	-	-
Closes account from debt settlement to foreclosed assets	106,671,878	37,199,132	-	-
Disposals	(81,994,388)	(107,527,754)	-	-
At 31 December	405,194,910	368,046,239	-	-

21 Property, plant and equipment

Consolidated financial statements							
	Land Baht	Buildings and building improvements Baht	Office equipment Baht	Furniture and fixture Baht	Vehicles Baht	Construction in progress Baht	Total Baht
At 1 January 2022							
Cost	12,127,080	44,064,990	8,604,772	4,354,369	-	-	69,151,211
<u>Less</u> Accumulated depreciation	-	(11,965,110)	(6,333,200)	(4,140,118)	-	-	(22,438,428)
Net book amount	12,127,080	32,099,880	2,271,572	214,251	-	-	46,712,783
For the year ended 31 December 2022							
Opening net book amount	12,127,080	32,099,880	2,271,572	214,251	-	-	46,712,783
Additions	-	44,549	1,037,048	252,600	-	9,691,907	11,026,104
Transfer in	-	126,344	-	-	-	-	126,344
Disposals	-	-	-	(1)	-	-	(1)
Depreciation charge	-	(2,127,473)	(1,285,687)	(111,345)	-	-	(3,524,505)
Closing net book amount	12,127,080	30,143,300	2,022,933	355,505	-	9,691,907	54,340,725
At 31 December 2022							
Cost	12,127,080	44,235,883	9,641,820	4,606,968	-	9,691,907	80,303,658
<u>Less</u> Accumulated depreciation	-	(14,092,583)	(7,618,887)	(4,251,463)	-	-	(25,962,933)
Net book amount	12,127,080	30,143,300	2,022,933	355,505	-	9,691,907	54,340,725
For the year ended 31 December 2023							
Opening net book amount	12,127,080	30,143,300	2,022,933	355,505	-	9,691,907	54,340,725
Additions	-	175,194	6,522,094	311,677	640,000	14,727,104	22,376,069
Transfer (out) in	(8,767,080)	9,371,120	-	5,078,512	-	(24,419,011)	(18,736,459)
Disposals	-	-	(3,827)	-	-	-	(3,827)
Depreciation charge	-	(2,288,397)	(1,572,779)	(629,042)	(94,334)	-	(4,584,552)
Impairment Loss	-	(2,039,015)	(7,865)	(19,239)	-	-	(2,066,119)
Closing net book amount	3,360,000	35,362,202	6,960,556	5,097,413	545,666	-	51,325,837
At 31 December 2023							
Cost	3,360,000	43,025,066	16,157,315	9,997,157	640,000	-	73,179,538
<u>Less</u> Accumulated depreciation	-	(5,623,849)	(9,188,894)	(4,880,505)	(94,334)	-	(19,787,582)
<u>Less</u> Accumulated impairment	-	(2,039,015)	(7,865)	(19,239)	-	-	(2,066,119)
Net book amount	3,360,000	35,362,202	6,960,556	5,097,413	545,666	-	51,325,837

Separate financial statements						
	Land Baht	Buildings and building improvements Baht	Office equipment Baht	Furniture and fixture Baht	Construction in progress Baht	Total Baht
At 1 January 2022						
Cost	8,863,778	18,412,531	5,659,613	3,132,425	-	36,068,347
<u>Less</u> Accumulated depreciation	-	(7,239,047)	(3,823,165)	(2,973,792)	-	(14,036,004)
Net book amount	8,863,778	11,173,484	1,836,448	158,633	-	22,032,343
For the year ended 31 December 2022						
Opening net book amount	8,863,778	11,173,484	1,836,448	158,633	-	22,032,343
Additions	-	44,550	766,786	252,600	9,691,907	10,755,843
Depreciation charge	-	(845,728)	(1,048,892)	(91,655)	-	(1,986,275)
Closing net book amount	8,863,778	10,372,306	1,554,342	319,578	9,691,907	30,801,911
At 31 December 2022						
Cost	8,863,778	18,457,081	6,426,399	3,385,025	9,691,907	46,824,190
<u>Less</u> Accumulated depreciation	-	(8,084,775)	(4,872,057)	(3,065,447)	-	(16,022,279)
Net book amount	8,863,778	10,372,306	1,554,342	319,578	9,691,907	30,801,911
For the year ended 31 December 2023						
Opening net book amount	8,863,778	10,372,306	1,554,342	319,578	9,691,907	30,801,911
Additions	-	78,577	4,880,855	94,613	14,537,305	19,591,350
Transfer (out) in	(5,503,778)	16,652,499	-	5,078,512	(24,229,212)	(8,001,979)
Depreciation charge	-	(1,169,666)	(1,078,592)	(586,186)	-	(2,834,444)
Impairment loss	-	-	(7,804)	(2,942)	-	(10,746)
Closing net book amount	3,360,000	25,933,716	5,348,801	4,903,575	-	39,546,092
At 31 December 2023						
Cost	3,360,000	29,535,586	11,158,903	5,692,610	-	49,747,099
<u>Less</u> Accumulated depreciation	-	(3,601,870)	(5,810,102)	(789,035)	-	(10,201,007)
Net book amount	3,360,000	25,933,716	5,348,801	4,903,575	-	39,546,092

The carrying value of property plant and equipment pledge as security for current and non-current borrowings are Baht 38.45 million for the Group and Baht 29.29 million for the Company respectively (2022: nil and nil).

22 Right-of-use assets

	Consolidated financial statements		
	Building Baht	Vehicles Baht	Total Baht
Balance as at 1 January 2022	1,336,720	8,595,722	9,932,442
Additions	15,872,139	-	15,872,139
Depreciation	(1,713,457)	(2,335,668)	(4,049,125)
Balance as at 31 December 2022	15,495,402	6,260,054	21,755,456
Balance as at 1 January 2023	15,495,402	6,260,054	21,755,456
Lease termination	(3,152,376)	-	(3,152,376)
Depreciation	(2,608,665)	(2,320,876)	(4,929,541)
Balance as at 31 December 2023	9,734,361	3,939,178	13,673,539

	Separate financial statements		
	Building Baht	Vehicles Baht	Total Baht
Balance as at 1 January 2022	1,336,720	3,606,904	4,943,624
Additions	11,673,442	-	11,673,442
Depreciation	(1,073,399)	(1,079,409)	(2,152,808)
Balance as at 31 December 2022	11,936,763	2,527,495	14,464,258
Balance as at 1 January 2023	11,936,763	2,527,495	14,464,258
Adjustments/Reclassifications	(3,590,045)	-	(3,590,045)
Depreciation	(1,958,533)	(1,079,409)	(3,037,942)
Balance as at 31 December 2023	6,388,185	1,448,086	7,836,271

The expense relating to leases that not included in the measurement of lease liabilities and right-of-use and cash outflows for leases is as follows:

	Consolidate financial statements		Separate financial statements	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
Interest expense (included in finance cost)	808,707	675,793	631,861	398,046
Expense relating to short-term leases	389,000	-	-	-
Expense relating to leases of low-value assets	293,300	374,240	42,000	46,000
Expense relating to variable lease payments	810,918	464,612	209,803	142,268
Income from subleasing right-of-use asset	57,355	208,407	353,200	-
Total cash outflow for leases	6,120,897	4,333,654	3,602,467	1,968,442

23 Intangible assets

	Consolidated financial statements			Separate financial statements		
	Software Baht	Software in process Baht	Total Baht	Software Baht	Software in process Baht	Total Baht
At 1 January 2022						
Cost	4,734,358	1,992,930	6,727,288	2,448,840	1,992,930	4,441,770
<u>Less</u> Accumulated amortisation	(4,065,389)	-	(4,065,389)	(2,351,294)	-	(2,351,294)
Net book value	668,969	1,992,930	2,661,899	97,546	1,992,930	2,090,476
For the year ended 31 December 2022						
Opening net book amount	668,969	1,992,930	2,661,899	97,546	1,992,930	2,090,476
Additions	252,000	180,000	432,000	252,000	180,000	432,000
Transfer in (out)	1,812,930	(1,812,930)	-	1,812,930	(1,812,930)	-
Amortisation charge	(691,142)	-	(691,142)	(263,068)	-	(263,068)
Closing net book value	2,042,757	360,000	2,402,757	1,899,408	360,000	2,259,408
At 31 December 2022						
Cost	6,799,288	360,000	7,159,288	4,513,770	360,000	4,873,770
<u>Less</u> Accumulated amortisation	(4,756,531)	-	(4,756,531)	(2,614,362)	-	(2,614,362)
Net book value	2,042,757	360,000	2,402,757	1,899,408	360,000	2,259,408
For the year ended 31 December 2023						
Opening net book amount	2,042,757	360,000	2,402,757	1,899,408	360,000	2,259,408
Additions	464,000	2,400,000	2,864,000	114,000	-	114,000
Transfer in (out)	1,800,000	(1,800,000)	-	-	-	-
Amortisation charge	(738,246)	-	(738,246)	(252,118)	-	(252,118)
Closing net book value	3,568,511	960,000	4,528,511	1,761,290	360,000	2,121,290
At 31 December 2023						
Cost	9,063,288	960,000	10,023,288	4,627,770	360,000	4,987,770
<u>Less</u> Accumulated amortisation	(5,494,777)	-	(5,494,777)	(2,866,480)	-	(2,866,480)
Net book value	3,568,511	960,000	4,528,511	1,761,290	360,000	2,121,290

24 Deferred income taxes

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

	Consolidated financial statements		Separate financial statements	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
Deferred tax assets	211,477,623	124,969,732	46,649,007	21,496,658
Deferred tax liabilities	(434,190,576)	(238,336,276)	(57,532,296)	(30,778,091)
Deferred income taxes, net	(222,712,953)	(113,366,544)	(10,883,289)	(9,281,433)

The movement in deferred tax assets and liabilities during the year is as follows:

	Consolidated financial statements						
	Tax losses Baht	Lease Baht	Loans to non- performing assets Baht	Loans receivables Baht	Employee benefit obligations Baht	Impairment on Property, plant and equipment Baht	Total Baht
Deferred tax assets							
At 1 January 2022	-	-	65,168,743	14,553	1,727,100	-	66,910,396
Charged (credited) to profit or loss	11,557,911	34,394	47,081,814	302,176	(916,959)	-	58,059,336
At 31 December 2022	11,557,911	34,394	112,250,557	316,729	810,141	-	124,969,732
At 1 January 2023	11,557,911	34,394	112,250,557	316,729	810,141	-	124,969,732
Charged to profit or loss	4,178,602	912,523	78,112,720	2,561,864	134,414	413,224	86,313,347
Charged to other comprehensive income	-	-	-	-	194,544	-	194,544
At 31 December 2023	15,736,513	946,917	190,363,277	2,878,593	1,139,099	413,224	211,477,623
Deferred tax liabilities							
At 1 January 2022	-	-	115,455,234	-	-	-	115,455,234
Charged to profit or loss	-	-	122,881,042	-	-	-	122,881,042
At 31 December 2022	-	-	238,336,276	-	-	-	238,336,276
At 1 January 2023	-	-	238,336,276	-	-	-	238,336,276
Charged to profit or loss	-	-	195,854,300	-	-	-	195,854,300
At 31 December 2023	-	-	434,190,576	-	-	-	434,190,576
	Separate financial statements						
	Loans to non- performing assets Baht	Lease liabilities Baht	Employee benefit obligations Baht	Impairment on Property, plant and equipment Baht	Total Baht		
Deferred tax assets							
At 1 January 2022	7,820,022	-	1,500,696	-	9,320,718		
Charged/(credited) to profit or loss	13,161,169	-	(985,229)	-	12,175,940		
At 31 December 2022	20,981,191	-	515,467	-	21,496,658		
At 1 January 2023	20,981,191	-	515,467	-	21,496,658		
Charged to profit or loss	23,970,581	946,917	57,535	2,149	24,977,182		
Charged to other comprehensive income	-	-	175,167	-	175,167		
At 31 December 2023	44,951,772	946,917	748,169	2,149	46,649,007		
Deferred tax liabilities							
At 1 January 2022	10,873,386	-	-	-	10,873,386		
Charged to profit or loss	19,904,705	-	-	-	19,904,705		
At 31 December 2022	30,778,091	-	-	-	30,778,091		
At 1 January 2023	30,778,091	-	-	-	30,778,091		
Charged to profit or loss	26,754,205	-	-	-	26,754,205		
At 31 December 2023	57,532,296	-	-	-	57,532,296		

Deferred income tax assets are recognised for tax loss and carried forwards only to the extent that realisation of the related tax benefit through the future taxable profits is probable.

The Group does not recognise deferred tax asset for the year ended 2023 of Baht 4,075,119 (2022: Baht 280,436) from tax losses of Baht 20,375,594 (2022: Baht 1,402,181), to carry forward against future taxable income; these tax losses will expire in 2027 - 2028 (2022: 2025 - 2027).

25 Borrowings

	Consolidated financial statements		Separate financial statements	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
Current				
Short-term borrowings from financial institutions				
Promissory notes	249,550,840	50,000,000	-	-
Short-term borrowings from others	-	850,000	-	-
Current portion of long-term borrowings				
Borrowings from financial institutions	47,200,436	31,949,782	19,973,137	19,974,768
Current portion of debentures	885,790,779	-	885,790,779	-
Total current borrowings	1,182,542,055	82,799,782	905,763,916	19,974,768
Non-current				
Borrowings from financial institutions	181,881,487	80,387,272	26,491,764	46,464,901
Debentures	3,292,264,491	2,939,176,049	3,292,264,491	2,939,176,049
Total non-current borrowings	3,474,145,978	3,019,563,321	3,318,756,255	2,985,640,950
Total borrowings	4,656,688,033	3,102,363,103	4,224,520,171	3,005,615,718

The movement of borrowings for the years ended 31 December 2023 and 2022 is as follows:

	Consolidated financial statements		Separate financial statements	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
At 1 January	3,102,363,103	1,468,732,263	3,005,615,718	1,446,167,085
Additions	2,007,900,000	2,064,000,000	1,557,900,000	1,914,000,000
Increase in relevant cost to obtain borrowings	(18,809,277)	(21,775,800)	(17,942,580)	(20,900,800)
Repayments	(448,625,110)	(419,190,219)	(334,654,300)	(343,340,000)
Amortisation of relevant cost to obtain borrowings	13,859,317	10,596,859	13,601,333	9,689,433
At 31 December	4,656,688,033	3,102,363,103	4,224,520,171	3,005,615,718

As at 31 December 2023, the Group and the Company comply with certain terms of borrowings from financial institutions by maintaining debt to equity ratio and comply with certain terms of debentures by maintaining interest bearing debt to equity ratio.

As at 31 December 2023, the Group and the Company do not has outstanding undraw down loan facilities (2022: the Group Baht 30 million and the Company Baht 30 million).

As at 31 December 2023, the Group's short-term borrowings rate is between 5.80% - 6.38% per annum (2022: 7.50% per annum). The Group's long-term borrowings rate is between MLR - 2.50% to MLR% per annum. (2022: MLR% per annum). The Company's long-term borrowings rate is between MLR - 0.25% per annum. (2022: MLR - 0.25% per annum). The Company's debenture rate is between 5.25% - 6.25% per annum (2022: 5.25% - 6.00% per annum).

26 Trade and other payables

Trade and other payables are as follows:

	Consolidated financial statements			Separate financial statements		
	Reclassified 31 December 2023 Baht	Reclassified 31 December 2022 Baht	Reclassified 1 January 2022 Baht	Reclassified 31 December 2023 Baht	Reclassified 31 December 2022 Baht	Reclassified 1 January 2022 Baht
Trade payables	3,318,420	14,504,745	365,501	2,185,820	6,084,685	159,865
Amounts due to related parties (Note 37.5)	-	-	-	308,481	297,615	197,618
Dividend payable	15,923,222	2,359,475	2,691,056	-	2,359,475	2,691,056
Deposit	1,481,500	2,937,750	20,020,000	-	252,750	-
Deferred income	9,067,826	42,639	14,404	6,422	6,235	-
Accrued expenses	46,417,366	40,612,989	31,661,652	8,085,039	11,886,783	7,041,835
Accrued interest	26,412,215	19,917,409	10,096,288	26,116,088	19,580,482	9,952,637
Others	3,711,451	1,930,770	1,273,494	1,252,964	754,618	617,687
Total	106,332,000	82,305,777	66,122,395	37,954,814	41,222,643	20,660,698

27 Employee benefit obligations

The amounts recognised in the statement of financial position are as follows:

	Consolidated financial statements		Separate financial statements	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
Present value of post-employment benefit obligations	5,695,487	3,896,288	3,740,841	2,577,333
Liability in the statement of financial position	5,695,487	3,896,288	3,740,841	2,577,333

The movement in the post-employment benefit obligations during the year is as follows:

	Consolidated financial statements		Separate financial statements	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
At 1 January	3,896,288	8,601,293	2,577,333	7,595,772
Current service cost	779,074	817,001	254,896	509,291
Interest cost	47,404	57,327	32,779	51,603
Benefit paid	-	(5,579,333)	-	(5,579,333)
Loss on remeasurement	972,721	-	875,833	-
At 31 December	5,695,487	3,896,288	3,740,841	2,577,333

The amounts recognised in the statements of comprehensive income are as follows:

	Consolidated financial statements		Separate financial statements	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
Current service cost	779,074	817,001	254,896	509,291
Interest cost	47,404	57,327	32,779	51,603
Total (mainly included in administrative expense)	826,478	874,328	287,675	560,894

The amounts recognised in other comprehensive income are as follows:

	Consolidated financial statements		Separate financial statements	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
Gain from change in financial assumptions	(114,900)	-	(108,895)	-
Loss from change in demographic assumption	534,104	-	350,583	-
Loss from change in plan experience	553,517	-	634,145	-

The principal actuarial assumptions used are as follows:

	Consolidated financial statements		Separate financial statements	
	2023 %	2022 %	2023 %	2022 %
Discount rate	3.19 - 3.37	0.71 - 1.60	3.19	1.43
Salary growth rate	5.00	3.00	5.00	3.00
Turnover rate (depends on range of ages)	5.02 - 20.06	0.00 - 32.00	5.02 - 20.06	0.00 - 32.00
Mortality rate	105% of Thai Mortality Ordinary Table 2017	100% of Thai Mortality Ordinary Table 2017	105% of Thai Mortality Ordinary Table 2017	100% of Thai Mortality Ordinary Table 2017

Sensitivity analysis of actuarial assumptions is as follows:

	Consolidated financial statements					
	Impact on retirement benefits					
Change in assumption	Increase in assumption		Decrease in assumption			
	2023	2022	2023	2022	2023	2022
Discount rate	0.50%	0.50%	(245,011)	(116,037)	263,557	122,137
Salary growth rate	1.00%	0.50%	532,135	136,687	(469,862)	(130,817)
Mortality rate	20.00%	0.50%	(52,029)	(813)	52,635	813
Turnover rate	20.00%	10.00%	(650,467)	(211,992)	835,415	242,047

	Separate financial statements					
	Impact on retirement benefits					
Change in assumption	Increase in assumption		Decrease in assumption			
	2023	2022	2023	2022	2023	2022
Discount rate	0.50%	0.50%	(154,026)	(97,075)	163,659	102,355
Salary growth rate	1.00%	0.50%	328,292	110,013	(296,989)	(104,976)
Mortality rate	20.00%	0.50%	(33,224)	(586)	33,527	586
Turnover rate	20.00%	10.00%	(382,912)	(169,365)	464,900	193,371

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions, the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the liability recognised in the statement of financial position.

Expected maturity analysis of undiscounted retirement benefits as at 31 December 2023 and 2022 is as follows:

	Consolidated financial statements				
	2023				
	Less than 1 year Baht	1 - 3 years Baht	3 - 5 years Baht	Over 5 years Baht	Total Baht
Retirement benefit	671,164	-	171,707	6,977,602	7,820,473
Total	671,164	-	171,707	6,977,602	7,820,473

Consolidated financial statements					
2022					
	Less than 1 year Baht	1 - 3 years Baht	3 - 5 years Baht	Over 5 years Baht	Total Baht
Retirement benefit	-	1,484,680	105,579	5,807,024	7,397,283
Total	-	1,484,680	105,579	5,807,024	7,397,283
Separate financial statements					
2023					
	Less than 1 year Baht	1 - 3 years Baht	3 - 5 years Baht	Over 5 years Baht	Total Baht
Retirement benefit	-	-	-	4,992,530	4,992,530
Total	-	-	-	4,992,530	4,992,530
Separate financial statements					
2022					
	Less than 1 year Baht	1 - 3 years Baht	3 - 5 years Baht	Over 5 years Baht	Total Baht
Retirement benefit	-	-	-	5,011,159	5,011,159
Total	-	-	-	5,011,159	5,011,159

The weighted average duration of the retirement benefit is 22.51 - 27.07 years (2022: 3.33 - 12.15 years).

28 Share capital

Consolidated and separate financial statements					
	Number of authorised share capital Shares	Number of shares - issued and paid-up Shares	Ordinary shares - issued and paid-up Baht	Share premium, net Baht	Total Baht
At 1 January 2023	1,338,718,124	1,066,390,144	533,195,072	1,701,411,155	2,234,606,227
Decrease in warrants (126,293,317)	(126,293,317)	-	-	-	-
Stock dividend	38,491,372	70,800,128	35,400,064	-	35,400,064
At 31 December 2023	1,250,916,179	1,137,190,272	568,595,136	1,701,411,155	2,270,006,291

On 26 January 2023, the Company registered the change of paid-up share capital from Baht 533,195,072 to Baht 546,521,872 with the Department of Business Development, Ministry of Commerce which resulted from the stock dividend payment to be paid from unappropriated retained earnings as at 30 September 2022 to the shareholders at the rate of 40 shares per 1 stock dividend according to the resolution of the Extra General Meeting of Shareholders No. 1/2022 on 27 December 2022.

On 26 May 2023, the Company registered the change of paid-up share capital from Baht 546,521,872 to Baht 557,449,277 with the Department of Business Development, Ministry of Commerce which resulted from the stock dividend payment to be paid from unappropriated retained earnings as at 31 December 2022 to the shareholders at the rate of 50 shares per 1 stock dividend according to the resolution of the Annual General Meeting of Shareholders for 2023 on 26 April 2023.

On 27 October 2023, the Company registered the change of paid-up share capital from Baht 557,449,277 to Baht 568,595,136 with the Department of Business Development, Ministry of Commerce which resulted from the stock dividend payment to be paid from unappropriated retained earnings as at 30 June 2023 to the shareholders at the rate of 50 shares per 1 stock dividend according to the resolution of the Extra General Meeting of Shareholders No. 1/2023 on 27 September 2023.

Section 51 of the Public Companies Act. B.E. 2535 requires companies to set aside share subscription money received in excess of the issued shares' par value to a reserve account (share premium). The share premium is not available for dividend distribution.

29 Legal reserve

	Consolidated and separate financial statements	
	2023 Baht	2022 Baht
At 1 January	22,421,912	17,522,975
Appropriation during the year	6,925,571	4,898,937
At 31 December	29,347,483	22,421,912

Under the Public Limited Company Act., B.E. 2535, the Company is required to set aside a legal reserve at least 5% of its net income for the year after accumulated deficits brought forward (if any) until the reserve is not less than 10% of the registered share capital. The legal reserve is not available for dividend distribution.

30 Dividend

On 26 April 2023, the Annual General Meeting of Shareholders for the year 2023 passed a resolution to approve the dividend payment of 2022 to be paid from unappropriated retained earnings as at 31 December 2022, including cash dividend payment at the rate of Baht 0.00111112 per share amounting to Baht 1.22 million and stock dividend payment 21.85 million shares at par value of Baht 0.50 per share to the shareholders at the rate of 50 shares per 1 stock dividend amounting to Baht 10.93 million, equivalent to a dividend of Baht 0.01000000 per share. The Company paid stock dividend and cash dividend to the shareholders on 26 May 2023.

On 27 September 2023, the Extraordinary General Meeting of Shareholders for the of 1/2023 passed a resolution to approve the interim dividend payment to be paid from unappropriated retained earnings as at 30 June 2023, including cash dividend payment at the rate of Baht 0.00111112 per share amounting to Baht 1.24 million and stock dividend payment 22.30 million shares at par value of Baht 0.50 per share to the shareholders at the rate of 50 shares per 1 stock dividend amounting to Baht 11.15 million, equivalent to a dividend of Baht 0.01000000 per share. The Company paid stock dividend and cash dividend to the shareholders on 27 October 2023.

On 27 April 2022, the Annual General Meeting of Shareholders for the year 2022 passed a resolution to approve the dividend payment of 2021 to be paid from unappropriated retained earnings as at 31 December 2021, including cash dividend payment at the rate of Baht 0.00185190 per share amounting to Baht 1.89 million and stock dividend payment 33.98 million shares at par value of Baht 0.50 per share to the shareholders at the rate of 30 shares per 1 stock dividend amounting to Baht 16.99 million, equivalent to a dividend of Baht 0.01666667 per share. The Company paid stock dividend and cash dividend to the shareholders on 27 May 2022.

On 27 December 2022, the Extra General Meeting of Shareholders for 1/2565 passed a resolution to approve the dividend payment during the year to be paid from unappropriated retained earnings as at 30 September 2022, including cash dividend payment at the rate of Baht 0.00138900 per share amounting to Baht 1.48 million and stock dividend payment 26.65 million shares at par value of Baht 0.50 per share to the shareholders at the rate of 40 shares per 1 stock dividend amounting to Baht 13.33 million, equivalent to a dividend of Baht 0.01250000 per share. The Company paid stock dividend and cash dividend to the shareholders on 26 January 2023.

31 Interest income

	Consolidated financial statements		Separate financial statements	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
Interest income from loans to non-performing assets	1,368,857,337	888,854,346	182,223,955	145,981,330
Interest income from loan receivables	106,947,466	74,562,922	-	-
Total	1,475,804,803	963,417,268	182,223,955	145,981,330

32 Other income

	Consolidated financial statements		Separate financial statements	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
Interest income	8,635,352	3,457,479	3,767,785	2,181,268
Interest income from short-term loan to related parties (Note 37.4)	-	-	244,112,822	147,117,926
Management fee income from related parties (Note 37.4)	-	-	31,070,000	34,800,000
Dividend income from related party (Note 37.4)	-	-	120,969,462	80,000,000
Rental income	237,355	381,407	180,000	77,000
Rental income from related parties (Note 37.4)	-	-	1,980,400	2,340,000
(Loss) gain on disposal of property, plant and equipment	(3,827)	92	-	-
Share-based Payment	-	-	3,384,375	-
Other income	4,157,324	4,540,037	1,156,573	323,451
Total	13,026,204	8,379,015	406,621,417	266,839,645

33 Expenses by nature

	Consolidated financial statements		Separate financial statements	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
Employee expenses	108,144,585	78,258,883	46,061,744	46,139,745
Debts collection expenses	204,430,666	190,779,931	20,493,185	36,041,196
Professional fees	15,447,459	9,380,996	5,982,129	4,787,499
Utility expenses	9,897,958	6,774,310	4,995,314	4,387,544
Depreciation and amortisation	10,993,042	8,791,338	7,323,651	5,521,984
Impairment charges	2,066,119	-	10,746	-
Costs of goods sold	-	893,645	-	-
Insurance premium	513,101	486,986	213,251	206,913
Advertising expenses	1,740,445	1,991,081	1,703,545	1,914,639
Entertainment expenses	1,317,449	464,420	1,172,920	404,584
Expenses not deductible for tax purpose	430,693	206,262	114,047	74,824
Special business tax	7,634,251	6,563,225	-	-
Management fee	3,725,000	2,730,000	5,600,000	2,145,000
Fee	11,771,857	10,683,706	8,296,664	4,329,234
Transaction cost from increase of subsidiary's equity	5,040,000	1,440,000	-	-
Foreclosed assets expense	1,989,344	865,220	-	-
Other expenses	12,393,246	8,394,843	5,526,953	3,293,844
Total	397,535,215	328,704,846	107,494,149	109,247,006

34 Finance cost

	Consolidated financial statements		Separate financial statements	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
Interest and finance charges paid for lease liabilities	808,708	675,793	631,862	398,046
Borrowings from financial institutions	13,480,943	6,644,227	4,169,610	749,977
Debentures	239,859,030	152,541,369	239,859,030	152,541,369
Short-term loans from others	29,555	36,936	-	-
Total	254,178,236	159,898,325	244,660,502	153,689,392

35 Income tax expense

	Consolidated financial statements		Separate financial statements	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
Current tax:				
Current tax on profits for the year	11,756,541	10,291,467	111,413	-
Total current tax	11,756,541	10,291,467	111,413	-
Deferred tax:				
Increase in deferred tax assets (Note 24)	(86,313,347)	(58,059,336)	(24,977,182)	(12,175,940)
Increase in deferred tax liabilities (Note 24)	195,854,300	122,881,042	26,754,205	19,904,705
Total deferred tax	109,540,953	64,821,706	1,777,023	7,728,765
Total tax expense	121,297,494	75,113,173	1,888,436	7,728,765

The tax on the Group's and the Company's profit before tax is as follows:

	Consolidated financial statements		Separate financial statements	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
Profit before tax	570,129,469	349,573,076	140,399,845	105,707,514
Tax calculated at a tax rate of 20% and Less than 300,000 exempt, 300,000 - 3,000,000 15%, over 3,000,000 20%	115,537,075	70,316,502	28,079,969	21,141,503
Tax effect of:				
Income not subject to tax	-	-	(24,193,892)	(16,000,000)
Expenses additionally deductible for tax purpose	(1,119,537)	(3,845,368)	(1,309,534)	(1,287,876)
Utilisation of previously unrecognised tax losses	(1,676,783)	(81,276)	(1,431,939)	-
Non-tax deductible expenses	1,529,037	617,709	-	1,563,249
Revenue not recognised but subject to tax	2,983,903	6,673,667	743,832	879,950
Tax losses for which no deferred income tax asset was recognised	4,043,799	1,431,939	-	1,431,939
Income tax expense	121,297,494	75,113,173	1,888,436	7,728,765

The weighted average applicable tax rate for the Group was 21.28% (2022: 21.49%).

The tax credit relating to component of other comprehensive income is as follows:

	Consolidated financial statements					
	2023			2022		
	Before tax Baht	Tax charge Baht	After tax Baht	Before tax Baht	Tax charge Baht	After tax Baht
Remeasurement on retirement benefit obligations	(972,721)	194,545	(778,176)	-	-	-
Other comprehensive expense	(972,721)	194,545	(778,176)	-	-	-

	Separate financial statements					
	2023			2022		
	Before tax Baht	Tax charge Baht	After tax Baht	Before tax Baht	Tax charge Baht	After tax Baht
Remeasurement on retirement benefit obligations	(875,833)	175,167	(700,666)	-	-	-
Other comprehensive expense	(875,833)	175,167	(700,666)	-	-	-

In December 2021, the Organisation for Economic Co-operation and Development (OECD) issued model rules for a new global minimum tax framework (Pillar Two), and various governments around the world have issued, or are in the process of issuing, legislation on this. In Thailand, the government is in the process of drafting legislation on Pillar Two.

36 Earnings per share

Basic earnings per share is calculated by dividing the net profit attributable to shareholders of the parent company by the weighted average number of ordinary shares in issue during the year;

	Consolidated financial statements		Separate financial statements	
	2023	2022	2023	2022
Basic earnings per share				
Profit attributable to the ordinary equity holders of the Company used in calculating basic (Baht)	391,142,675	251,199,502	138,511,406	97,978,749
Weighted average number of ordinary shares				
Weighted average number of ordinary shares (shares)	1,137,190,272	1,025,364,147	1,137,190,272	1,025,364,147
Adjustment from stock dividends (shares)	-	(1)104,242,960	-	(1)104,242,960
Weighted average number of ordinary shares used as the denominator in calculating basic earnings (shares)	1,137,190,272	1,129,607,107	1,137,190,272	1,129,607,107
Basic earnings per share (Baht per share)	0.3440	0.2224	0.1218	0.0867
Diluted earnings per share				
Profit attributable to the ordinary equity holders of the Company used in calculating diluted earnings per share (Baht)	391,142,675	251,199,502	138,511,406	97,978,749
Weighted average number of ordinary shares				
Weighted average number of ordinary shares used as the denominator in calculating basic earnings (shares)	1,137,190,272	1,129,607,107	1,137,190,272	1,129,607,107
Adjustments for diluted earnings per share calculation: Warrants (shares)	(2)-	(3)36,490,615	(2)-	(3)36,490,615
Weighted average number of ordinary shares and potential ordinary shares used as the denominator in calculating diluted earnings per share (shares)	1,137,190,272	1,166,097,722	1,137,190,272	1,166,097,722
Diluted earnings per share (Baht per share)	0.3440	0.2154	0.1218	0.0840

(1) The Company recalculates basic earnings per share for the year ended 31 December 2022 for the purpose of comparability in financial statements, which is calculated by using weighted average number of ordinary shares as if the number of issued and paid-up share capital was changed as a result of share dividend to be consistent with the change in the number of issued and paid-up share capital after 31 December 2022.

- (2) As at 22 June 2023, the last exercise date of warrants, CHAYO-W2 and as at 20 December 2023, the first trade date of warrants, CHAYO-W3, the Company did not include shares issuable upon exercise of the warrants in the diluted profit per share calculation for the year ended 31 December 2023 as their exercise prices were in excess of the weighted average fair value of the Company's ordinary shares.
- (3) A calculation is done to determine the number of shares that could have been acquired at market price (determined as the average share price of the Company's shares during the period) based on the outstanding warrants to determine the number of potential ordinary shares would have been additionally issued. The potential shares were added to the ordinary shares outstanding. They were considered to be potential ordinary shares used as the denominator in calculating diluted earnings per share of 36,490,615 shares from warrants, CHAYO-W2.

37 Related party transactions

Enterprises and individuals that, directly or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with, the Company, including holding companies, subsidiaries and fellow subsidiaries are related parties of the Company. Associates and individuals owning, directly or indirectly, an interest in the voting power of the Company that gives them significant influence over the enterprise, key management personnel, including directors and officers of the Company and close members of the family of these individuals and companies associated with these individuals also constitute related parties.

In considering each possible related-party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

The related party transactions are made on trading norms and based on agreements.

Related party	Country/Nationality	Relationship
Chayo Asset Management Co., Ltd.	Thai	Subsidiary
Chayo Property and Service Co., Ltd.	Thai	Subsidiary
Chayo Capital Co., Ltd.	Thai	Subsidiary
555 Service Co., Ltd. (Formerly "555 Shopping Co., Ltd.")	Thai	Subsidiary
Chayo JV Asset Management Co., Ltd.	Thai	Subsidiary
Pornsiam Consultant and Service Co., Ltd.	Thai	Affiliated company
Related persons	Thai	Shareholder/ Key management/ Board of director

The following transactions were carried out with related parties:

37.1 Service income from debts collection

	Consolidated financial statements		Separate financial statements	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
Subsidiaries	-	-	625,126	975,739
	-	-	625,126	975,739

37.2 Costs of rendering services

	Consolidated financial statements		Separate financial statements	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
Rental expense	-	-	957,002	1,792,531
Key management	-	-	957,002	1,792,531

37.3 Administrative expenses

	Consolidated financial statements		Separate financial statements	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
Management fee Subsidiaries	-	-	3,600,000	-
Rental expenses Key management	-	126,000	-	-
Appraisal costs Affiliated company	43,692	-	-	-
Total	43,692	126,000	3,600,000	-

37.4 Other income

	Consolidated financial statements		Separate financial statements	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
<u>Rental income</u> Subsidiaries	-	-	1,980,400	2,340,000
	-	-	1,980,400	2,340,000
<u>Management fee income</u> Subsidiaries	-	-	31,070,000	34,800,000
	-	-	31,070,000	34,800,000
<u>Dividend income</u> Subsidiary	-	-	120,969,462	80,000,000
	-	-	120,969,462	80,000,000
<u>Interest income</u> Subsidiaries	-	-	244,112,822	147,117,926
	-	-	244,112,822	147,117,926

37.5 Outstanding balances arising from rendering /purchases of services and interest receivables

	Consolidated financial statements		Separate financial statements	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
<u>Lease receivables</u>				
Subsidiaries	-	-	3,425,217	-
Total amounts due from related parties	-	-	3,425,217	-
<u>Receivables</u>				
Subsidiaries	-	-	163,684	290,387
Total amounts due from related parties (Note 12)	-	-	163,684	290,387
<u>Dividend receivables</u>				
Subsidiaries	-	-	19,461,712	-
Total interest receivables from related parties (Note 12)	-	-	19,461,712	-
<u>Interest receivables</u>				
Subsidiaries	-	-	515,891,427	288,486,017
Total interest receivables from related parties (Note 12)	-	-	515,891,427	288,486,017
<u>Payables</u>				
Subsidiaries	-	-	308,481	297,615
Total amounts due to related parties (Note 26)	-	-	308,481	297,615
<u>Lease liabilities</u>				
Individual	10,100,594	13,846,000	10,100,594	13,846,000
Total amounts due to related parties	10,100,594	13,846,000	10,100,594	13,846,000

37.6 Loans to related parties

	Consolidated financial statements		Separate financial statements	
	Reclassified		Reclassified	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
At 1 January	-	-	3,208,799,900	2,093,799,900
Loan advanced during the year				
Subsidiaries	-	-	897,000,000	1,920,000,000
Loan repayments during the year				
Subsidiaries	-	-	(268,000,000)	(805,000,000)
At 31 December	-	-	3,837,799,900	3,208,799,900

As at 31 December 2023 and 2022, loans to related parties is due for repayments at call. The loans to related parties bears an interest rate of 6.00% - 13.25% per annum (2022: 6.00% - 6.50% per annum).

37.7 Key management remunerations

For the years ended 31 December 2023 and 2022, benefits to key management personnel are as follows:

	Consolidated financial statements		Separate financial statements	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
Salaries and other short-term employee benefits	24,854,849	16,215,725	19,868,515	16,215,725
Post-employment benefits	494,425	184,765	187,321	184,765
Share-based payment	1,853,781	1,387,125	1,511,281	1,387,125
Total	27,203,055	17,787,615	21,567,117	17,787,615

38 Commitments

The Group and the Company have commitments as follows:

Letter of guarantees

	Consolidated financial statements		Separate financial statements	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
Letter of guarantees	12,494,316	5,342,616	3,040,669	3,037,515
Total	12,494,316	5,342,616	3,040,669	3,037,515

Outstanding letters of guarantee issued by local banks to third parties on behalf of the Group and the Company in the normal course of business.

39 Event after reporting period**Chayo Capital Co., Ltd**

On 9 January 2024, the Extraordinary General Meeting of Shareholders No.1/2567 passed a resolution to approve the following agenda to serve the initial public offering to the Securities and Exchange Commission:

1. Converted from the Limited Company to the Public Company Limited with Department of Business Development. The Company registered the conversion on 12 January 2024.
2. Decreased par value with a stock split from Baht 10 per share to Baht 1 per share causing the increase in authorised share capital from 37,500,000 shares to 375,000,000 shares.
3. Increased the authorised share capital from 375,000,000 ordinary shares with a par value of Baht 1 per share to 500,000,000 ordinary shares with a par value of Baht 1 per share.



Attachments

- Attachment 1** Details of Directors, Controlling Persons, Executives, Persons who were Assigned the Highest Responsibility in Accounting and Finance and Company Secretary
- Attachment 2** Details of Directors of Subsidiaries
- Attachment 3** Details of the Head of Internal Audit
- Attachment 4** Operating Assets
- Attachment 5** Corporate Governance and Business Code of Conduct Policy and Practice Guidelines
- Attachment 6** Corporate Governance Report of the Audit Committee Year 2023



Attachment 1

Details of Directors, Controlling Persons, Executives, Persons who were Assigned the Highest Responsibility in Accounting and Finance and Company Secretary

- Details of the Company's Board of Directors and Controlling Persons (as of 31 December 2023)



Assistant Professor
Wuttisak Larbcharoensub

Age : years

Position :

Chairman of the Board/
Independent Director

Date of Appointment :

On 5 November 2015

Educational Background:

- Master of Arts (Political Science), University of Chicago, USA.
- Bachelor of Political Science (Honors), Chulalongkorn University

Training History:

- Director Accreditation Program (DAP), Class of 80/2009, Thai Institute of Directors Association (IOD)
- Director Certification Program (DCP), Class of 126/2009, Thai Institute of Directors Association (IOD)

Shareholding proportion of the \ Company's shares as of 31 December 2023 :

None

Family Relationship among Executives :

None

Work Experiences within the last 5 years

Period	Position	Name of Organization/Company	Business Type
2015 - Present	Chairman of the Board / Independent Director	Chayo Group Public Company Limited	Non-performing asset management service, debt collection services and debts tracking
2014 - Present	Director	The Post Publishing Public Company Limited	Publisher and distributor of Bangkok Post newspaper
2020 - Present	Executive Director of Reinforcement National Honesty Project	The Reinforcement National Honesty Project	Government Agency
2022 - Present	Acting Rector	Ramkhamhaeng University	Educational Institution
2020 - Present	Chairman of Committee of the University Affairs Advocacy	Ramkhamhaeng University	Educational Institution
2014 - 2019	Member of National Legislative Assembly	National Legislative Assembly	Government Agency



**Air Chief Marshal
Arnon Jarayapant**

Age : 68 years

Position :

Director/ Independent Director/
Chairman of the Audit
Committee/ Chairman of
Nomination and Remuneration
Committee

Date of Appointment :

On 5 November 2015

Educational Background :

- Air War College, Class of 38
- National Defence College, Class of 51
- Air Command and General Staff College, Class of 35
- Squadron Officer School, Class of 58
- Royal Thai Air Force Academy, Class of 22

Training History :

- Advanced Certificate Course in Promotion of a Peaceful Society (King Prajadhipok's Institute), Class 2
- Director Accreditation Program (DAP), Class of 124/2016, Thai Institute of Directors Association (IOD)

**Shareholding proportion of the
Company's shares as of 31 December**

2023 : None

Family Relationship among Executives :

None

Work Experiences within the last 5 years

Period	Position	Name of Organization/Company	Business Type
2021 – Present	Chairman of the Audit Committee	Chayo Group Public Company Limited	Non-performing asset management service, debt collection services and debts tracking
2015 - Present	Director/ Chairman of Nomination and Remuneration Committee/ Independent Director	Chayo Group Public Company Limited	
2014 - 2018	Director	Metropolitan Electricity Authority	State Enterprise
2014 - 2019	Member of National Legislative Assembly	National Legislative Assembly	Government Agency
2528 - 2558	Deputy Commander-in-Chief	Royal Thai Air Force	Government Agency



**Mr. Teeranut
Thangsatapornpong**

Age : 50 years

Position :

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

Date of Appointment :

On 5 November 2015

Educational Background :

- Master of Economics, Thammasat University
- Bachelor of Laws Program, Sukhothai Thammathirat Open University
- Bachelor of Accountancy Program, Sukhothai Thammathirat Open University
- Bachelor of Economics, Thammasat University

Training History :

- Director Certification Program (DCP), Class of 161/2012, Thai Institute of Directors Association (IOD)

**Shareholding proportion of the
Company's shares as of 31 December**

2023 : None

Family Relationship among Executives :

None

Work Experiences within the last 5 years

Period	Position	Name of Organization/Company	Business Type
2015 - Present	Director/ Independent Director/ Chairman of the Risk Management Committee/ Chairman of the Corporate Governance Committee/ Audit Committee/ Nomination and Remuneration Committee	Chayo Group Public Company Limited	Non-performing asset management service, debt collection services and debts tracking
2019 - Present	Director	Hinsitsu Precision (Thailand) Company Limited	Manufacture of other processed products made of paper
2018 - Present	Director	Simat Label Company Limited	Information technology service business
2018 - Present	Director	Simat Label Company Limited	Publishing business, printing, stickers (Label), various electronic chips
2018 - Present	Director/ Chairman of Risk Management Committee/ Executive Committee/ Chief Financial Officer	Hinsitsu (Thailand) Company Limited	Produce color printing stickers on plastic sheets
2017 - Present	Independent Director / Audit Committee	Filter Vision Public Company Limited	Distribution of products and services for materials used for water filtration
2015 - 2016	Assistant Managing Director	KTBS Securities (Thailand) Company Limited	Brokerage



Mrs. Rosporn Sooksomporn

Age : 68 years

Position :

Director/ Independent Director/
Audit Committee

Date of Appointment :

On 5 November 2015

Educational Background :

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

Training History :

- Director Accreditation Program (DAP), Class 124/2016, Association for Promotion
- Thai Institute of Directors (IOD)
- Financial and Fiscal Management Program for Senior Executive, Class 2
- Chief Information Office (CIO) , Class 25
- The Programme for Senior Executives on Justice Administration, Class 14
- The Civil Service Executive Development Program : Visionary and Moral Leadership, Class 54
- Formation of the Internal Control System Workshop, Class 2

Shareholding proportion of the Company's shares as of 31 December 2023 : 0.02

Family Relationship among Executives :

None

Work Experiences within the last 5 years

Period	Position	Name of Organization/Company	Business Type
2021 - Present	Director/ Independent Director/ Audit Committee	Chayo Group Public Company Limited	Non-performing asset management service, debt collection services and debts tracking
2015 - Present	Director	Chayo Group Public Company Limited	
2013 – 2015	Deputy Director General	Legal Execution Department	Government Agency



Mr. Vitthaya Inala

Age : 65 years

Position :

Director

Date of Appointment :

On 5 November 2015

Educational Background :

- Doctor of Philosophy Program in Development and
- Organizational Change, Cebu Doctors' University, Philippines
- Master of Economics Program, National Institute of Development Administration
- Bachelor of Education Program in Chemistry, Mahasarakham University

Training History :

- Diploma of Leadership program, University of
- California, Berkeley, The United States Of America
- Top Executive Program, Capital Market Academy Class of 13 (CMA 13)
- Director Accreditation Program (DAP) รุ่น 118/2015

Shareholding proportion of the Company's shares as of 31 December

2023 : 0.01% (a spouse is Mrs. Pim Inala, holding 0.35%)

Family Relationship among Executives :

None

Work Experiences within the last 5 years

Period	Position	Name of Organization/Company	Business Type
2021 - Present	Director	Green Leaf Chemical Company Limited	Business importing chemicals, cosmetics and food.
2021 - Present	Director	Mega Fuji Graphite Company Limited	Sales, import and export of graphite ore, including products produced by graphite ore and other related products.
2021 - Present	Director	Megachem Plus Company Limited	Business importing and distributing ethanol chemicals.
2015 - Present	Director	Chayo Group Public Company Limited	Non-performing asset management service, debt collection services and debts tracking
2014 - 2016	Director	Chayo Property & Service Company Limited	Non-performing asset management
2018 - Present	Managing Director	Megachem (Myanmar) Limited, Republic of the Union of Myanmar	Chemical Products and Consulting Business
2019 - Present	Managing Director	PRIME INDEX COMPANY LIMITED, Republic of the Union of Myanmar	Selling chemicals
2018 - Present	The Chairman of Executive Committee	Mega Chem Plus Company Limited	Wholesale of industrial chemicals
1992 - Present	Chief Executive Officer	Megachem (Thailand) Public Company Limited	Comprehensive chemical distribution and consulting services



Mr. Seksan Rangsiyeranon

Age : 58 years

Position :

Director/ Risk Management Committee/ Executive Committee/ A Director's authority to bind a Company

Date of Appointment :

On 5 November 2015

Educational Background :

- Master of Political Science, Ramkhamhaeng University
- Bachelor of Business Administration (Construction Management), Sukhothai Thammathirat Open University

Training History :

- RTAF & CEO Relationship Program Class 14, Royal Thai Air Force
- The Civil Service Executive Development Program Class 6,
- The Bureau Of The Budget
- Advanced Certificate Course in Public Economics Management for Executives Class 15, King Prajadhipok's Institute
- Advanced Security Management Program Class 9: ASMPq, Thailand National Defence College

Shareholding proportion of the Company's shares as of 31 December

2023 : 0.001%

Family Relationship among Executives :

None

Work Experiences within the last 5 years

Period	Position	Name of Organization/Company	Business Type
2015 - Present	Director/ Risk Management Committee/ Executive Committee	Chayo Group Public Company Limited	Non-performing asset management service, debt collection services and debts tracking
2005 – 2017	General Director (General Director)	Bangkok Water Pollution Service Company Limited	Wholesale and retail sale of motor vehicles and motorcycles
2004 – Present	The Chairman of Executive Committee	Pornsiam Consultant and Service Company Limited	Other services related to real estate



Mr. Suksan Yasasin

Age : 62 years

Position :

Vice Chairman/
Risk Management Committee/
Corporate Governance
Committee/ Nomination and
Remuneration Committee/
Chairman of Executive
Committee/ Chief Executive
Officer/ A Director's authority
to bind a Company

Date of Appointment :

On 4 December 1997

Educational Background :

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

Training History :

- Role of the Chairman Program (RCP) Class 40/2017, Thai Institute of Directors Association (IOD)
- Financial Statements for Directors (FSD) Class 31/2016, Thai Institute of Directors Association (IOD)
- Course of Thailand Insurance Leadership Program, (OIC6), Office of Insurance Commission
- Director Certification Program (DCP), Class of 224/2016, Thai Institute of Directors Association (IOD)
- Director Accreditation Program (DAP), Class of 121/2015, Thai Institute of Directors Association (IOD)
- Financial and Fiscal Management Program for Senior Executive, Class 2, The Comptroller General's Department, Ministry of Finance
- Institute of Security Psychology, National Defence Studies Institute, Course of Executive Relationship Development by Royal Thai Armed Forces, Class 5
- Course of Pillar of The Kingdom, Political Chief Leadership follow royal projects by His majesty the King, Class 2
- Intermediate Certificate course of Young Leadership in Democratic Governance, King Prajadhipok's Institute
- Institute of Security Psychology, National Defence Course, Class 96
- Air Command and General Staff College, course of Executive Relationship
- Chief Executive Course, Capital Market Academy (CMA 25), Class 25

Shareholding proportion of the Company's shares as of 31 December 2023 : 33.16%

Family Relationship among Executives : Brother of Mrs. Pim Pattamasing Na Ayuthaya

Work Experiences within the last 5 years

Period	Position	Name of Organization/Company	Business Type
2023 - Present	Chairman	Smart TTC Company Limited	Produce electric motors and electric generator
1997 – Present	Vice Chairman/ Risk Management Committee/ Corporate Governance Committee/ Nomination and Remuneration Committee/ Chairman of Executive Committee/ Chief Executive Officer	Chayo Group Public Company Limited	Non-performing asset management service, debt collection services and debts tracking
2020 - Present	Director/ Executive Committee	Chayo JV Asset Management Company Limited	Buying or accepting transfer of non-performing assets of financial institutions
2020 - Present	Director/ Executive Committee	555 Shopping Company Limited	Selling products online
2018 – Present	Director/ Executive Committee	Chayo Capital Company Limited	Small loan business and other credits not classified elsewhere
2009 - Present	Director/ Executive Committee	Chayo Asset Management Company Limited	Non-performing asset management
2000 – Present	Director/ Executive Committee	Chayo Property and Service Company Limited	Call center services



Mr. Kittu Tungsriwong

Age : 54 years**Position :**

Director /Risk Management Committee/ Nomination and Remuneration Committee
 Director/ Deputy Chief Executive Officer/ Company Secretary/ Managing Director of Business Development Division/ A Director's authority to bind a Company / Acting Chief Accounting and Finance Officer

Date of Appointment :

On 30 April 2019

Educational Background :

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

Training History:

- Director Certification Program (DCP), Class of 43/2004, Thai Institute of Directors Association (IOD)
- Advanced Certificate of course in Public Economic Management for Executives,
- Advanced Certificate of course in Public Economic Management for Executives, Class 9, King Prajadhipok's Institute
- Debts Restructuring Program, Chulalongkorn University
- Strategy CFO, Class of 4/2018, The Stock Exchange of Thailand
- Chief Executive Course, Capital Market Academy Class 28 (CMA28)
- mai Sustainability Strategy Program 2020 The Stock Exchange of Thailand

Shareholding proportion of the Company's shares as of 31 December 2023 : 0.66%**Family Relationship among Executives :** None**Work Experiences within the last 5 years**

Period	Position	Name of Organization/Company	Business Type
2024 - Present	Acting Chief Accounting and Finance Officer	Chayo Group Public Company Limited	Non-performing asset management service, debt collection services and debts tracking
2016 - Present	Director/ Risk Management Committee/ Nomination and Remuneration Committee/ Executive Committee/ Deputy Chief Executive Officer/ Company Secretary/ Acting Managing Director of Business Development	Chayo Group Public Company Limited	Non-performing asset management service, debt collection services and debts tracking
2020 - Present	Independent Director/ Chairman of the Audit Committee	Roong Rueang Forever Public Company Limited	Online platform type of "read-write novels, cartoons, online books"
	Director/ Executive Committee	Chayo JV Asset Management Company Limited	Buying or accepting transfer of non-performing assets of financial institutions
2020 - Present	Director/ Executive Committee	555 Shopping Company Limited	Selling products online
2020 - Present	Director/ Executive Committee	Chayo Capital Company Limited	Small loan business and other credits not classified elsewhere
2018 - Present	Director/ Executive Committee	Chayo Property and Service Company Limited	Call center services



**Mrs. Pim Pattamasing
Na Ayuthaya**

Age : 52 years

Position :

Director/ Risk Management Committee/ Corporate Governance Committee
Managing Director of Administrative Support Division/ A Director's authority to bind a Company

Date of Appointment :

On 4 December 2003

Educational Background :

- Master of Real Estate Development, Thammasat University
- Bachelor of Accountancy (Accounting), Dhurakij Pundit University
- Bachelor of Laws, Phranakhon Rajabhat University

Training History :

- Director Accreditation Program (DAP), Class of 121/2015, Thai Institute of Directors Association (IOD)
- Graduate Diploma in Property Valuation, Thammasat University
- Diploma from Institute of Security Psychology, Class 103
- RTAF & CEO Relationship Class 007

Shareholding proportion of the Company's shares as of 31 December 2023 : 0.91%

Family Relationship among Executives :

The younger sister of Mr. Suksan Yasasin.

Work Experiences within the last 5 years

Period	Position	Name of Organization/Company	Business Type
2003 – Present	Director/ Risk Management Committee/ Corporate Governance Committee/ Executive Committee/ Managing Director of Administrative Support Division	Chayo Group Public Company Limited	Non-performing asset management service, debt collection services and debts tracking
2020 - Present	Director/ Executive Committee	Chayo JV Asset Management Company Limited	Buying or accepting transfer of non-performing assets of financial institutions
2020 - Present	Director/ Executive Committee	555 Shopping Company Limited	Selling products online
2018 – Present	Director/ Executive Committee	Chayo Capital Company Limited	Small loan business and other credits not classified elsewhere
2009 - Present	Director/ Executive Committee	Chayo Asset Management Company Limited	Non-performing asset management
2000 – Present	Director/ Executive Committee	Chayo Property and Service Company Limited	Call center services

- Details of a person who was assigned the highest responsibility in Accounting and Finance and Company Secretary (as of 31 December 2021)

Mr. Kitti Tungsriwong

Age : 54 years

Position :

- Company Secretary ^{1/}
- Acting Chief Accounting and Finance Officer

Educational Background :

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

Training :

- Director Certification Program (DCP), Class of 43/2004, Thai Institute of Directors Association (IOD)
- Company Secretary Program (CPS) No. 43/2022
- Strategy CFO, Class of 4/2018, The Stock
- Exchange of Thailand

Shareholding proportion of the Company's shares as of 31 December 2023

: 0.66

Family Relationship among Executives : None

Work Experiences within the last 5 years

Period	Position	Company Name / Organization Name
2024 - Present	Acting Chief Accounting and Finance Officer	Chayo Group Public Company Limited
2016 - Present	Director/ Risk Management Committee/ Nomination and Remuneration Committee/ Executive Committee/ Deputy Chief Executive Officer/ Company Secretary/ Acting Managing Director of Business Development	Chayo Group Public Company Limited
2020 - Present	Independent Director/ Chairman of the Audit Committee	Roong Rueang Forever Public Company Limited
2020 - Present	Director/ Executive Committee	Chayo JV Asset Management Company Limited
2020 - Present	Director/ Executive Committee	555 Shopping Company Limited
2020 - Present	Director/ Executive Committee	Chayo Capital Company Limited
2018 - Present	Director/ Executive Committee	Chayo Property and Service Company Limited

Mr. Natthawat Yasasin**Age :** 33 years**Position :**

- Managing Director of Chayo Asset Management Company Limited

Educational Background :

- Bachelor of Chinese Medicine Hua Qiao/Shanghai
- Bachelor of Laws Sripatum

Shareholding proportion of the Company's shares as of 31 December 2023 :
2.54

Family Relationship among Executives :

Son of Mr. Suksan Yasasin, the director.

Work Experiences within the last 5 years

Period	Position	Company Name / Organization Name
2023 – Present	Managing Director of Asset Management	Chayo Asset Management Co., Ltd.
2019	Executive Advisor	Chayo Asset Management Co., Ltd.

Ms. Waraporn Intanu**Age :** 44 years**Position :**

- Managing Director of Service Department, Chayo Group Public Company Limited

Educational Background :

- Bachelor of Science Program in Entomology, Kasetsart University

Shareholding proportion of the Company's shares as of 31 December 2023 :
0.02

Family Relationship among Executives : None**Work Experiences within the last 5 years**

Period	Position	Company Name / Organization Name
2019 - Present	Acting Managing Director of Service Division	Chayo Group Public Company Limited
2001 - 2019	Service Manager	Chayo Group Public Company Limited

Miss Supanard Sirikusalanukul**Age :** 30 years**Position :**

- Accounting Manager

Educational Background :

- Bachelor of Accounting, Kasetsart University

Shareholding proportion of the Company's shares as of 31 December 2023 :

None

Family Relationship among Executives : None**Work Experiences within the last 5 years**

Period	Position	Company Name / Organization Name
2023 – Present	Accounting Manager	Chayo Group Public Company Limited
2016 - 2022	Assistant auditor / audit manager	KPMG PHOOMCHAI AUDIT CO., LTD

Miss Thanchanok Klaiklueng**Age :** 36 years**Position :**

- Managing Director of Service, 555 Service Company Limited.

Educational Background :

- Bachelor's degree in English Rangsit University

Shareholding proportion of the Company's shares as of 31 December 2023 :

None

Family Relationship among Executives : None**Work Experiences within the last 5 years**

Period	Position	Company Name / Organization Name
2023 – present	Managing Director of Service	555 Service Company Limited.
2022 – 2023	Executive Secretary	G.A.T Subcontract Service Company Limited.

Attachment 2

Details of Directors of Subsidiaries

Name – Surname		CHAYO	Chayo AMC	Chayo Property & Service	Chayo Capital	555 Service	CHAYO JV
1. Mr. Wuttisak	Larbcharoensub	C, ID	-	-	-	-	-
2. Mr. Suksan	Yasasin	D, RC, CG, NRC, EXC, A	D, A	D, A	D, A	D, A	-
3. Mrs. Pim	Pattamasing Na Ayuthaya	D, RC, CG, EXC, A	D, A	D, A	D, A	D, A	-
4. Mr. Seksan	Rangsiyeranon	D, RC, EXC, A	-	-	-	-	-
5. Mr. Vitthaya	Inala	D	-	-	-	-	-
6. Mrs. Rosporn	Sooksomporn	D	-	-	-	-	-
7. Mr. Teeranut	Thangsatapornpong	ID, AC, RC, CG, NRC	-	-	-	-	-
8. Air Chief Marshal Arnon	Jarayapant	ID, AC, NRC	-	-	-	-	-
9. Mr. Kitti	Tungsiwong	D, RC, NRC, EXC, A	-	D, A	D, A	D, A	D, A
10. Mr. Natthawat	Yasasin	EXC	D, A	-	-	-	-

C	Chairman of the Board	D	Director	ID	Independent Director	AC	Audit Committee
RC	Risk Management Committee	NRC	Nomination and Remuneration Committee	CG	Corporate Governance Committee	EXC	Executive Committee
A	Authorized Director						

Attachment 3**Details of the Head of Internal Audit**

The Company has appointed KPS Audit Company Limited (“KPS”) as an internal audit with Mr. Wiwat Limnantas-in, KPS Managing Director, as the head of internal audit. The details of the internal auditors are as follows.

Mr. Wiwat Limnantas-in-Partner

Age : 53 Years

Educational Background :

- Bachelor of Business Administration Program in Accounting, Faculty of Business Administration, Ramkhamhaeng University
- Certificated Professional Internal Auditors of Thailand – CPIAT (Class 12)
- Member of the Institute of Internal Auditors of Thailand (IIAT)

Training History :

- CAE Chief Audit Executive Professional Leadership Program Class 1
- Value Creation and Enhancement for Listed Companies with the New COSO 2017 Enterprise Risk Management (ERM) - Strategy and Objective Setting using Balanced Scorecard (BSC)
- Anti-Corruption: The Practical Guided/Thai Institute of Directors
- Detecting and preventing corporate “Fraud” / The Asia Business Forum
- Tools and Techniques for the audit manager
- Assessing Business Risk: The Gateway to Value-Added Results
- CIA Preparation Part1 – 3 Training Course
- Quality Management System Auditor / Lead Auditor Training Course
- Certificate QMS ISO9001:2000/2008 / ISO/IEC27001:2005 Training Course
- QMS Internal Audit Training Course

- Setting Goals & Reviewing Results and Communicating for Leadership Success / DDI-Asia / Pacific International Ltd.
- Effective Internal Control for Success IPO by the Stock Exchange of Thailand

Shareholding Proportion (Percent) : None

Family Relationship among Executives : None

Work Experiences within the last 5 years

Period	Position	Business Type
2015 - Present	Partner / Company Limited KPS Audit Company Limited / Internal Audit Business Consulting Services	Transportation and Logistics Business/ Finance Business / Industrial Business / Energy Business (Trading) / Media and Publishing Business / Renewable Energy Business / Construction Business/ Commercial Business / Telecommunication Business
2011 - 2015	Internal Audit Specialist / Thaicom Public Company Limited / Telecommunication Business	Telecommunication Business

The scope of work of the the internal auditors and the opinions of the Audit Committee on the experiences of the internal auditors of KPS are as follows:

Topic	Outsider Internal Auditors
Internal Auditor	Mr. Wiwat Limnantasin (The person who in charge of Internal Audit) KPS Audit Company Limited.
Position	Partner
Internal Auditor's Experiences	Approximately 28 years
Audit Committees' Opinion on the Internal Auditor's Experiences	Mr. Wiwat Limnantasin possess good knowledge as well as good experiences in conducting the Company's Internal Audit.
Responsibilities	Auditing each systems of the Company as determined or deemed appropriate by the Audit Committee, including jointly submitting an annual internal audit plan to the Audit Committee for consideration. This includes a report on the results of the audit and propose guidelines for improvement and/or correction for the Board of Directors acknowledgement every quarter or as determined by the Board of Directors.

Attachment 4

Operating Assets

- Main fixed assets used in business operations

As of 31 December 2023, fixed assets used by the Company in business operations have a net value after deducting accumulated depreciation equal to 51.33 million baht, which can be presented as follows:

Asset Types	Ownership Types	Net Worth (million baht)	Encumbrance
Property, buildings, and equipment			
Land			
Location : 44/499-504 Anusawari Subdistrict, Bang Khen District, Bangkok Province For use as an office building . Note: Reclassified as investment property.	Owned by the Company	-	With encumbrance
Location : 44/551-554 Anusawari Subdistrict, Bang Khen District, Bangkok Province For use as an office building . Note: Reclassified as investment property.	Owned by the Company	3.36	With encumbrance
Buildings and building improvements	Owned by the Company	35.36	With encumbrance
Office supplies	Owned by the Company	1.15	No encumbrance
Computer equipment	Owned by the Company	5.81	No encumbrance
Furnishings and fixtures	Owned by the Company	5.10	No encumbrance
Vehicles	Owned by the Company	0.55	No encumbrance
Property, buildings, and equipment total		51.33	

Asset Types	Ownership Types	Net Worth (million baht)	Encumbrance
Real estate for investment			
No. 1/44 Location: Watcharaphon Road, Tha Raeng, Bang Khen, Bangkok Unspecified purpose of use	Owned by the Company	1.40	No encumbrance
Vacant land Location: Bang Chan Subdistrict, Min Buri District, Bangkok	Owned by the Company	2.94	No encumbrance
Vacant land Location: Bueng Subdistrict, Si Racha District, Chonburi	Owned by the Company	2.25	No encumbrance
3 booths commercial building Location: Chokchai Si Road Soi 22, Lat Phrao, Lat Phrao, Bangkok	Owned by the Company	3.38	No encumbrance
Location :44/499-504 Anusawari Subdistrict, Bang Khen District Bangkok Province Note: Reclassified as investment property in 3Q2023.	Owned by the Company	19.87	With encumbrance
Real estate for investment total		29.84	

- **Intangible Assets Used in Business Operations**

As of 31 December 2023, the Company has net intangible assets amounting to 4.53 million baht, which were items of rights to use computer programs such as personnel management systems, general office programs, customer data management programs and office programs to expand the system to support the increased telephone systems according to the Company's plan. The Company has a policy to write off intangible assets throughout the estimated useful life within a period of 3 years.

- **Investments in Subsidiaries**

	Registered Capital (Baht)	Shares	Share Value (Baht)	Proportion of Shares (percent)
Chayo Asset Management Company Limited	200,000,000.00	40,000,000	5.00	100.00
Chayo Property and Services Company Limited	20,000,000.00	2,000,000	10.00	100.00
Chayo Capital Company Limited	375,000,000.00	37,500,000	10.00	71.00
555 Service Company Limited	7,000,000.00	200,000	35.00	95.00
Chayo JV Asset Management Company Limited	1,800,000,000.00	18,000,000	100.00	55.00

Attachment 5

Corporate Governance and Business Code of Conduct Policy and Practice Guidelines

The company has disclosed the full corporate governance policy and business ethics. On the company website www.chayo555.com You can see it at the topic. good corporate governance at document download Corporate governance policy documents and Documents of ethics and ethics in business operations (Code of Conduct)

Attachment 6

Corporate Governance Report of the Audit Committee Year 2023

Report of the Audit Committee

The Audit Committee of Chayo Group Public Company Limited consists of the following members:

- | | |
|---------------------------------------|---------------------------------|
| 1. Air Chief Marshal Arnon Jarayapant | Chairman of the Audit Committee |
| 2. Mr. Teeranut Thangsatapornpong | Audit Committee |
| 3. Mrs. Rosporn Sooksomporn | Audit Committee |

In 2023, the Audit Committee held a total of 4 meetings, with all directors performing their duties in accordance with the scope of their responsibilities specified in the Audit Committee Charter and has reported the meeting results to the Board of Directors for every meeting conducted. The key points can be summarized as follows:

1. Review the Company's financial reporting process to ensure that it is accurate and adequately disclosed by coordinating with external auditors and management responsible for preparing both quarterly and annual financial reports. This includes to consider financial statements and financial reports that are relevant to accounting principles, accounting practices, compliance with accounting standards, the existence of the entity, and major accounting policy changes, including the reasons of the management regarding the determination of accounting policies before presenting them to the Board of Directors for dissemination to shareholders and general investors.

2. Establish guidelines and review the Company to have an internal control system and an internal audit system that are appropriate and effective. This can be done by reviewing with external auditors and internal auditors, reviewing the Company's annual internal audit plan and evaluating the audit with the auditors and internal auditors on problems or limitations arising from the audit of the financial statements, electronic data processing control planning and data security to prevent fraud or misuse of computers by Company's employees or third parties, and considering the independence of the internal audit unit as well as approving the consideration of appointment, transfer, or termination of the head of the internal audit unit or any other unit responsible for internal audits.
3. Review the Company's operations to be in accordance with the Securities and Exchange Act, Regulations of the Stock Exchange of Thailand or laws related to the Company's business, as well as having duties and responsibilities in accordance with the regulations and rules of the Office of the Securities and Exchange Commission, including the Stock Exchange of Thailand.
4. Consider, select, propose, appoint and terminate the employment of independent persons to act as the Company's auditors, including considering and proposing the auditor's remuneration, taking into account reliability, resource sufficiency and the amount of audit work of the auditing office, the experience of personnel assigned to audit the

Company's accounts, including attending a meeting with the auditor without the management at least once a year.

5. Consider and approve the connected transactions and/or the acquisition or disposition of the Company's assets or a subsidiary, including considering the disclosure of the Company's information. In the event of a connected transaction or a transaction that may have a conflict of interest, it shall be accurate and complete. This includes considering and approving such transaction to be presented to the Board of Directors' meeting and/or the Company's shareholders' meeting. This is to comply with the provisions of the relevant laws and to ensure that the transaction is reasonable and in the best interest of the Company.
6. Prepare a report on the activities of the Audit Committee and disclose on the Company's annual report as follows:
 - Opinions on the accuracy, completeness, and reliability of the Company's financial reports.
 - Opinions on the adequacy of the Company's internal control system.
 - Opinions on compliance with Securities and Exchange Law, stock exchange requirements or laws related to the Company's business.
 - Opinions on the suitability of the auditor.
 - Opinions on transactions that may subject to conflicts of interest.
 - Number of Audit Committee Meetings and attendance of each Audit Committee Member
 - Overall opinions or observations received by the Audit Committee in performing duties as prescribed in the Charter.
 - Other reports that the shareholders and general investors shall be acknowledged.
7. Report the activities of the Audit Committee to the Board of Directors as follows:
 - Items that have or may cause conflicts of interest.
 - Suspicion or assumption that there may be a fraud, abnormality or any major defects in the internal control system.
 - Suspicion of a violation of any law or regulation of the Securities and Exchange Commission and/or the Stock Exchange of Thailand or laws related to the Company's business.
 - Any other reports that the Board of Directors shall be acknowledged.
8. After the Audit Committee has been notified by the auditor that, in the event that the auditor detects suspicious circumstances that a director, manager, or person responsible for the operation of the Company has committed an offense in connection with duties and responsibilities under the Securities and Exchange Act, Section 281/2 paragraph two, Section 305, Section 306, Section 308, Section 309, Section 310, Section 311, Section 312 or Section 313, the Audit Committee shall conduct an audit and report the results of the preliminary inspection to the Office of the Securities and Exchange Commission and the auditor within 30 days from the date of receiving the notification from the auditor.
9. The Audit Committee has the power to seek independent opinions from any other professional advisor when deemed necessary.
10. The Audit Committee has the power to invite the management or other related persons to provide opinions, attend meetings or provide relevant information or request information from each departments of the Company for further consideration in various matters.

11. Review and update the Audit Committee Charter regularly and propose to the Board of Directors for approval.
12. Perform any other tasks as assigned by the Board of Directors and/or with the approval of the Audit Committee, such as reviewing financial and risk management policies, reviewing management's compliance with the Code of Business Conduct, such as reports and management's analysis, etc. The power to make the Audit Committee or a person authorized by the Audit Committee able to vote and give opinions on items that the Audit Committee or the person authorized by the Audit Committee or persons who may have conflicts according to the Notification of the Securities and Exchange Commission and/or the Stock Exchange of Thailand have a stake or conflict of interest in the Company and/or its subsidiaries and/or related companies.

In this regard, in 2023, the Audit Committee held a meeting between non-executive directors and a meeting with the auditor (without management) for a total number of 1 time on 10 November 2023.

- Air Chief Marshal Arnon Jarayapant² -
(Air Chief Marshal Arnon Jarayapant)
Chairman of the Audit Committee
30 December 2023



Chayo Group Public Company Limited

Website : www.chayo555.com

Tel : 02-004-5555