



Next Capital

Next Capital Public Company Limited



SUSTAINABLE GROWTH

Form 56-1 ONE REPORT
Annual Report 2023



TABLE OF CONTENTS



02	Board of Directors
04	Message from the Board of Directors

SECTION 1 Business operations and performance results

06	Structure and Operations of the Company
25	Risk Management
29	Sustainable Business Operation
41	Analysis and Description of Management Department (MD&A)
61	General Information and Other Key Information

SECTION 2 Corporate Governance

65	Corporate Governance Policy
71	Corporate Governance Structure and Key Information about the Board of Directors, Subcommittees, Management, Employees, and Others
80	Key Performance Report on Corporate Governance
95	Internal Control and Segregation of Duties



SECTION 3

Financial Statements

- 105 Independent Auditor's Report
- 111 Financial statements



SECTION 4

Attached documents

- 163 Attached documents 1
Details about the board of directors, the person with authority controlling management, those assigned the ultimate responsibility in the accounting and finance department, those directly responsible for overseeing accounting, and the corporate secretary
- 174 Attached documents 2
Details about the head of internal audit and the head of compliance department
- 175 Attached documents 3
Assets used in business operations and details about the asset valuation
- 176 Attached documents 4
Policy and Practices for Corporate Governance and Business Ethics
- 180 Attached documents 5
Subcommittee Performance Report
- 211 Attached documents 6
Audit Committee Report



BOARD OF DIRECTORS



Mr. Chaiwat Utaiwan
Independent Director /
Chairman of the Board



Mrs. Ladawan Charoen-rajapark
Independent Director /
Chairman of the Audit Committee /
Chairman of the Risk Management Committee



Mr. Amornyot Panich
Independent Director /
Chairman of the Nomination and Remuneration Committee /
Member of the Audit Committee



Asst Prof Dr. Patipan Sae-Lim
Independent Director /
Member of the Audit Committee /
Member of the Risk Management
Committee

Mr. Sura Khanittaweekul
Director /
Member of the Nomination and
Remuneration Committee

Ms. Sutida Mongkolsuthree
Director /
Member of the Nomination and
Remuneration Committee



Mr. Pruttipang Tayarachkul
Director /
Member of the Risk Management Com-
mittee / Acting Chief Executive Officer

Mrs. Wassana Pongsangluk
Director

Mrs. Haruthaikarn Phansuwanru
Director

NOTE: AS OF DECEMBER 31, 2023



MESSAGE FROM THE BOARD OF DIRECTORS.

Dear Shareholders

In the year 2023, even though the situation of the COVID-19 pandemic is gradually improving, and economic activities can resume and move forward, it remains a challenging year for business operations in all sectors. A significant portion of the Thai population is still facing economic challenges, particularly in the “underbanked” group, who cannot access financial services.

The key question is: How can this group of approximately 15 million people in Thailand overcome these challenges and gain better access to financial services?

“Nex Capital” is ready to be the financial support for the “underbanked” group, committed to implementing its business plans to serve as a bridge connecting the global financial world with our customers. This includes adjusting strategies to align with the current situation, aiming to be a part of supporting small communities in society. These communities are the foundation of Thailand’s stable economy and a crucial driving force for the country’s future economic development.

“Nex Capital” operates in the business of providing opportunities for the public to engage in professions. As a non-bank financial institution focusing on advancing its core business, which is the hire-purchase credit business, we start by concentrating on serving individual customers who aspire to own motorcycles. We aim to progress by expanding capabilities to assist existing customer groups, totaling over 200,000, and extending our reach to new customer bases. This expansion is aimed at increasing opportunities for customers to access efficient sources of capital.

Currently, “Nex Capital” operates a motorcycle hire-purchase credit business, providing customers with the opportunity to acquire motorcycles without the need for a one-time cash investment. It serves as an alternative source of capital for customers who may not have access to funds from commercial banks or other financial institutions. This aligns with the overall landscape of motorcycles, which are an essential means of transportation for many Thais in their daily lives and income generating activities. Reflecting the overall business landscape in 2023, the motorcycle hire-purchase credit business has shown positive adjustments in response to the expanding sales volume of motorcycles within the country, totaling almost 2 million units.

As a representative of the company’s board, I would like to express gratitude to shareholders, customers, and business partners for their trust, confidence, and continuous support. I also extend my thanks to the management team and all employees who have dedicated their efforts and commitment to the company’s growth, overcoming challenges in the past year.

I assure you that we will continue our business with determination, creating economic, social, and environmental value for sustainable growth. We are committed to being a partner to our customers and Thai society for the long term.

Mr. Chaiwat Utaiwan
Chairman of the Board

Mr. Pruttipang Tayarachkul
Acting Chief Executive Officer and Director

01



BUSINESS OPERATIONS AND PERFORMANCE RESULTS

- Structure and Operations of the Company
- Risk Management
- Sustainable Business Operation
- Analysis and Description of Management Department (MD&A)
- General Information and Other Key Information



THE GROUP COMPANY'S STRUCTURE AND OPERATIONS



1.1 Policy and overall business conduct

The Next Capital Public Company, Limited (hereinafter referred to as the “Company”) aims to become one of the leaders in the financial business that can provide services alongside its customers and partners, as well as use technology to drive business under the Digital Transformation Journey Strategy with the core business being the provision of hire-purchase loans for motorcycles and secondhand trucks.

Over the 19 years of business path since its establishment on August 17, 2004, with a registered capital of 8.00 million baht under the name of BAF(Thailand) Co., Ltd. by Mitsui & Co., Ltd. as a Company in the Mitsui Group of Japan to operate the motorcycle hire purchase loans for Yamaha motorcycles only (Captive Finance) until the Company was able to expand the scope of its business to provide hire-purchase loans for motorcycle all brands.

In 2020, the Company transformed into a public company and increased its registered capital to 450 million baht and offered shares to the public for the first time (Initial Public Offering: IPO) in November 2020. It Was a successful step in driving the organization towards sustainability and preparing to expand its growth towards becoming a fintech leader, as well as driving the Company to grow in the digital economy era.

In 2022, the Company increased its registered capital to 806.50 million baht and has a paid-up registered capital of 675.00 million baht with the Company's major shareholders at the end of 2023 being Com7 Public Company Limited (hereinafter referred to as “COM7”) and Synex (Thailand) Public Company Limited (hereinafter referred to as “SYNEX”) who hold 34.32 and 26.98 percent of the registered and paid-up capital, respectively.

The Company has set goals to drive the Company's sustainable growth and to strengthen long-term business operations by taking into account the Environment, Society and Governance, ready to move forward with the use of new technologies and innovations to support the operations to achieve maximum efficiency along with a financial service platform that is flexible and expandable.

1.1.1 Vision, Mission and Goals of the business

Vision

The Company strives to be one of the leaders in the financial business with service excellence and modern systems to support services throughout the country.

Mission



Organization

Develop a standardized structure and work process that is transparent and fair for efficiency and effectiveness in conducting business with stability and sustainability.



Customer

Create satisfaction in service with fairness.



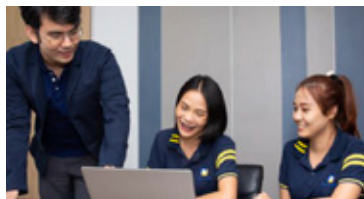
Business partners

Build relationships and trust for a long-term business cooperation.



Shareholder

Create a good return on investment with a sustainable growth.



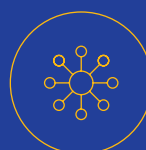
Employee

Develop personnel to have the knowledge and ability to perform their work as well as raise the employee's quality of life.



Society

Operate business by being involved in the development of society and the environment.





Core values

The Company's vision and mission is based on the corporate value of "NEXT" as follows:

/ N /

Next

Dare to change and create something new for our customers and organization.

/ E /

Empathy

Understand and empathize with customers, partners, and colleagues, as well as deliver good value.

/ X /

eXpertise

Be professional, learn, and develop continuously.

/ T /

Teamwork

Be united and work as a team.

Ethics

Behave honestly and ethically.

Operating goals

We strive to be number 1 in the mind of our customers (Company of Choice) by cultivating the corporate core values to the personnel and bringing information technology to use in creating new business innovations (Innovative and Creative Business) to provide quality loan services to the customers and to build sustainable growth.

1.1.2 Key changes and developments

2004

The Company was registered on August 17, 2004 under the name "Baf (Thailand) Co., Ltd." with a registered capital of 8.00 million baht to conduct a business on providing loans for the hire-purchase of Yamaha motorbikes only. The Company's headquarter is in Bangkok.

2005

The Company increased its registered capital by 2.00 million baht from the previous 8.00 baht, totaling 10.00 million baht with par value of shares at 10 baht each to be used as working capital within the business. The Company called for the full share value and registered the change in the paid-up capital with the Ministry of Commerce on September 27, 2005.

2006 – 2013

The Company has registered the establishment of additional branch offices in the Central region, the Northern region, Northeastern, Eastern, Southern, and Western regions, totaling 35 branches, resulting in the Company having 36 branch offices including the head office in 2013.

2014

The Company expanded its scope of business from lending to only the hire-purchase of Yamaha motorcycles to providing loans to the hire-purchase of other motorcycle brands, including Yamaha, Honda, Vespa, Kawasaki, and Suzuki. Furthermore, the Company began to provide Business-to-Business (B2B) loan services.

2015

The Company registered to set up additional 1 office branch in the central region. The Company terminated the operations of 10 office branches, which include 1 branch in the central region, 2 branches in the eastern region, 2 branches in the northern region, 2 branches in the western region, and 3 branches in the southern region, and resulted in the Company having a total of 27 office branches, including the head office in 2015.

2016

The Company registered to set up additional 1 office branch in the central region. The Company terminated the operations of 2 office branches, 1 branch in the central region and 1 branch in the northeastern region, which resulted in the Company having a total of 26 office branches, including the head office in 2016.

The Company has moved its head office to Thai Samut Building, 15th floor, Surawong road, Suriyawong sub-district, Bangrak district, Bangkok 10500 in August 2016.

2017

The Company increased the registered capital of 0.10 million baht from the original registered capital of 10.00 million baht to 10.10 million baht with the par value of 10 baht per share in order to adjust the shareholding structure. The Company called up the full value of the shares and registered the change of the paid-up capital with the Ministry of Commerce on June 7, 2017.

On June 26, 2017, the Company restructured its shareholding structure, whereby the Mitsui Group reduced its shareholding proportion to 25% and a new group of shareholders took over the Company, namely Com7 Public Company Limited holds 30%, Synex (Thailand) Public Company Limited holds 30%, Vista Investments Limited holds 7.5%, and Mr. Patinya Dheva-aksorn holds 7.5%, which in total equals to 75%, of the registered capital. The new group of shareholders purchased shares from the Mitsui Group at a price of 2,222 baht per share and the Company decreased the registered capital from the original registered capital of 10.10 million baht to 4.02 million baht by reducing the 510,000 preferred shares held by Mitsui Bussan Co., Ltd. And 98,000 shares held by Mitsui & Company (Japanese juristic person) with a par value of Baht 10 per share. Shareholders who bought shares from the Mitsui Group certified that the withholding tax has been made and submitted to the Revenue Department. With respect to the capital reduction, the Company certifies that the withholding tax has been made for the return of capital to foreign juristic shareholders and has been submitted to the Revenue Department as well. In addition, the Company provided an independent legal advisor to review the aforementioned change in shareholder structure and reported the results to the Board of Directors' Meeting No. 5/2020, consisting of independent directors and audit committees, attended the meeting on June 29, 2020. It can be concluded that 1) the Company has no duty or responsibility or be affected in relation to the payment or non-payment of income tax from the sale of shares under the share purchase-sale agreement between the shareholders and 2) from the date of August 5, 2004, to March 16, 2020, the non-Thai shareholders of the Company amounted to less than half of the Company's registered capital at that time (less than 50% of the Company's registered capital) and therefore it did not operate a business in a manner that violates or does not comply with the Foreign Business Act in any way.

2018

The Company registered to set up additional 1 office branch in the southern region. The Company terminated the operations of 1 office branch in the northern region, which resulted in the Company having a total of 26 office branches, including the head office in 2018.

In August 2018, Com7 Public Company Limited sold 10,055 shares to Mr. Praphan Phornthanavarsit, which represented 2.50% of the total shares. Synex (Thailand) Public Company Limited sold another 10,055 shares to Mr. Praphan Phornthanavarsit, which represented 2.50% of total shares. This resulted in Mr. Praphan Phornthanavarsit holding 20,110 shares of the total Company shares, which represented 5.00% of the total Company shares.

On February 20, 2018, the Company increased its registered capital by 295.98 million baht from the previous 4.02 million baht, totaling 300.00 million baht, par value at 10 baht per share, to use as working capital in the business. The Company has called up the full value of the shares and registered the change of the paid-up capital with the Ministry of Commerce.

2019

The Company terminated the operations of 1 office branch in the central region, which resulted in the Company having a total of 25 office branches, including the head office in 2019.

In March 2019, Mitsui Japan Group sold 12.50% of its shares to Com7 Public Company Limited, and another 12.5% was sold to Synex (Thailand) Public Company Limited, totaling 25% of the registered capital. The shares were bought at 32.664 baht each.

The Company changed its name from BAF (Thailand) Co., Ltd. to Next Capital Co., Ltd. and the Company name change was registered on July 1, 2019.

2020

In March 2020, the Company's shareholders meeting of 2020 resolved to approve the Company's transformation from a Limited Company to a Public Limited Company. The registered capital was increased by 150.00 million baht from the previous 300.00 million baht, totaling 450.00 million baht to offer to the general public. The par value of each share changed from 10.00 baht to 0.50 baht per share. The Company was listed in the Stock Exchange of Thailand (SET) and has registered the conversion from a limited company to a public limited company in accordance with the Public Limited Companies Act 1992 (including amendments) on March 25, 2020.

The Company has launched its Initial Public Offering (IPO) for the first time, offering subscription between October 30, 2020, and November 2-3, 2020 at the offering price of 2.20 baht per share, the total number of shares offered for sale 300,000,000 shares totaling 660.00 million baht. SET announced the listing of the Company's securities on November 6, 2020, and the Company's shares began first trading on November 9, 2020.

Com7 Public Company Limited and Mr. Praphan Phornthanavarsit received 65,375,000 shares from the Company in the Initial Public Offering (IPO) or 21.79 %of the total number of shares offered by the Company and 350,000 shares or 0.12% of the total number of shares offered by the Company at the price of 2.20 baht per share.

2021

On June 4, 2021, the Board of Directors' meeting resolved to approve the establishment of a subsidiary, namely Next Money Company Limited (Next Money Co., Ltd.).

Next Money Company Limited was registered with the Ministry of Commerce on August 26, 2021, with a registered capital of 50.00 million baht at par value of 100 baht per share, and the objective of business operations in the personal loan service (Personal Loan) and personal loan under supervision (Loan with Vehicle Registration as Collateral). Currently, the Company holds 80.00% of the total shares of Next Money Company Limited.

On July 15, 2021, the Company held an Extraordinary General Meeting of Shareholders No.1/2021, which resolved to approve the issuance and offering of warrants to purchase common shares of the Company by allocating to the Management (including executives in the position of directors of the Company and/or its subsidiaries), and/or employees of the Company and/or its subsidiaries for the 1st time (NCAP – ESOP W1) in the amount of not more than 38,000,000 units and not more than 5 years without charge. The exercise ratio of warrants is 1 unit per 1 common share and the exercise price is 16 baht per share.

The Company increased its registered capital by 19.00 million baht from the previous 450.00 million baht, totaling 469.00 million baht, by issuing 38,000,000 newly issued common shares with a par value of 0.50 baht per share.

2022

The Company has registered the establishment of 3 additional branch offices in the Central and the Southern regions, resulting in the Company having a total of 28 branch offices including the head office in 2022.

On April 21, 2022, the Company held the 2022 Annual General Meeting of Shareholders, which approved increasing the Company's registered capital to the amount of 337.50 million baht by issuing 675,000,000 additional ordinary shares with a par value of 0.50 baht per share. The offering was divided into: 1) offering to the existing shareholders of the Company in proportion to their shareholdings without allocating such to shareholders who will make the company liable under the foreign laws in the amount of 450,000,000 shares, offered for sale at 4.50 baht per share; and 2) offering to support the exercise of warrants (NCAP-W1) in the amount of not more than 225,500,000 shares free of charge. On June 16, 2022, the Company received payment from the issuance of newly issued ordinary shares with a total value of 2,025.00 million baht.

On June 16, 2022, the Company received payment from the issuance of the newly issued ordinary shares for sale to the existing shareholders in proportion to their shareholdings without allocating to shareholders who will cause the Company to be liable under foreign law at the amount not exceeding 450,000,000 shares with a par value of 0.50 baht offered at 4.50 baht per share, totaling at 2,025.00 million baht.

On June 17, 2022, the Company increased the registered capital of 337.50 million baht from the original registered capital of 469.00 million baht to a new registered capital of 806.50 million baht, with a paid-up capital of 675.00 million baht.

As a result of the Company's issuance of new ordinary shares, the major shareholder structure of the Com7 Public Company Limited has changed from 33.93% to 34.32% of the original shareholding and Synex (Thailand) Public Company Limited has changed from 26.67% of shares held to 26.98% due to the capital increase in accordance with the allocated ratio of the amount.

On December 31, 2022, the company was certified as a member of the Private Sector Collective Action Coalition Against Corruption (CAC).

2023

The Company terminated the operations of 8 office branches, 2 branch in the northern region, 2 branch in the eastern region, 2 branch in the northeastern region, 2 branch in the central region and Koh Samui sub-branch, which resulted in the Company having a total of 20 office branches, including the head office, as the Company has adopted technology for management, enabling the reduction of branches.

In March, the Company acquired 100,000 shares of Next Money Company Limited at a par value of 100 baht per share or 20% of total shares from existing shareholders. This resulted in the Company holding 99.99% of its total shares.

In August, the Company issued 455.50 million baht of unsecured and unsubordinated debentures with representatives of debenture holders in two tranches. The first tranche has two-year tenor and a fixed annual interest rate of 5.50%, payable every three months. The second tranche has a tenor of two years and six months, with a fixed annual interest rate of 5.85%, payable every 3 months. The debentures were offered to institutional and/or high net worth investors, with bullet repayment of principal on maturity.

On August 15, 2023, TRIS Rating affirmed the Company's rating at "BBB-" with a "Stable" outlook. The credit rating reflects our strong capital fund and adequate funding, as well as a proper market position in the motorcycle hire purchase business.

On December 27, 2023, the Company increased its registered and paid-up capital from 675,000,000 baht to 675,000,026 baht due to the exercise of warrants (NCAP - W1).

1.1.3 Spending of finance obtained by fundraising.

The Company has offered to sell newly issued ordinary shares to existing shareholders of the Company according to the proportion of their shareholding without allocating to shareholders who will cause the Company to be liable under foreign law at a total of 450,000,000 shares at the value of 4.50 baht per share from June 7, 2022 – June 22, 2022. The Company received income from the sale of such newly issued ordinary shares at the amount totaling 2,023 million baht after deducting expenses related to the offering of securities, which the money has been used according to the objectives and the remaining balance as of December 31, 2023, is as follows:

Objectives for financial spending	Net amount received from the offering of newly issued shares	Amount spent in 2022-2023 (million baht)	Balance as of 31 December 2023 (million baht)
Working capital for business operations	2,023	2,023	-
Total after expenses	2,023	2,023	-

On December 21, 2023 The company received from the offering for sale warrants to purchase the ordinary of NCAP - W1 and the exercised results were 52 Units, amounting to 364 baht. The company which the money has been used to reserve as working capital for operation in December 2023.

1.1.4 Obligations on the registration statement and or the conditions of the office's permission

To maintain the status of a listed company on the stock exchange, the Board of Directors will ensure that the Company does not have a conflict of interest in accordance with the criteria set out in the Notification of the Capital Market Supervisory Board. When there is a case that may create a conflict of interest between Com7 or SYNEX and with the Company, which is in violation of the Memorandum of Understanding dated March 26, 2020, the Board of Directors will consider taking actions in the best interest of the Company. Including the processing of claims and / or expenses from the contractor, the directors with interests must abstain from voting.

However, according to the announcement of the Capital Market Supervisory Board No. TJ. 39/2559 Re: Application and Approval for Offer for Sale of Newly Issued Shares (Code), stipulated that throughout the period that the Company is obliged to comply with the criteria specified in the Notification of the Capital Market Supervisory Board issued under the provisions of Section 56, the Company must comply with the obligations specified in the application for approval or registration statement and draft prospectus. Including proceeding for the shareholders, major directors, executives, and controlling persons to also comply with the aforementioned conditions. Except in the case of any of the following characteristics: (A) In the event that the Company receives a resolution from the shareholders' meeting that it is possible to perform other acts with no less than three-fourths of the votes from shareholders who attend the meeting and have the right to vote without objections from 10 percent of the total number of votes of shareholders who attended the meeting and have the right to vote. (B) In the event that the Company makes insignificant changes to the purpose of funds spending which is in accordance with the criteria specified by the office.

1.1.5 Company Information

Name of the Company (Thai)	: บริษัท เน็กซ์ แคปิตอล จำกัด (มหาชน)
Name of the Company (English)	: Next Capital Public Company Limited
Company registration number	: 0107563000053
Date of Company registration	: 17 August 2004
Date of conversion to Public Company Limited	: 25 March 2020
Nature of business	: The Company operates a business of providing hire-purchase loans for Vehicle.
Contact person	Head office location: No. 163 Thai Samut Building, 15th floor, Surawong Road, Suriyawong subdistrict, Bangrak district, Bangkok 10500
Phone number	: 02-342-9699
Fax	: 02-342-9688
Website	: www.nextcapital.co.th
Registered capital	: 806,500,000 Baht (as of 31 December 2023)
Capital issued and paid	: 675,000,026 Baht (as of 31 December 2023)

1.2 Business Characteristics

Next Capital Public Company Limited and its subsidiaries (“the company”) are legal entities that provide consumer credit without accepting deposits (Non-Bank). The primary business activity is providing lease-purchase financing for motorcycles, supervised by the Office of the Consumer Protection Board. The focus is on serving individual customers who wish to own motorcycles primarily by purchasing from dealers and then offering them for lease-purchase. This helps customers avoid making a lump sum investment in assets with cash and serves as an alternative source of funding for customers who cannot access funds from commercial banks or other financial institutions. The company engages with customers through dealer partners in various regions.

In the year 2022, the company expanded its business to provide lease-purchase financing for second-hand trucks to general individual customers and corporate entities. This aims to support customers who need to own trucks for their business operations.

In the year 2023, the company extended its business to provide vehicle registration financing services to general individual customers and corporate entities, with the vehicle as the primary collateral. This falls under the personal loan license, supervised by the Bank of Thailand.

1.2.1 Revenue Structure

The revenue structure of the company for the fiscal years ending on December 31, 2023, 2022, and 2021 is detailed as follows:

Income Structure	Year 2023		Year 2022		Year 2021	
	Value (Million Baht)	Percentage (Percent)	Value (Million Baht)	Percentage (Percent)	Value (Million Baht)	Percentage (Percent)
Interest income from lease contracts	1,540.63	77.68	1,510.82	78.61	1,028.31	74.41
Interest income from loans	2.54	0.13	-	-	-	-
Fee and service income	237.49	11.97	180.11	9.37	143.60	10.39
Income from lease contracts and loans	1,780.66	89.78	1,690.93	87.98	1,171.91	84.80
Other income	202.77	10.22	230.92	12.02	209.98	15.20
Total income	1,983.43	100.00	1,921.85	100.00	1,381.89	100.00

The main income of the company comes from interest income derived from lease-purchase agreements, accounting for approximately 74–79% of total revenue. The interest income from lease-purchase agreements is recognized as revenue in each accounting period, reflecting the effective interest rate in each installment of the net investment amount

remaining under the lease agreement. The company recognizes interest income for lessees with credit impairments at the effective interest rate based on the carrying amount of the financial assets net of credit loss allowances expected to occur.

Interest income from loans originates from providing registration financing services, which commenced in April 2024.

Other income, including fees and services, comprises revenue from vehicle registration services, revenue from insurance services, and revenue from debt collection services. Other miscellaneous income includes recovered bad debts, penalties for payment defaults, and other sources.

1.2.2 Product Information

(1) Product Characteristics and Business Innovation

1. Motorcycle Hire Purchase Business

The company primarily engages in providing hire purchase financing for motorcycles, where the ownership of the motorcycle remains with the company until the lessee completes the scheduled payments in accordance with the lease agreement. The ownership is then transferred to the lessee. Currently, the company focuses on providing hire purchase financing for new motorcycles, accounting for approximately 95.23% of the total outstanding lease agreements at the end of 2024. This includes individual lessees, constituting 99.33%, corporate lessees served by the company within organizations (B2B) comprising 0.18%, and lessees engaged in motorcycle rental businesses accounting for 0.49%. The approval of the credit limit is considered based on the lessee's income, compared with the retail price of the desired motorcycle model and brand. This analysis also includes the interest rate for the hire purchase, assessing the lessee's ability to make payments. The company sets the loan duration for hire purchase financing for new motorcycles for every model and brand within a time frame ranging from 12 to 60 months.

Channels for requesting motorcycle hire purchase financing. Customers interested in motorcycle hire purchase financing can contact the company through dealership partners ("dealers") located in various areas nationwide. As of the end of 2024, the company has agreements with over 432 dealers throughout the country. The company collaborates with these dealers to introduce customers to its financing services, and a commission is paid based on mutually agreed terms. During the years 2022 to 2024, the company did not have any dealers with a share exceeding 30% of the total outstanding lease agreements.

The motorcycle hire purchase financing business is under the supervision of the Office of the Consumer Protection Board since January 2024, following the announcement of the Consumer Protection Board regarding contracts related to vehicle leasing businesses. The announcement sets the interest rate for motorcycle hire purchase financing, calculated as the effective interest rate per annum, not exceeding 23% per year. This includes other terms and conditions that may impact the company and the industry as the company is aware of the potential impact on interest income from lease agreements decreasing and has taken measures to mitigate the risk by reducing the credit risk exposure, aligning it with the decreased income.

2. Motorcycle Hire Purchase Financing for Second-Hand Motorcycles

The company provides hire purchase financing for second-hand motorcycles through dealership partners ("dealers"). These motorcycles were previously owned by the company and are not currently under the company's ownership. The company offers hire purchase financing for second-hand motorcycles, constituting approximately 4.77% of the total outstanding lease agreements at the end of 2024. Currently, the company provides hire purchase financing for second-hand motorcycles for all models and brands with loan durations ranging from 18 to 42 months.

3. Truck Hire Purchase Financing for Second-Hand Trucks

The company has been providing hire purchase financing for second-hand trucks since 2021, catering to customers who wish to own the ownership rights of a second-hand truck for business purposes. The approval of credit limits is based on the lessee's income, comparing it with the purchase or appraisal price of the second-hand truck, including the hire purchase interest rate and the repayment period. The company sets the interest rate based on market mechanisms, depending on the truck brand, type, registration year, and the repayment period ranging from 36 to 72 months. The age of the second-hand trucks does not exceed 20 years, counted from the first registration year, inclusive of the repayment period.

4. Vehicle Registration Financing Business

The company has been offering vehicle registration financing since 2022, serving both general individual customers and corporate entities, with the vehicle as the primary collateral. The approval of credit limits considers the customer's income, collateral's appraised value, and the customer's repayment capability. The company sets the interest rate based on market mechanisms and determines the repayment period ranging from 12 to 72 months.

5. Other Services

The company provides additional services related to its financing services, including vehicle registration services with the Land Transport Department, coordinating insurance services, and more.

(2) Marketing and Competition

Marketing and Competition for the Motorcycle Hire Purchase Financing Business

(1) Quick Service Provision under Stringent Credit Policy

The company focuses on providing convenient and prompt hire purchase financing services under a stringent credit policy framework. The company assesses market opportunities in various regions to plan for the deployment of credit service officers (Checkers) to work regularly at dealership locations. This ensures that customers entering the dealership for a motorcycle purchase receive fast service. The credit service officers (checkers) undergo training to enhance their knowledge of customer credit analysis and assessment of repayment capability. This training also instills a corporate culture of responsibility and awareness of the impact of approving substandard credit applications. This initial screening process by the credit service officers helps filter out potentially unqualified customers and verifies information, including preparing all required documents for hire purchase financing applications, ensuring completeness and accuracy in line with the company's credit policy before submitting them to the credit approval department. This process significantly accelerates the credit approval steps for customers. Currently, the company can communicate the credit decision within 30–45 minutes, and once approved, customers can immediately receive their motorcycles from the dealership.

(2) Building Relationships and Trust with Business Partners

The company began its business as a captive finance provider exclusively for Yamaha motorcycles, strategically marketing in collaboration with motorcycle manufacturers and dealerships in Thailand. This resulted in a strong relationship with Yamaha motorcycle dealerships in the country. As the company expanded its business to offer hire purchase financing for motorcycles of everybrands i, it gained trust and continuously established new business partnerships within various dealership networks.

To maintain relationships and foster confidence with business partners, the company has a sustainable growth approach with dealership representatives. Company executives actively engage in on-site visits to exchange opinions and gain insights into the overall market situation in each region. This collaborative effort includes planning joint promotional activities with dealerships, such as booth exhibitions or giveaways. Additionally, the company listens to suggestions regarding its operations and credit policies, aiming to improve services. Furthermore, the company conducts marketing promotion activities, such as organizing tours for dealership representatives to introduce potential customers to the company's offerings according to specified criteria. Adjustments to referral compensation rates during certain periods are also implemented to encourage and stimulate mutual business growth. These initiatives contribute to building relationships and promoting mutual business growth.

(3) Distribution and Sales Channels

In the current business operations of providing motorcycle hire purchase financing, the primary distribution channel relies on motorcycle dealerships ("dealers"). These dealers play a crucial role in considering the credit conditions of each service provider, presenting the terms offered by the financing service provider for initial consideration by potential customers interested in purchasing motorcycles.

Presently, lessees can request motorcycle hire purchase financing services through dealers who are business partners with the company. The company has designated Credit Service Representatives ("Checkers") stationed at or near these dealerships to welcome customers and provide services. Currently, the company exclusively provides financing services through all of its affiliated dealers.

As of December 31, 2023, the company has established partnerships with over 432 dealers across various regions nationwide. During the years 2022 to 2024, the company did not have any motorcycle dealership partners exceeding a 30% share of the total lease agreement value.

(4) Competition in the Motorcycle Hire Purchase Financing Industry

Since setting interest rates from January 2023 onwards, the company has capped the effective interest rate for motorcycle hire purchase financing, including other terms, at not exceeding 23% per annum. This has led to an increased demand for motorcycles, as customers have lower installment payments. However, both the company and other industry players may be impacted by a reduction in interest income from lease agreements, potentially leading to a decrease in company profits.

Business operators in the hire purchase industry, including the company, have continuously adjusted strategies to cope with reduced income. They have adapted to economic forecasts for the year 2024, anticipating that household debt might increase, directly affecting customers in the motorcycle hire purchase segment. Given these anticipated impacts, it is expected that competition in terms of interest rates will decrease. However, there will be an increased focus on screening customer quality and providing overall compensation to motorcycle dealers at an appropriate level.

The company has implemented stricter credit policies and customer screening to enhance risk management and reduce credit-related losses to a level consistent with the decreased interest rates. Process improvements, including the integration of various technologies, have been made to reduce costs and provide faster customer service.

Marketing of Business Products: Second-Hand Truck Hire Purchase and Vehicle Registration Loans

(1) Providing Swift Services to Customers Under Stringent Credit Policy

The company focuses on delivering credit services that are convenient and prompt within the framework of a stringent credit policy. Services are provided through various branches across both the Bangkok metropolitan area and regions throughout the country. The emphasis is placed on key provinces in each region, such as Bangkok, Nakhon Ratchasima, Chonburi, Nakhon Sri Thammarat, and Surat Thani, to comprehensively cater to customer needs. The company strategically evaluates market opportunities in conjunction with the economic conditions in different regions to ensure the broadest coverage of customer services.

(2) Building Relationships and Confidence with Business Partners

To maintain relationships and foster trust with business partners, the company has a sustainable growth approach by actively engaging with partners. The company's management team goes on-site to exchange perspectives and insights on the overall market conditions in different regions. This collaborative effort includes planning joint promotional activities with dealers to boost sales collectively. Additionally, the company listens to feedback regarding the performance of staff and the company's credit policies, aiming to continually enhance service delivery.

Service and Development

(1) Employee Development for Efficient Work Performance

The company places significant emphasis on the development of its personnel, recognizing the importance of employees in providing direct customer service. The company has a policy to promote hiring employees from the local communities and ensures that all staff members receive training in knowledge and instill the "NEXT Values." These values encourage a willingness to change, creativity, ethics, honesty, understanding, and empathy toward customers, partners, colleagues, and a commitment to professionalism and teamwork. The company believes that delivering excellent service starts with having a positive attitude among service providers. Moreover, having local staff members responsible for the role of Credit Checkers contributes to employees' familiarity with dealership agents, making it easier to scrutinize the leasing history of customers in each area.

The company also has a policy to recruit and appoint specialized managerial staff directly from the industry to manage operations. This strategy aims to develop and expand the company's knowledge base, benefiting from the sharing of expertise and experiences from expert managers in each field. Consequently, operational-level employees benefit from the rapid and high-quality transfer of technical skills and work experience on an ongoing basis.

(2) Modern and Efficient System Development

The company places importance on the continuous development of systems used in operations. It incorporates Business Intelligence systems to generate reports for analysis and evaluation of potential trends. This allows the company to analyze credit release outcomes, identify problems, causes, and swiftly adjust operational strategies as per the situation. For example, analyzing debtors categorized by income groups and occupations to adjust credit policies.

Furthermore, the company has developed an Automated Underwriting system, utilizing automation to collect credit transaction data and process it automatically. This enhances the efficiency, accuracy, and speed of credit analysis, resulting in a competitive advantage in service provision. The company also integrates new information systems into all processes, from using applications for customer loan requests to utilizing information systems for credit scoring to increase accuracy in credit analysis. Developing the E-payment and E-Tax systems to enhance convenience for customers. This includes incorporating information systems to streamline financial reporting processes, providing convenience and speed.

(3) Payment Channels

The company facilitates convenient installment payments by entering into agreements with payment agents and partners. Customers can settle their installment payments or various service charges through three channels: (1) Mobile Banking, (2) Counter Service, and (3) Tesco Lotus stores. Customers in the lease-to-own group receive a "NEX Card" containing customer information for payment transactions through the designated payment agents. This enhances the convenience of installment payments for lease-to-own customers.

(4) Communication Channels

The company has expanded communication channels to increase customer convenience. In addition to the existing channels such as Call Center, Email, and Website, the company has introduced Facebook and Line Connect channels to provide automated services and handle inquiries. These channels offer services like invoice notification, receipt issuance, checking payment status or remaining balances, payment reminders, information updates, and handling complaints.

Target Customer Group

Motorcycle Hire Purchase Business

The target customer group of the company comprises individuals with a need for motorcycle ownership but prefer not to make a lump sum cash payment. Customers can possess and use the leased property, and ownership rights will be transferred to them upon completing the installment payments as per the contract. Currently, the company's lease-to-own applicants are mostly ordinary individuals with the primary purpose of acquiring leased property for personal use, accounting for 99.91% of the total motorcycle lease contracts' value at the end of the year 2023. The company has a policy to limit lease-to-own credit issuance to customers with the intention of utilizing the acquired property, allowing up to three contracts per person. The company categorizes ordinary individuals into two occupational groups to align credit policies with the risk profiles of each group:

1. Regular Occupational Group: This group consists of two subgroups: (1) Salaried Individuals, such as government employees, private company employees, or regular employees, where the company evaluates income documentation, such as salary slips or income certification letters, to consider loan approval. (2) Independent Professionals, including farmers, merchants, and self-employed professionals, where the company reviews financial status documentation, such as bank account books, for loan approval.
2. Special Occupational Group: This group includes individuals outside the regular occupational group. The company evaluates financial documentation, such as bank account books, along with credit payment history or having a guarantor when considering loan approval.

Apart from individual customers with the intention of acquiring leased property for personal use, the company also provides lease-to-own services to a group of customers intending to use the acquired property for renting vehicles. This group constitutes 0.49% of the total motorcycle lease contracts' value at the end of the year 2023. The lease-to-own terms for this customer group are determined based on the customer's annual net income and financial status, considering various criteria outlined in the company's credit policy.

Truck Hire Purchase Financing For Second-Hand Trucks

The target customer groups of the company include:

1. Individual Customers: This group consists of ordinary individuals, representing 83.41% of the total value of truck lease contracts at the end of the year 2023. These customers aim to lease second-hand trucks to use as tools for income generation. Individual customers are required to have a stable income from occupations that can be verified, such as permanent employees, business owners, farmers, or self-employed individuals.

2. Corporate Customers: This group includes customers registered as legal entities, constituting 16.59% of the total value of truck lease contracts at the end of the year 2023. Examples include partnerships or limited companies registered for at least one year. Corporate customers have the objective of leasing second-hand trucks for business operations or income generation aligned with their established businesses.

Vehicle Registration Financing Business

The target customer group of the company consists of individual customers who are generally classified as regular retail customers, accounting for 44.88 percent of the total loan amount at the end of the year 2023. Additionally, corporate customers make up 55.12 percent of the total loan amount at the end of the year 2023. Customers pledge vehicles as the primary collateral, holding ownership rights (free from encumbrances) for a minimum of 3 months. In this customer group, it is required that individuals have a stable and verifiable occupation and income.

Interest Rate Policy

The company establishes its interest rate policy based on the following factors:

(1) **Financial Costs of the Company**

Due to the financial costs incurred by the company, which arise from loans from financial institutions, debentures, and major shareholders with interest burdens, the company determines interest rates. These rates should not fall below the financial costs of the company. An analysis of the investment portfolio is conducted to inform the company about the profitability of investments. This analysis helps decide whether to provide loans to specific customer groups or product categories.

(2) **Competitive Landscape**

The company sets interest rates to remain competitive in the market against businesses in the same industry. This competitiveness is influenced by economic, political, and market conditions prevailing in each period, following market dynamics.

(3) **Customer Debt Repayment Capability**

The company evaluates the characteristics and debt repayment capabilities of customers to propose suitable interest rates. This ensures that interest rates are offered to customers in a manner that aligns with their financial capacity and attributes.

(3) Product or Service Sourcing and Capital Procurement

Capital Procurement:

The company operates in the business of providing credit and lease services. Therefore, the sources of services include obtaining capital for the provision of credit and leasing services. The company secures capital from shareholders, borrowing from financial institutions, and borrowing from shareholders. Additionally, debt instruments (bonds) are issued for borrowing. As of December 31, 2023, 2022, and 2021, the company's sources of capital are as follows:

Source of Funds	Year 2023		Year 2022		Year 2021	
	Million Baht	Percentage	Million Baht	Percentage	Million Baht	Percentage
Short-term						
- From shareholders	-	-	-	-	300.00	5.65
- From financial institutions	2,266.28 ¹	23.44	1,742.33 ²	21.74	1,124.56 ³	21.17

Source of Funds	Year 2023		Year 2022		Year 2021	
	Million Baht	Percentage	Million Baht	Percentage	Million Baht	Percentage
Total short-term loans	2,266.28	23.44	1,742.33	21.74	1,424.56	26.82
Long-term loans from financial institutions	2,484.93	25.69	2,042.76	25.48	1,878.50	35.37
Debentures	452.36	4.68	-	-	-	-
Total borrowing	5,203.57	53.81	3,785.09	47.22	3,303.06	62.19
Total owner's equity	4,466.51	46.19	4,230.28	52.78	2,008.28	37.81
Total sources of funds	9,670.08	100.00	8,015.37	100.00	5,311.34	100.00

Note:

1. Short-term loans from financial institutions in 2023 are divided into long-term loans due within 1 year, totaling 2,266.28 million baht.
2. Short-term loans from financial institutions in 2022 are divided into long-term loans due within 1 year, totaling 1,742.33 million baht.
3. Short-term loans from financial institutions in 2021 are divided into short-term loans of 485.00 million baht and long-term loans due within 1 year, totaling 639.56 million baht.

The company has a policy of sourcing funds to align with the utilization of funds, specifically for providing lease and hire purchase financing to customers for periods ranging from 12 to 72 months. During the period from 2021 to 2023, the company has sourced funds from short-term sources, accounting for 22–27 percent of the funding sources. Additionally, the company has actively sought long-term funding by increasing capital, obtaining long-term credit facilities from financial institutions, and issuing debt securities (debentures). As of December 31, 2023, the company's proportion of funding from short-term loans stands at 23.44 percent of the total funding sources. Simultaneously, the proportion of lease and hire purchase receivables and short-term loan receivables due within 1 year is 41.06 percent of the total value of lease and hire purchase receivables and loan receivables. This corresponds to the duration of credit provided to customers under lease and hire purchase agreements.

(4) Assets Used in Business Operations

The company's main assets consist of lease and hire purchase receivables, loan receivables, assets awaiting sale, building and equipment improvement, rights-of-use assets, and intangible assets as of December 31, 2023, 2022, and 2021. The net book values of the company's main assets are as follows: 9,481.10 million baht, 7,569.88 million baht, and 5,570.27 million baht, respectively. The details are as follows:

Items	Nature of Rights	Encumbrances	Net Book Value (Million Baht)		
			On December 31, 2023	On December 31, 2022	On December 31, 2021
1. Lease Agreement Receivables	Company	None	9,285.42	7,427.57	5,463.60
2. Loan Receivables	Company	None	37.64	-	-
3. Assets Held for Sale	Company	None	45.97	60.31	26.81
4. Building and Equipment Improvement	Company	None	6.55	9.73	10.47
5. Assets under Operating Rights	Company	None	69.91	42.44	34.62
6. Intangible Assets	Company	None	35.61	29.83	34.77
Total			9,481.10	7,569.88	5,570.27

(5) Outstanding Work

None

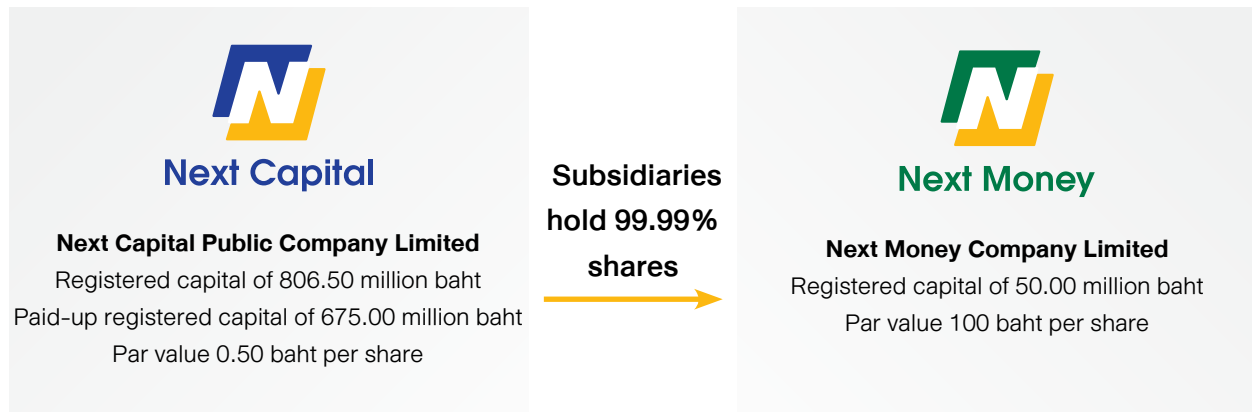
1.3 The Company's shareholding structure

1.3.1 The shareholding structure of the Group Company

At present, Next Capital Public Company Limited holds shares in 1 company with details as follows:

Next Money Company Limited

The Company holds shares in the proportion of 99.99%. It has a paid-up registered capital of 50.00 million baht. The said company is engaged in the provision of personal loan and personal loan under supervision. (Loan with car registration as collateral) and Begin offering loan Services On April 1, 2023



1.3.2 A person who may have a conflict of interest who holds more than 10% of the shares with voting rights of the Company

The Company does not have any person who may have conflict of interest holding shares in subsidiaries or associates more than 10.00% of the number of shares with voting rights of the Company.

1.3.3 Relationship with major shareholders

As of December 31, 2023, the Company has a group of major shareholders holding shares in the proportion of more than 10.00% of the Company's paid-up capital amounting to 675.00 million baht, namely Com7 Public Company Limited (hereinafter referred to as "COM7"), which comprises IT Retail Business, holding 463,371,714 shares or 34.32% of the paid-up capital of the Company and Synnex (Thailand) Public Company Limited (hereinafter referred to as "SYNNEX"), which operates the business of distributing computers, computer peripherals, software, information systems, consumables used with computers, and various communication devices, holding 364,172,852 shares in the Company or equivalent to 26.98% of the Company's paid-up capital.

In this regard, the main business operation of the said group of major shareholders does not have a business relationship in the nature of competition or reliance significantly with the business operation of the Company in any way. In the past, however, the Company has received financial assistance from such major shareholders through borrowing from time to time which is not permanently dependent and the Company is able to repay the loans on an ongoing basis.

In addition, in order to prevent potential conflicts of interest in the future and to protect shareholders' rights and to treat shareholders fairly, COM7 and SYNNEX have made a memorandum of agreement for not running a competitive business, which has an essence in summary that as long as COM7 and SYNEX remain the major shareholder of the Company (as defined in the Capital Market Supervisory Board Notification), COM7 and SYNEX agree not to undertake a motorcycle hire-purchase business, regardless of being new and/or used motorcycles, motorcycle registration pledge business, whether operated by itself or by the subsidiary of COM7 and SYNEX or joint ventures with other operators, including not becoming a shareholder of the business which operates a business in the same or similar nature to the Company, except where it is an investment in securities listed on the Stock Exchange of Thailand or the Market for

Alternative Investment for investment purposes only, with the investment proportion not exceeding 10% of the listed securities. The agreement will be terminated immediately upon the following: (1) When the company delists the securities from being listed on the Stock Exchange of Thailand or does not qualify as a listed company on the Stock Exchange of Thailand; or (2) when COM7 and SYNEX are not a major shareholder in the company, either directly or indirectly. The definition of the term major shareholder and its shareholding shall be in accordance with the definition set forth in the relevant Capital Market Supervisory Board Notification. In this regard, COM7 and SYNEX agree to indemnify the damages and/or expenses incurred from the prevention or mitigation of damages that may occur to the Company for loss and damage arising from the failure of COM7 and SYNEX to comply with the Agreement of the memorandum of agreement for not running a competitive business to the Company within 60 days from the date of being notified in writing from the Company.

1.3.4 Shareholders

(1) List of the major shareholders

The list of major shareholders of the Company and their tenure of shares as of 31 December 2023 is as follows.

No.	List of major shareholders	Number of shares (shares)	Shareholding Proportion (%)
1	Com7 Public Company Limited ¹	463,371,714	34.32%
2	Synnex (Thailand) Public Company Limited ²	364,172,852	26.98%
3	CITI (NOMINEES) LIMITED-S.A PBG CLIENTS SG	22,760,728	1.69%
4	Mr. Patinya Dheva-aksorn ³	21,696,841	1.61%
5	Thai NVDR Company Limited	18,343,603	1.36%
6	Mr. Somchai Pitakkampol	13,815,125	1.02%
7	Mr. Ratchapol Samrejvanich	11,006,628	0.82%
8	Mr. Anantachai Ananchitsupha	9,000,000	0.67%
9	Mr. Prapan Polthanawasit	7,800,000	0.58%
10	Ms. Thanjira Pojkasemsin	5,797,912	0.43%

- Note: :**
1. Com7 Public Company Limited has major shareholders, namely Mr. Sura Khanittaweekul and Mr. Pongsak Thammatataree. Mr. Sura Khanittaweekul is a committee member of Com7 Public Company Limited and the authorized director of Next Capital Public Company Limited.
 2. Synnex (Thailand) Public Company Limited has major shareholders including T.K.S. Technology Public Company Limited and King's Eye Investments Ltd, with Ms. Sutida Mongkolsuthree as the Director of Synnex (Thailand) Public Company Limited and Ms. Sutida Mongkolsuthree of Next Capital Public Company Limited.
 3. Mr. Patinya Dheva-aksorn is the spouse of Ms. Suthida Mongkolsuthee who is the authorized director of Next Capital Public Company Limited.

Shareholder structure of the Company's major shareholders

Com7 Public Company Limited engages in the business of selling IT products, mobile phones, accessories and providing repair services and other services. The list of major shareholders as of March 9, 2023, is as follows:

List of Shareholders		Number of shares	Shareholding Proportion (%)
1.	Mr. Sura Khanittaweekul ¹	601,310,400	25.05%
2.	Mr. Pongsak Thammataree	539,516,200	22.48%
3.	Thai NVDR Company Limited	129,137,065	5.38%
4.	Mr. Bancha Phanthumakomol	86,600,000	3.61%
5.	Ms. Aree Preechanukul	71,200,000	2.97%
6.	STATE STREET EUROPE LIMITED	62,028,802	2.58%
7.	Mr. Amnuay Pichitpongchai	37,952,700	1.58%
8.	Ms. Orawan Wichienkavee	31,115,800	1.30%
9.	SOUTH EAST ASIA UK (TYPE C) NOMINEES LIMITED	27,479,560	1.14%
10.	Mr. Kritchawat Voravanich	25,680,000	1.07%

Note : 1. Mr. Sura Khanittaweekul is a director of Next Capital Public Company Limited.

Synnex (Thailand) Public Company Limited engages in the business of distributing computer technology products, information systems and various communication devices. The list of major shareholders as of August 25, 2023, is as follows:

List of Shareholders		Number of shares	Shareholding Proportion (%)
1.	T.K.S. Technology Public Company Limited ¹	326,355,876	38.51%
2.	King's Eye Investments Ltd. ²	296,450,000	34.99%
3.	Bnp Paribas Hong Kong Branch	42,489,513	5.01%
4.	Thai NVDR Company Limited	12,680,741	1.50%
5.	KKP LONG TERM EQUITY DIVIDEND FUND	12,623,700	1.49%
6.	N.C.B.TRUST LIMITED-NORGES BANK 30	6,867,000	0.81%
7.	KKP EQUITY RETIREMENT MUTUAL FUND	4,056,820	0.48%
8.	LGT Bank (Singapore) Ltd.	3,500,000	0.41%
9.	Mr. Pete Dheva-aksorn	2,785,100	0.33%
10.	KKP SMALL AND MID CAP EQUITY FUND	2,489,750	0.29%

Note : 1. TKS Technology Public Company Limited has a major shareholder, Monkolsuthree Holding Company Limited, holding 32.96% of the shares. Mongkolsuthree Holding Company Limited is a holding company of the Mongkolsuthree family with the major shareholder, Ms. Sutida Mongkolsuthree, holding 84.00% of the shares.

2. King's Eye Investments Ltd. is held by Synnex Group, Taiwan.

(2) Shareholding in other companies

Next Capital Public Company Limited holds shares in 1 company, Next Money Company Limited, where the company holds 99.99 percent of shares, and has a paid-up capital of 50.00 million baht.

(3) Agreement between the major shareholders

- None -

1.4 Amount of registered capital and paid-up capital

1.4.1 Registered capital

As of December 31, 2023, the Company has registered and paid-up registered capital of 806,500,000 baht, divided into 1,613,000,000 ordinary shares at the par value of 0.50 baht per share and paid-up capital of 675,000,026 baht, divided into 1,350,000,052 ordinary shares with a par value of 0.50 baht per share.

1.5 Issuance of other securities

1.5.1 Convertible securities of the company

(1) Warrants to purchase the Company's ordinary shares allocated to management (including executives who hold directorships of the Company and/or its subsidiaries) and/or employees of the Company and/or Subsidiaries No. 1 (NCAP-ESOP W1)

The Extraordinary General Meeting of Shareholders No. 1/21, dated July 15, 2021, resolved to approve the issuance and offering of warrants to purchase ordinary shares of the Company (NCAP-ESOP W1) to the management (including executives who hold directorships of the Company and/or its subsidiaries) and/or employees of the Company and/or subsidiary No. 1, in the amount not more than 38,000,000 units, to create incentives and rewards for personnel who participate in the success of the organization to be dedicated to work and have a sense of organizational ownership, as well as to retain the personnel that are important to work with the company for the long term. The main details are as follows.

Types of warrants	Warrants to purchase ordinary shares of Next Capital Public Company Limited (NCAP-ESOP W1), in the name of the holder and which cannot change hands except in the cases specified in the conditions for exercising rights.
Number of warrants	Not more than 38,000,000 units
Offer price	0 baht per unit (zero baht)
Offering value	0 baht (zero baht)
Term of Warrants	Not more than 5 years from the date of issuance of the warrants. After the issuance, the Company will not extend the term of the warrants.
Number of ordinary shares allocated to support the exercise of warrants	38,000,000 shares, representing 2.81% of the total number of shares sold of the Company, amounting to 1,350,000,052 shares.
Exercise ratio	On April 28, 2022, the exercise ratio was changed from 1 unit per 1 ordinary share to 1 unit per 1.30 ordinary shares.
Exercise price	On April 28, 2022, the exercise ratio was adjusted from 16 baht per share to 12.28 baht per share.
Warrant offering period	The Company will issue warrants within 1 year from the date of approval to issue and offer for sale warrants from the shareholders' meeting of the Company.
Exercise period	Able to exercise the right from the 4th year from the date of issuance of the warrants. The right can be exercised according to the total allocated amount on the last business day of March, June, September and December of each calendar year throughout the life of the warrants (exercise date). The remaining warrants after the exercise or not exercised on any exercise date can be accumulated to use the rights on the next exercise date throughout the life of the warrants, but after the expiration of the warrants any warrants that are not exercised will be canceled and terminated.

(2) Warrants to purchase ordinary share of Next Capital Public Company Limited No.1 (NCAP-W1)

The 2022 Annual General Meeting of Shareholders on 21 April 2022 to consider and approve the capital increase and approve the issuance and offering of warrant to purchase the ordinary shares of the Company.

1. Newly Issued Ordinary Shares

Company issuing 675,000,000 newly issued ordinary shares at the par value of 0.50 Baht per share. The objectives for the capital increase are: 1) to allocate newly issued ordinary shares to the existing shareholders in proportion to their shareholdings excluding the shareholders whose holdings of such share would subject the Company to any obligations under the law of other jurisdiction in the amount not exceeding 450,000,000 shares, and the subscription ratio is 2 existing shares to 1 new share. at an offer price of 4.5 Baht per share, totaling to an amount of 2,025.00 million baht; and 2) to reserve for the exercise of the warrants allotted to the existing shareholders that subscribed and allotted with the newly issued ordinary shares issued and offered to the existing shareholders in proportion to the shareholdings excluding the shareholders whose holdings of such share would subject the Company to any obligations under the law of other jurisdictions in the amount not exceeding 225,000,000 shares, The offering ratio is 2 newly issued ordinary share per 1 unit of warrant.

2. Warrants to purchase ordinary share of the Next Capital Public Company Limited No.1 (NCAP-W1)

The company will allocate Warrants to purchase ordinary shares of Next Capital Public Company Limited No.1 (NCAP-W1) allocated to the existing shareholders who subscribed and were allotted with newly issued ordinary shares issued and offered to the existing shareholders in proportion to the shareholdings excluding the shareholders whose holdings of such shares would subject the Company to any obligations under the law of other jurisdictions in the amount not exceeding 225,000,000 shares, with no offering price (the offering price is zero Baht). The offering ratio is 2 newly issued ordinary shares per 1 unit of warrant. Exercise Price 7 Baht per share. Term of Warrants 1 year 6 months after the issuance and offering of the Warrant. The main details are as follows.

Type of Warrants	Warrants to purchase ordinary share of Next Capital Public Company Limited No.1 (the "Warrant" or "NCAP-W1").
Number of warrants issued and offered	Not exceeding 225,000,000 units.
Offering Price	0 baht per unit (zero baht)
Offering value	0.00 Baht (zero baht)
Term of Warrants	1 year 6 months after the issuance and offering of the Warrant. (the maturity date of the Warrant falls on the last exercise date on 21 December 2022 and the Warrant will be terminated the next day.)
Number of ordinary shares allocated to support the exercise of warrants	Not exceeding 225,000,000 shares (with a par value of 0.50 Baht per share) equivalent not exceeding 25.00% of the number of shares issued and paid-up of the Company in the amount of 1,350,000,052 shares
Exercise Ratio	1 unit of the Warrant have the rights to purchase the ordinary shares of the Company for 1 share. (Maybe adjusted subject to the rights adjustment conditions)
Exercise Price	7 Baht per share (with a par value of 0.50 Baht per share) (Maybe adjusted subject to the rights adjustment conditions)
Exercise Period and Date	The Warrant holders may exercise the Warrant every last business day of March and September throughout the term of the Warrant. The first exercise date will be in September 2022 and the last exercise date will be on the maturity date of the Warrant, or 1 year and 6 months from the issuance date. From the date of issuance of the warrants (21 December 2023) If the exercise date does not fall on a business day, the exercise date of the Warrant shall be made on the preceding last business day.

As of December 21, 2023, the rights to purchase common shares of the Company according to the warrant to purchase common shares under the NCAP-W project has expired.

1.5.2 Debt securities

The 2023 Annual General Meeting of Shareholders on April 21, 2022 resolved the approval of issuing and offering of debentures amounting to not more than 2,000 million baht to be used in business operations and/or business expansion. and/or as working capital of the business and/or repayment of loans and/or other purposes as the Board of Directors deems appropriate.

As of December 31, 2023, the Company has outstanding debentures not yet at maturity date, totaling 455.50 million baht, with named debentures, unsubordinated, uninsured, and shareholder representatives. The details of outstanding debentures are as follows:

	Duration	Issue date	Maturity date	Debenture value (million baht)
NCAP258A	2 years	18 August 2023	18 August 2025	109.10
NCAP262A	2 years 6 months	18 August 2023	18 February 2026	346.40

Note: Value of debentures as shown above is the different offering value from the value as appearing in the Company's statement of financial position which has deducted expenses related to issuing debentures.

On August 15, 2023, TRIS Rating Co., Ltd. maintained the corporate credit rating of Next Capital Public Company Limited at the level of "BBB-" with a credit rating outlook of "Stable."

1.6 Dividend Policy

The Company has a policy to pay dividends at the rate of not less than 40% of the net profit of the separate financial statements after deducting corporate income tax and legal reserves and other reserves (if any). In this regard, the Company will consider the dividend payment by considering various factors in order to maximize the shareholders' benefits under the following conditions.

1. The payment must not significantly affect the normal operations of the Company.
2. Dividend payments are subject to change depending on operating results, financial position, liquidity, need for working capital, investment plans and future business expansion, market conditions, suitability and other factors related to the operations and management of the Company as the Board of Directors and shareholders deem appropriate.
3. The Company must have sufficient cash for its business operations and such undertaking must maximize benefits of the shareholders as the Board of Directors and the shareholders of the Company deem appropriate.
4. Dividend payment shall be made equal to the number of shares per share. Once the Board of Directors' meeting approves the payment of dividends, it must be presented for approval at the shareholders' meeting, unless it is an interim dividend payment. The Board of Directors has the power to approve the payment of interim dividends and report it to the next general meeting of shareholders.



RISK MANAGEMENT

Risk management plan and policy

The Company adheres to organizational risk management for the achievement of its business operations according to the goals or objectives and good corporate governance towards the stable and sustainable growth. The Company has therefore established a risk management policy as a guideline and framework for the operations of all business units. The roles, duties, and responsibilities in risk management have been clearly specified for relevant individuals, including the Board of Directors, the Audit Committee, the Risk Management Committee, senior executives, risk management working group, persons responsible for risk management of each unit, internal auditor, and all employees. Besides, the procedures of the risk management system have been stipulated for the Company's business operations towards the achievement of its objectives and risk control management up to an acceptable level, in line with assigning relevant persons and staffs for the regular communication on potential risks and the provision of risk management reports to the Risk Management Committee.

Risk factors for the Company's business operations

The Company commits to its sustainable risk management and provides the support for risk management as part of the organizational culture and value by managing various risks which affect overall operations up to a controllable and acceptable level. Thus, the Company's has implemented its appropriate risk management strategies to avoid, transfer, control, or accept those risks which may significantly impact on business operations as follows:

1. Risk from hire purchase loan business operations
2. Financial risk
3. Risk from operations
4. Legal and compliance risk
5. Risk of launching new products
6. Risk for Investment of Shareholders

1. Risk from hire purchase loan business operations

1.1. Risk from less competitiveness

The motorcycle industry has continuously expanded in 2023, with intense competition among the motorcycle leasing business operators in terms of speed of loan approval, interest rate, and sale promotional costs. Meanwhile, the interest rate received has been decreased due to the control of hire purchase interest rate by the Office of the Consumer Protection Board. Nonetheless, there is a trend of higher interest rates. Therefore, the Company plans for a stricter policy in providing more quality loans, with its risk control as appropriate to the level of lower interest rate. As a result, each entrepreneur needs to implement various strategies to increase its market share, leading to more intense competition and possibly significant impacts on business operations, financial status, and operating results of the Company.

Since the Company started its business as a service provider of loans credit for motorcycle manufacturers (Captive Finance) before its business expansion to provide hire purchase loans without limits to car manufacturers. Thus, the Company has developed its good relationships with motorcycle dealers for a long time. In the meantime, the Company always improves its competitive marketing strategies as well as the system and process for rapid loans approval to meet the satisfaction of overall customers and distributors. This also comprises debt collection strategies, such as a survey to analyze the trend of demands among hire-purchasers and the interest rate in providing loans credit. The information from those hire-purchasers is then analyzed to classify customer groups and determine credit policies as appropriate to each group, including the improvement of communication and follow-up in case of any avoidance by hire-purchasers for paying installments. Additionally, the Company has a policy of hiring the checkers who are local people, along with the development of personnel and work system efficiency towards the Company's confidence in maintaining its competitiveness and continuous growth in the future under reasonable costs.

1.2. Risk from legal regulations on interest rate ceilings in the motorcycle leasing business

The company operates a motorcycle leasing and financing business under the supervision of the Consumer Protection Board. According to the announcement of the Board regarding contracts, the business of leasing and financing motorcycles is considered a controlled contract. The interest rate for motorcycle leasing is set at the Effective Interest Rate not exceeding 23% per year, including other terms and conditions, effective from January 2023 onwards. This may pose a risk to the company's operations as interest income from leasing contracts decreases. The company is aware of these impacts and has taken measures to mitigate the risk by reducing debtor risk to align with the decreased interest rate, as well as cutting various expenses.

1.3 Credit risk

The Company provides loans credit to customers who are unable to access financial resources from commercial banks or other financial institutions. Thus, there can be a high risk for the Company in case those customers may not have the ability to repay their debts. The main credit risk includes: 1) Risk from the approval of loans with no potential income, 2) Risk from the inability to seize collaterals, and 3) Risk due to loss of sale from the seized collaterals.

The Company has established a plan for the reduction of credit risk as follows:

Credit policy - The Company has specified for a review of its credit policy, in line with the regular analysis of loans portfolio regularly as well as the development of appropriate tools for loans analysis and approval, such as customer's credit score.

Process for the verification and approval of loans credit - The Company has established the loans credit regulations, in line with the separation of duties as appropriate. The checkers are responsible for meeting with high-purchasers to inquire and collect information about high-purchasers and guarantors before sending all details to the staff at the loans approval department for the review, analysis, and approval of loans. Also, there is a regular inspection as scheduled by the internal audit department.

Follow-up on debts - The Company has maintained its efficient debt and collateral collection process through telephone by the staffs and the outsource personnel in case of any continuous defaults on payment.

2. Financial risk

2.1. Liquidity risk

The Company has obtained loans from financial institutions as its main source of business. It complies with the financial terms and conditions of those financial institutions, such as maintaining a debt-to-equity ratio, ability rate of debt repayment, ratio of debtors to interest-bearing debts, etc. This may result in the Company's effects if the financial institutions request for loans return or no renewal of loans contract or any incompliance to the terms of the loans contract by the Company. Thus, the loans must be revoked and the Company shall be affected by liquidity risk for the procurement of funding sources to customers and its own operating results.

The Company has had its guidelines for the reduction of such risks by contacting and requesting for loans credit from many financial institutions to reduce the reliance on loans credit from a single financial institution. The Company always has good records of loan repayments and maintains various ratios according to the terms of each financial institution. Thus, the Company is confident on its receiving continuous support and renewal of loans contract, including additional funding sources, such as issuing bonds, etc.

2.2. Risk from interest rate fluctuation

The Company's main income is from the interest of hire purchase contract calculated by a fixed interest rate throughout the hire-purchase term. Meanwhile, the Company's financial costs come from the loans of financial institutions and issuance of debentures calculated by fixed and floating interest rates. The loans with floating interest are from financial institutions with reference rates set by the Bank of Thailand. If the interest rates are likely to increase, the Company's financial costs will be also higher. In the meantime, it is difficult for the adjustment of interest which charged to customers, the Company thus recognizes lower income from the difference of interest rate, leading to significant impacts on its operating results.

The Company realizes on the management of such risks and establishes several guidelines to reduce those risks throughout the whole process. The credit policies have been specified in consistent with the return on lower hire-purchase interest rates in a bid to reduce the expected credit loss. Also, there is a plan to reduce the costs of interest paid by entering into interest rate swap transactions to prevent the fluctuation of interest rate, including the provision of additional funding sources with fixed interest rates and the use of technology for the costs in helping reduce the costs of sales and administration.

3. Risk from operations

3.1. Risk from loss or shortage of personnel

The hire-purchase loans service requires that personnel in certain positions must have knowledge, expertise, and experience in performing specific tasks, such as a position with negotiation skills to screen hire-purchasers and build good relationships with dealers. Also, some positions must be expertise in credit analysis for the approval of loans. Therefore, the Company may be at risk in case of a shortage of personnel with knowledge and experience in performing such positions. This possibly affects the Company's business operations. Therefore, the Company needs to recruit new employees for prompt replacement. It also take time for training to work effectively in accordance with the required standards.

The Company has a policy for personnel recruitment through every channel, along with the continual personnel development that focuses on knowledge and expertise at work. This also includes the cultivation of "NEEXT values" to create the changes and innovations, with ethics, integrity, and adhere to the highest standards. Additionally, the personnel must understand customers, partners, and coworkers other than being professional in working as a team. The Company has set appropriate remuneration and welfare to motivate its employees towards their career growth together with the Company. Moreover, the Company plans on its manpower as a regular basis, including the rotation of work so that the employees can work in place of each other and those who resign without affecting the Company's operations.

3.2 Risk from discontinuity of important transactions

The Company's business operations are at risk for various threats which directly affect life and property, including the safety of employees which unavoidably impact on business operations. The Company has continuously monitored and analyzed overall situations which may cause any violent incidents. In the meantime, the Company has set up a team to closely monitor and analyze those violent situations. This also includes the communication with employees and relevant persons about the said situations and practices regarding the safety and the up-level of security in the Company's work areas. Moreover, the Company has prepared for the Business Continuity Plan (BCP), which includes the information technology system to support working from home and at the Backup Office. At the same time, there is the Disaster Recovery Plan: DRP as a support in case of any critical events which may disrupt the Company's information technology system towards the reduction of possible impacts. Moreover, the Company's technology system is restored at appropriate time. Importantly, the Company has arranged for testing of its plans to support continuous business operations as well as emergency plans in information technology every year.

4. Legal and compliance risk

The Company is committed to its organizational development for sustainable growth and business operations in compliance with the laws, regulations and rules, as well as other related laws, with transparency in information disclosure. Therefore, the Company has established its corporate governance department to always comply with new laws. Also, relevant knowledge is disseminated towards the compliance to regulations and inspection process with accuracy and appropriateness.

In 2023, the Company has set up additional procedures for the inspection and management of legal risk to improve the process of controlling the laws in relation to the Company's business operations. The Company also follows on new laws and procedures for its management of legal risk after the enactment of those laws with efficiency.

However, even though currently motorcycle and motorcycle leasing businesses are not regulated by the Bank of Thailand, the Bank of Thailand has drafted a Royal Decree to place certain types of financial businesses under the jurisdiction of the Financial Institutions Business Act of 2008. This is to oversee the leasing and hire-purchase businesses, including leasing and hire-purchase of cars and motorcycles. If the Royal Decree is issued, it may have an impact on the operations of the companies. As of the end of 2023, there is no conclusive summary on this matter.

5. Risk of launching new products

To reduce its reliance on main income from hire-purchase loans to motorcycles only, the Company always finds the opportunities to launch new products, which may be at risk for not being able to meet its specified goals. Thus, the Company has established its work processes in launching new products to avoid such risk, e.g., the feasibility studies as well as the analysis of strengths, weaknesses, opportunities, and threats (SWOT Analysis), including the arrangement of expert personnel and funding to establish business policies, goals, budget plans, and various operational procedures. This also includes the identification of risk factors and guidelines to prevent any possible risks.

6. Risk for Investment of Shareholders

6.1 Risk from having a major shareholder to hold shares in a proportion greater than or equal to 25 percent of the registered capital

As of December 31, 2023, the Company's major shareholders are Com7 Public Company Limited ("COM7"), holding 34.32% of the Company's total issued and sold shares, and Synex (Thailand) Public Company Limited ("SYNEX"), holding 26.98% of the Company's total issued and sold shares. Thus, these two major shareholders can exercise their rights to oppose or disapprove the resolution on various issues of the shareholder's meeting. According to the regulations or related laws, it is required for a vote of not less than three-fourths of the total number of shareholders who attend the meeting and have the rights to vote on various issues, such as the amendment of the Company's regulations, increase of capital, and decrease of capital, etc.

6.2 Risk for the Company's shareholders being limited to receive certain types of benefits for securities holders of restricted countries in case of the Preferential Public Offering of securities in the future

As a public limited company, the Company can from time to time issue various instruments, as well as new common shares, and other types of instruments such as warrants or TSR or convertible bonds by allocating to existing shareholders in proportion to their shareholding, even though it is not required for any public limited companies to offer the rights to purchase additional common shares to existing shareholders first when issuing additional common shares. In case of offering or giving the rights to ordinary shareholders for a purchase of additional common shares or any rights of all forms, the Company maintains the rights to exercise its discretion in offering such instruments to shareholders. In the meantime, the Company may not offer the rights to subscribe for such instruments to ordinary shareholders outside Thailand. Under the applicable laws, the Company also may not be allowed to offer such instruments to shareholders in certain countries unless the relevant steps are taken. For example, the Company may not offer such rights to common shareholders who are U.S. persons within the meaning of the Regulation S under the United States Securities Act 1933 (including the amendments). However, it is exempted that (a) there is a registration statement for the offering of securities effective under the Securities Act of the United States, or (b) it is an offer for sale of such rights to persons holding shares according to exemptions under the United States Securities Act. In some countries, the compliance with securities laws or other regulatory requirements may prohibit investors from exercising their rights to purchase securities in proportion basis. Thus, this may reduce the proportion of shareholding of those investors. Whereas, the Company is not required to apply for the registration of common shares in any countries so that foreign investors can exercise their rights for the future purchase of additional common shares as proportion basis.



DRIVING BUSINESS FOR SUSTAINABILITY

Sustainable Development

The company has established a framework for sustainable development based on the international criteria set by the United Nations (Sustainable Development Goals (SDGs)).



3.1 Policy and Objectives for Sustainable Management

The company has established policies to govern responsible business practices, aiming for excellence in accordance with best practices in corporate governance. This is to serve as a guiding principle for the board, executives, and employees at all levels of the company, promoting systematic and standardized operations that can be audited. This initiative aims to enhance transparency and foster confidence among shareholders, investors, and stakeholders. The company will oversee and manage operations in line with its objectives and goals under the strategy, operational policies, and business conduct guidelines with ethical considerations and compliance with relevant laws. Efficient monitoring, performance evaluations, and reporting mechanisms will be implemented, demonstrating respect for rights and accountability to shareholders and stakeholders. The company will consider societal and environmental benefits, adapt to ongoing changes, and strive for sustainable business practices to remain competitive. Clear goals and sustainable practices are outlined in the following seven points.

Management Objectives for Sustainability

- 1. Sustainable Value Chain Management:** The company aims to manage the value chain sustainably, considering the maximum benefits for all stakeholders, adhering firmly to corporate governance policies and anti-corruption policies. An efficient and transparent corporate governance structure has been defined, allowing for verification. Additionally, there is a focus on creating understanding and communication for both corporate governance and sustainable development among employees.
- 2. Environmental Impact Reduction Participation:** The company actively participates in reducing environmental impact by managing environmental aspects in accordance with relevant laws and regulations. The company continually improves, develops, and seeks new measures or methods to prevent, control, and reduce the impact on communities and the environment.
- 3. Sustainable Workforce Development:** The company places importance on the sustainable development of its workforce, promoting and fostering a learning community within the organization. This includes raising awareness of responsibility toward the community and society.

Sustainability Practices: 7 Points

1. Promoting Environmental Responsibility

Foster awareness and instill a culture of environmental protection, addressing climate change, and managing environmental impacts.

1. Cultivate a culture within the organization where every employee is conscious and actively involved in thinking about and seeking ways to reduce resource and energy consumption, as well as minimizing waste and greenhouse gas emissions to prevent, control, and minimize environmental impacts on communities and society.
2. Consistent Environmental Operations
Maintain a continuous commitment to environmental operations by implementing projects and processes aimed at reducing the environmental impact resulting from the company's business activities.
3. Promoting Environmental Sustainability Throughout the Supply Chain
Select business partners, contractors, and business affiliates based on their environmental management capabilities and alignment with the company's environmental policies within the supply chain.

2. Cultivating Awareness and Developing Human Resources

Promote virtues, ethics, and social and environmental responsibility to establish an organizational culture. Manage risks and demonstrate social and environmental responsibility through communication, support training programs, and ensure the well-being of employees. Foster a positive work atmosphere and environment, ensuring employee satisfaction and efficient performance in alignment with organizational goals.

3. Respecting Human Rights and Labor Practices

The company treats employees and workers without discrimination, providing equal opportunities, assigning tasks based on capabilities, and offering fair compensation. Show respect and dignity to employees, contractors, and partners, emphasizing human dignity. Care for and protect the safety of employees, workers, and company assets without compromising the rights and safety of others. Uphold personal rights, maintain confidentiality, disclose information responsibly, and use personal information in strict accordance with applicable laws.

4. Occupational Safety, Health, and Well-being

The company prioritizes the management of occupational safety, health, and the working environment for its employees. It has established rules, work practices, and standards to ensure safety, prevent occupational diseases, and minimize environmental impacts in various work areas. This includes taking care of the health of employees.

5. Good Corporate Governance

Adhering firmly to transparent, fair, and responsible business operations, the company is committed to all stakeholders. It strictly follows laws, regulations, guidelines, methods, policies, regulations, announcements, and company orders related to good corporate governance, risk management, business continuity management, accounting policies, and the prevention of corruption and corporate fraud.

6. Sustainable Economic Growth

The company prioritizes all stakeholder groups, promoting and supporting sustainable development throughout the business chain. It conducts business in a manner that fosters sustainable development.

7. Anti-Corruption Measures

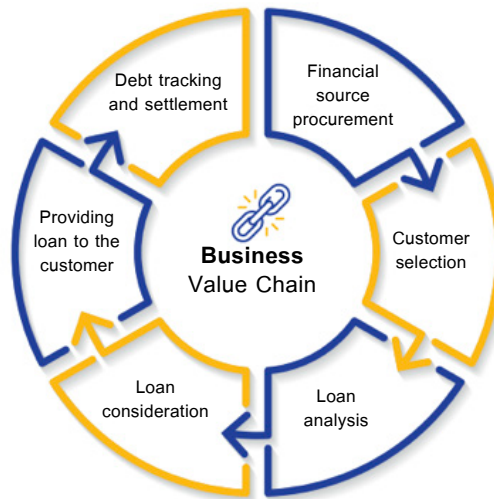
The company is aware of the importance and is committed to resisting bribery, corruption, and participating in the Thai private sector's joint commitment against corruption. It establishes policies and guidelines to guide its practices.

3.2 Managing Impacts on Stakeholders in the Business Value Chain

3.2.1 Business Value Chain

The company places importance on the process of managing the business value chain and pays attention to every step to respect the benefits of stakeholders. Starting with sourcing funds from financial institutions and investors, the company selects partners with standards in customer service. When customers express a desire for credit, the company collects information and supporting documents for credit analysis and approval. As the due date for installment payments approaches, the company notifies customers in advance, allowing them to make payments.

Furthermore, the company utilizes technology in its operations to match trade partners and develop new innovations for convenience, speed, and efficiency in service. This is done to expand the concept of value chain management for sustainable business practices.



3.2.2 Analysis of Stakeholders in the Business Value Chain

Stakeholders	Expectations of Stakeholders	Responsiveness to Stakeholders' Expectations
Customers	<ul style="list-style-type: none"> Treat customers equally and fairly Receive feedback, including engaging in suitable customer service Safeguard the confidentiality of customer information 	<ul style="list-style-type: none"> Good corporate governance, transparency, fairness, and auditable Anti-corruption policy and promotion of ethical practices Ethical handling of customer data Equal treatment of customers Comprehensive customer guidance, including suitable service reception
Partners / Alliances	<ul style="list-style-type: none"> Receive accurate and prompt information Adhere to agreements and conditions, making fair payments Conduct business with honesty and integrity Acquire knowledge for development, enhancing capabilities and service excellence 	<ul style="list-style-type: none"> Establishing clear and non-discriminatory policies and conditions Anti-corruption policy and promotion of ethical practices Developing partnerships through knowledge sharing, such as providing tax knowledge and implementing technology to improve efficiency Improving procurement policies to select environmentally friendly products
Staff	<ul style="list-style-type: none"> Adequate and appropriate compensation, benefits, and welfare Job security Equality and opportunities for advancement Training and development plans for knowledge and skill enhancement 	<ul style="list-style-type: none"> Establishing appropriate compensation, benefits, and welfare Conducting an annual employee engagement survey Adhering strictly to the rights and employment policies Focusing on health and well-being in the workplace Offering training courses tailored to job roles and positions Succession planning Providing a complaint mechanism through official channels Utilizing the company's LINE Open Chat for communication

Stakeholders	Expectations of Stakeholders	Responsiveness to Stakeholders' Expectations
Shareholders/Investors	<ul style="list-style-type: none"> Good corporate governance Sustained and continuous business growth with good returns Effective risk management Access to governance information and transparent disclosure, subject to verification Accurate and timely disclosure of news and company performance results 	<ul style="list-style-type: none"> Transparent and fair business governance with accessible channels for shareholders to express opinions and file complaints directly to the company Fair dividend payments Accurate disclosure of information following the guidelines for information disclosure of registered companies Development of business strategic plans Comprehensive risk management Efficient management structure for good corporate governance
Competitors	<ul style="list-style-type: none"> Fair and transparent trade competition Information exchange 	<ul style="list-style-type: none"> Adherence to ethical principles for conducting business fairly and transparently Participation in trade associations for collaborative business development
Community and Society	<ul style="list-style-type: none"> Supporting various community activities Avoiding negative impacts on communities and the environment Transparency in operations Adherence to human rights principles and resistance against corporate corruption 	<ul style="list-style-type: none"> Supporting various activities or participating in initiatives to consistently contribute to the creation and development of a vibrant society and community Adhering to social and environmental responsibility policies Transparent and accountable corporate governance, subject to regular audits Policies against corporate corruption and promotion of ethical practices

Channels for Stakeholder Engagement by Beneficiaries include:

Topic	Channels for Stakeholder Engagement
Customer Information	<ul style="list-style-type: none"> Line Connect: @nextconnect Facebook: Next Capital Email: cs@nextcapital.co.th
Complaints	<ul style="list-style-type: none"> Tel: 02-342-9699 Customer services Email: cs@nextcapital.co.th https://www.nextcapital.co.th/th/contact-us
Investor Information	<ul style="list-style-type: none"> Tel: 02-096-6986 Investor relations Email: ir@nextcapital.co.th https://www.nextcapital.co.th/NCAP/ir_index.php Annual Shareholders' meeting Annual Report Company's Registered Investor Activities
Business Partners/ Competitors	Meeting through the Thai Chamber of Commerce or other chambers of commerce of which the company is a member.
Others	www.nextcapital.co.th

Sustainable Development Performance Report for the Year 2023



Environmental Policy and Practices

The company actively seeks ways to manage the environment in accordance with relevant laws and regulations. Additionally, it continually improves, develops, and explores new measures or methods in environmental management systems to enhance efficiency, reduce resource and energy consumption, minimize waste and greenhouse gas emissions. This includes the recycling of resources to prevent, control, and minimize the impact on communities and the environment.

Environmental Goals and Participation in Environmental Impact Reduction

Short-term goals: Employees will have knowledge and understanding of environmental project operations, and projects will be implemented to reduce greenhouse gas emissions within the organization. Responsible guidelines will be established for sourcing materials and equipment to minimize impacts on communities and the environment. Environmentally friendly materials and equipment will be prioritized.

Long-term goals: Research data and develop technologies for reducing greenhouse gas emissions by the year 2027.

Environmental Operation Results

Waste Management

The company has advocated for employees to segregate waste before disposal, including general waste, wet waste, and recyclable waste. This promotes convenience for proper disposal or potential reuse, reduces foul odors, and minimizes insect vectors that can directly impact employee health.

In waste management through recycling, the company has initiated a waste separation process within office buildings, starting with the main office. This serves as a model to raise environmental awareness among employees. The company has established a waste segregation policy based on types to encourage recycling and reusing processes. The initial focus has been on segregating paper and plastic bottles from the general waste stream.

Energy Management

The company has established practices for efficient and conscious energy use. It has implemented campaigns to turn off lights during breaks and at the end of the workday, aligning with the company's project execution plan, "Turn Off Lights during Breaks and at the End of the Workday." Additionally, initiatives include "Turn Off Computer Screens during Midday Breaks" and "Unplug Devices every Friday and on holidays before leaving home."

These energy conservation operational policies aim to raise awareness among all personnel within the organization, emphasizing the importance of energy conservation. Cooperation is encouraged to reduce electricity consumption, promoting cautious energy usage.



Electricity Usage Comparison Table

Details	Electricity Usage (Baht.)	
	Year 2022	Year 2023
Head office electricity cost	1,592,503.79	1,542,729.44

**Comparing electricity usage (cost) in 2023, it decreased by 49,774.35 Baht.

Environmental Management for Greenhouse Gas Reduction

In 2023, the company participated in training related to greenhouse gas management to foster understanding of the methods and procedures for assessing the organization's greenhouse gas emissions. Data collection began in 2024, and while data verification by the relevant authorities or equivalent is still pending, the company is committed to actively reducing greenhouse gas emissions through various activities, including:

- The company emphasizes managing and mitigating greenhouse gas issues. In 2023, the company conducted inspections of its fleet of 83 operational rental cars to ensure their readiness for use, reducing pollution from vehicle exhaust that impacts the environment.
- The procurement, utilization, and selection of environmentally friendly office supplies, materials, and products are prioritized by the company.
- The company promotes a reduction in paper usage across all departments, encouraging the efficient use of paper on both sides and initiating the transition to electronic work processes.
- Paper reduction initiatives involve developing the company's own mobile application. From 2021 to 2022, the company focused on developing e-document platforms for information storage, both within and outside the organization. This effort aims to decrease paper consumption in each process. The company also practices reusing paper for one-sided printing and uses emails and bulletin boards for communication.
- The company has developed electronic channels for delivering receipts and tax invoices to customers, starting service in September 2023. This initiative has significantly reduced the production of paper receipts, saving a total of 159,943 copies.
- The company encourages employees to use fabric bags instead of plastic bags and advocates the use of personal glasses to reduce the continuous consumption of plastic packaging materials.



Sustainable Social Management

Social Policies and Practices

The company is aware of its responsibility to communities and society, aiming to strengthen and genuinely contribute to the well-being of communities. With objectives centered around knowledge-building, job creation, and human development, the company has policies to provide assistance and contribute to societal development. It actively engages in various activities with surrounding communities in its operational areas, responding to events that impact communities, society, and the environment resulting from the company's operations. The company operates efficiently and responsively, promoting employee awareness and responsibility toward the environment and society.

Social Goals emphasizing the sustainable development of skilled personnel

Short-term: Employees have knowledge and understanding of social and community-related tasks, and the company provides avenues for employees to voice complaints through a confidential management process. The company promotes equality and adheres to human rights principles.

Long-term: Supporting the local recruitment of employees residing in each branch's locality, with a goal set for the year 2027. There is a commitment to support the local hiring of employees by 90%, and in 2025, there will be campaigns to encourage employees to increase blood donations by approximately 20–30% compared to 2023. Additionally, employees actively participate in at least two social assistance projects.

Social Performance Results

Customer Responsibility

The company is dedicated to delivering services for customer satisfaction and maximizing customer benefits. This includes prioritizing the quality and standards of services, ensuring customers receive transparent and fair services. Additionally, the company focuses on developing modern systems to meet customer needs. Legal compliance is a crucial aspect, and the company commits to not engage in deceptive practices, misleading actions, or actions that could cause misinformation. The company also emphasizes the confidentiality of customer information, implementing systems for data storage and security. Continuous improvement and development of systems, including the secure storage of important customer documents, are undertaken to prevent data leaks.

1. In 2023, the company set customer satisfaction goals, considering resolving key customer complaints by no less than 80%. The company conducted customer satisfaction surveys, and the results showed a satisfaction rate of 95%.
 - **Application Development:** The company developed applications to support service such as Line Connect, Face book and Chat bot, making it easy and fast for customers to access service-related information.
2. **Raising Awareness and Employee Development through Training:** The company conducts training programs led by expert instructors, focusing on business-related courses and operations.
3. **Improving Employee Quality of Life with Adequate Compensation and Benefits:** The company establishes policies for employee compensation and benefits, emphasizing fairness and alignment with company performance. This serves as a strategy to motivate employees to perform at their best. Corporate KPIs, developed continuously and covering various aspects of company operations, are transferred from executive management to operational staff. Each employee has personal KPIs aligned with the company's annual and long-term goals. These metrics are used for performance evaluation, compensation assessment, and skill development planning. The individual KPIs guide training plans for employees, ensuring suitability for both short-term and long-term goals.

1. **Compensation in Monetary Terms:** The company has a policy of compensating employees based on their knowledge, skills, duties, and responsibilities. This approach considers appropriateness, fairness, and alignment with industry averages. The company aims to maintain and enhance competitiveness in human resources. Additionally, the company establishes a yearly bonus scheme that adjusts the annual salaries of employees based on their performance, serving as a form of appreciation, reward, and motivation for full and efficient job performance.
2. **Other Compensation:** Beyond general compensation, the company has established a provident fund following the Provident Fund Act of 1987. Both the company and employees contribute to the fund monthly.
3. **Employee Benefits:** To develop a conducive working environment, the company not only adheres to legally required benefits but also continually improves and adds various benefits, including:
 - **Accident Insurance:** The company provides accident insurance benefits to facilitate medical treatment in case of unexpected accidents, ensuring the stability of employees and their families.
 - **Medical Expenses:** The company offers medical expense benefits to alleviate the financial burden associated with medical treatments during illnesses.
 - **Dental Check-ups:** Annual health check-ups are provided to employees at both the main office and branch offices, promoting regular awareness and consideration for their own health.
 - **Financial Assistance Benefits:** The company provides financial assistance benefits in various forms, such as marriage assistance and childbirth assistance, to support employees during different life stages.
4. **Creating a learning community within the organization for the development of skills and knowledge of personnel.**

Training

Information	Year 2023	Unit
Number of training hours	312	Hours
Number of total staff	695	Person
Average training cost per course: 45 courses	6.5	Hours/Lesson
Total number of employees trained (counting duplicates)	1,191	Person

Responsibility Toward Employees

The company recognizes that employees are valuable resources and crucial factors in the organization's success. Therefore, the company commits to treating employees in accordance with human rights principles. Every employee is expected to respect human rights without violating any laws. The company considers the needs of its employees to promote skill development, as well as fair and equal treatment. This commitment extends to all aspects of employment, including recruitment, compensation management, benefits, promotions, and training and development. The company ensures fair, equal, and non-discriminatory practices in all employee-related activities.

Hiring Summary

Details	Number of Employees (Person)	
	Male	Female
Regular Employees	446	245
Employees with Disabilities	2	2
Total	448	247

Note: 1 The total number of employees includes management personnel.

2. In 2023, the company hired individuals with disabilities below the required quota. The company contributed funds to the fund for the promotion and development of the quality of life of persons with disabilities.

Responsibility Toward the Community and Society

The company emphasizes the safety of the community and takes responsibility for society and the community. It also places importance on supporting the development of the quality of life and prosperity of the community. The guidelines for community, social, and environmental practices include:

1. Taking responsibility and providing appropriate assistance to society and the community.
2. Providing guidance and knowledge regarding the terms and conditions of credit release to customers comprehensively.
3. Engaging in activities or participating in events to contribute consistently to the creation and development of a positive society and community.
4. Instilling a sense of responsibility for society and the community in employees at all levels.
5. Participating in social activities by organizing initiatives to aid the community in the service areas, with specific projects such as [additional information not provided].

1. The company has organized activities to donate computers and educational equipment, including scholarship funds, to create educational opportunities for the Namsap School in Kaeng Krachan District, Phetchaburi Province. This school is located within the service area of the Phetchaburi branch. The school provides education to students in the community, and the existing computers are insufficient to meet their needs.



2. The company has engaged in social assistance activities by actively participating in the "Donate Blood to the Thai Red Cross Society" campaign. Recognizing the importance of contributing to society, especially in saving the lives of patients in need of a significant volume of blood, the company encouraged employees to voluntarily donate blood to the National Blood Center, Thai Red Cross Society. This has been a continuous effort for the third consecutive year. In the year 2023, a total of 5,000 milliliters of blood was donated.



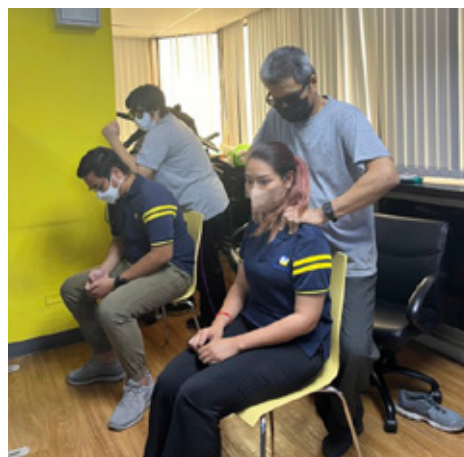
3. The company has organized social and environmental activities, another initiative fostering the voluntary spirit within the company. One of these activities is the “Temple and Community Cleaning” project, designed to contribute to society. Employees actively participated by going to the field to clean Wat Klongrian in Hat Yai District, Songkhla Province, located within the jurisdiction of the Hat Yai branch.



4. The company has collaborated with its business partners in the Narathiwat branch area. In response to the warehouse explosion incident at the Munao Market, where a devastating explosion occurred in the heart of Munao Market, Moo 1, Munao Sub-district, Su-ngai Kolok District, the company expressed support and donated goods with a total value of 200,000 baht. This initiative aimed to bring joy and encouragement to the families affected by the flower warehouse explosion incident in Munao Sub-district, allowing them to smile again.



5. The company has organized activities to promote employment for visually impaired individuals through massage therapy with aroma diffusers. This initiative aims to generate income for visually impaired individuals while reducing fatigue and relieving stress for employees.





Sustainable Management in the Corporate Governance Dimension

Policies and Practices in Corporate Governance

The company has consistently embraced good governance practices to foster its sustainable growth and enhance competitiveness. To achieve this, the company establishes an efficient and transparent corporate governance structure that is auditable, underpinned by the principles of business ethics and compliance with laws. Additionally, the company aims to promote understanding and communication among employees, both in terms of corporate governance oversight and sustainable development.

Corporate Governance Objectives: Emphasizing Sustainable Value Chain Management

Short-term: Conduct a review of knowledge and understanding related to legal compliance relevant to the company's business for employees at all levels.

Long-term: The company aims to achieve a high score in corporate governance assessments from the National Anti-Corruption Commission, based on evaluations of the company's performance. This includes surveys of Thai registered companies, reaching the "excellent" level.

Guidelines for Corporate Governance Practices:

Fundamental practices related to effective corporate governance are as follows:

1. Acknowledge the roles and responsibilities of the board as leaders of the organization, creating sustainable value for the business.
2. Define the objectives and main goals of the business for sustainability.
3. Strengthen the effectiveness of the board.
4. Recruit and develop high-level executives and personnel management.
5. Promote innovation and responsible business conduct.
6. Implement suitable risk management and internal control systems.
7. Maintain financial reliability and disclosure of information.
8. Support participation and communication with shareholders.

The relevant policies are as follows, with a requirement for a minimum annual review:

1. Ethics and integrity in business operations.
2. Corporate governance policies.
3. Risk management policies.
4. Policies and practices against corruption and corporate fraud.
5. Disclosure and complaint reporting policies.
6. Social and environmental responsibility policies.
7. Cybersecurity and personal data protection policies.

Performance in Corporate Governance

Report on Compliance with Good Corporate Governance Principles

The company's board of directors is aware of the roles and responsibilities of the board in promoting good corporate governance within the company. This is to ensure the continuous and stable growth of the company's business, efficient management, transparency, and fairness, thereby instilling confidence in all stakeholders. The company has followed the principles of good corporate governance as outlined by the Stock Exchange of Thailand. The following actions have been taken:

The company has planned for succession to ensure the continuity and efficiency of its operations. The company has a policy of succession planning not limited to top management positions only. The selection of individuals for key positions is conducted through a systematic process.

1. Good Corporate Governance Policy

■ Policy on Personal Data Protection and Information Security

In the year 2023, the company became aware of the rights to personal data of customers. The company established policies for protecting personal data and ensuring the security of information systems, as disclosed on the company's website. These policies serve as guidelines for practicing data protection for customers, employees, and business partners in accordance with the Personal Data Protection Act, which has also been announced.

■ Whistleblower Reports and Complaints

To adhere to the anti-corruption policy following the guidelines of the Thailand's Private Sector Collective Action Coalition Against Corruption (CAC), the company has established and disclosed a Whistleblower Policy. This policy outlines the procedures for receiving whistleblower reports and includes guidelines for protecting whistleblowers. The company has communicated and provided channels for reporting through its website. For more information, please visit the following link: [<https://www.nextcapital.co.th/th/contact-us>] (<https://www.nextcapital.co.th/th/contact-us>).

2. The company ensures preparedness for successor individuals in developing the knowledge, capabilities, readiness, and necessary skills according to their positions. This is to facilitate the smooth transition of responsibilities in case high-level executives and key positions within the main functions are unable to fulfill their duties.
3. Successor individuals designated to inherit positions must not only possess qualifications and work experience relevant to their roles but also undergo knowledge transfer and participate in additional training courses. This is to ensure a seamless and continuous transition of responsibilities.



ANALYSIS AND EXPLANATION OF THE MANAGEMENT

Overview of business and significant changes

Next Capital Public Company Limited (“the Company”) mainly operates the business of providing hire purchase loans service for motorcycles. The Company started its hire purchase loans service for used trucks in 2023 and the Car for Cash service in 2023. It had a total income of 1,983.43 million baht, 1,921.85 million baht, and 1,381.89 million baht in 2023, 2022 and 2021, respectively. Its total revenue has grown steadily during 2021-2023, with a growth rate of 3.20% in 2023 when compared to 2022 and 39.07% in 2022 when compared to 2021. The increase in revenue over the past 3 years has resulted from the Company’s expansion of credit portfolio, in line with the revenue from service fees related to insurance work and bad debt income receives. According to the Announcement of the Contract Committee regarding the hire-purchase business of automobiles and motorcycles as a contract-controlled business, B.E. 2022, it has stipulated the effective interest rate for hire-purchase motorcycle of not exceeding 23% per year, effective from January 10, 2023. This affected the Company’s interest income in 2023, with a decrease rate of income growth when compared to 2022. The Company has established measures for such risk by placing more focus on the quality and ability of debtors to repay debts.

The total expenses were 1,659.59 million baht, 1,712.16 million baht, and 992.48 million baht in 2023, 2022 and 2021, accounting for 83.67%, 89.10%, and 71.81% of total revenue, respectively. Most of the total expenses were selling and administrative expenses, which accounted for 39-53% of total expenses. The Company’s expenses have been risen according to the expansion of the company’s loan portfolio, including an increase of employee compensation, debt collection service fee payable, and expected credit losses.

The interest spread was 12.76%, 17.68%, and 19.62% in 2023, 2022, and 2021, respectively. The decrease in interest spread in 2023 was resulted from lower net interest income, mainly from the control of real interest rate for motorcycles at a rate not exceeding 23% per year as aforementioned. While there was an increase on the cost of commission returns in the 1st and 2nd quarters of 2023 before a decrease in the 3rd quarter of 2023. Also, the interest rate paid increased in line with the increase in interest rates of financial institutions from which the Company borrowed.

The net profit was 259.83 million baht, 164.82 million baht, and 310.94 million baht in 2023, 2022, and 2021, or equivalent to a net profit margin of 13.10%, 8.57%, and 22.50%, respectively. The increase of net profit margin in 2023 was mainly due to an increase in interest income, income from service fees related to insurance work and reduction in expected credit losses.

As of 31 December 2023, 2022, and 2021, the Company maintained assets of 10,078.71 million baht, 8,359.73 million baht, and 5,831.17 million baht, respectively. This comprised current assets of 43-56% of total assets, mainly the hire-purchase receivables due within one year net, and non-current assets accounted for 53-57% of total assets, mainly the net hire-purchase receivables.

The capital structure as of December 31, 2023, 2022, and 2021 comprised total liabilities of 5,612.20 million baht, 4,129.45 million baht, and 3,822.89 million baht, respectively, accounting for 55.68%, 49.40%, and 65.56% liabilities and equity. This included the Company’s owner’s equity of 4,466.51 million baht, 4,220.35 million baht, and 1,998.29 million baht as of December 31, 2023, 2022, and 2021, respectively, or 44.31%, 50.48%, and 34.27% of total liabilities and equity. Meanwhile, the non-controlling interests equaled to 171 million baht, 9.92 million baht, and 9.99 million baht as of December 31, 2023, 2022 and 2021 respectively, or 0.00%, 0.12% and 0.17% of total liabilities and equity, respectively.

The total liabilities consisted of current liabilities which accounted for approximately 46-49% of total liabilities and non-current liabilities of approximately 51-54% of total liabilities. Most of the Company’s current liabilities were trade and other payables, short-term and long-term loans, and debentures.

The owners’ equity included the issued and paid-up share capital, share premium, share warrants, retained earnings, and non-controlling interests. There was an increase in the owner’s equity according to the growth of the Company’s retained earnings. In 2023, there was a reversal of the warrant to purchase shares in the amount of 115.20 million baht due to expiry on December 21, 2023.

Operating performance and profitability

Income

The Company's income can be divided according to types of income in 4 main groups, namely income from interest of hire-purchase contracts, income from interest of loans, income from fees and services, and other income.

Type of income	2023		2022		2021	
	million baht	percent ¹	million baht	percent ¹	million baht	percent ¹
Income from interest of hire-purchase contract ²	1,540.63	77.68	1,510.82	78.61	1,028.31	74.41
Income from interest of loans ³	2.54	0.13	-	-	-	-
Income from fees and services ⁴	237.49	11.97	180.11	9.37	143.60	10.39
Other income ⁵	202.77	10.22	230.92	12.02	209.98	15.20
Total income	1,983.43	100.00	1,921.85	100.00	1,381.89	100.00

- Note :**
1. Percentage compared to total income
 2. Income from interest of hire purchase contracts with net calculated by commissions and direct expenses such as stamp duty
 3. Income from interest of loans with net calculated by commission
 4. Income from fees and services relating to insurance, registration, and debt collection fees
 5. Other income including bad debt receives, fines for late payments, etc.

The Company had a total income of 1,983.43 million baht, 1,921.85 million baht, and 1,381.89 million baht in 2023, 2022, and 2021, respectively. The total income recorded a continuous growth during 2021-2023, or 3.20% in 2023 when compared to 2022 and 39.07% in 2022 when compared to 2021. The increase in total income was due to an increase in income from interest of hire purchase contracts following the expansion of customer base and credit portfolio. Thus, income from fees and services, such as debt collection and insurance, were increased in compliance with higher credit portfolios.

Income from interest of hire purchase contracts

Most of the Company's income came from interest of purchase contracts which accounted for 74-79% of total income, or 1,540.63 million baht, 1,510.82 million baht, and 1,028.31 million baht in 2023, 2022, and 2021, respectively. The Company had a policy to recognize the income from interest of hire purchase contracts in each accounting period which reflected the effective interest rate in each period of investment remaining net under the hire purchase agreement. Also, the Company recognized the income from interest of hire purchase contract receivables with credit impairment at the effective interest rate and the book value of financial assets net by an allowance for expected credit losses.

Income from interest of loans

Income from interest of loans came from the Car for Cash service, which started providing loans in April 2023. In 2023, income from interest of loans was equal to 2.54 million baht. The Company had a policy to recognize the income from interest of loans in each accounting period which reflected the effective interest rate in each period of investment remaining net under the agreement.

Income from fees and services

The Company's income from fees and services equaled to 237.49 million baht, 180.11 million baht, and 143.60 million baht in 2023, 2022, and 2021, which accounted for 11.97%, 9.37%, and 10.39% of total income, respectively. These were mainly from income of providing insurance service and debt collection. There was a continual increase of income from fees and services according to higher number of new contracts and credit portfolios.

Other income

The Company had other income equal to 202.77 million baht, 230.92 million baht, and 209.98 million baht in 2023, 2022, and 2021, which accounted for 10.22%, 12.02%, and 15.20% of total income, respectively. These included bad debt receives from debt collection written off as bad debts, as well as fines for late payments, and others. The Company recognized other income based on the amount actually received mostly from bad debt receives. There was a continual increase of other income each year in line with higher credit portfolios.

Expenses

Type of expenses	2023		2022		2021	
	million baht	percent ¹	million baht	percent ¹	million baht	percent ¹
Selling and administrative expenses	691.93	41.69	670.80	39.18	527.81	53.18
Expected credit losses	736.80	44.40	875.03	51.11	363.36	36.61
Loss (profit) from sale of foreclosed properties	14.60	0.88	7.84	0.46	4.00	0.41
Financial cost	216.26	13.03	158.49	9.25	97.31	9.80
Total expenses	1,659.59	100.00	1,712.16	100.00	992.48	100.00

Note : ¹. Percentage compared to total expenses

Total expenses were 1,659.59 million baht, 1,712.16 million baht, and 992.48 million baht in 2023, 2022, and 2021, which accounted for 83.67%, 89.10%, and 71.81% of total expenses, respectively. These mainly consisted of selling and administrative expenses for 39-53% of total expenses and expected credit losses accounted for 37-51% of total expenses.

Selling and administrative expenses

The Company's selling and administrative expenses were 691.93 million baht, 670.80 million baht, and 527.81 million baht in 2023, 2022, and 2021, which accounted for 41.69%, 39.18% and 53.18% of total expenses, respectively as follows:

Type of selling and administrative expenses	2023		2022		2021	
	million baht	percent ¹	million baht	percent ¹	million baht	percent ¹
Employee compensation	402.82	20.31	351.88	18.31	281.60	20.38
Debt collection fees ²	99.99	5.04	106.81	5.56	87.20	6.31
Travel expenses	37.12	1.87	37.07	1.93	27.65	2.00
Depreciation	33.10	1.67	28.67	1.49	28.25	2.04
Sales promotion	31.76	1.60	24.87	1.29	10.97	0.79
Utility bills ³	9.52	0.48	10.53	0.55	9.47	0.69
Audit and consulting fees	9.75	0.49	10.25	0.53	9.09	0.65
Loss on impairment of assets	-	-	7.20	0.37	-	-
Rental	1.29	0.07	1.91	0.10	2.02	0.15
Others ⁴	66.58	3.36	91.61	4.77	71.56	5.18
Total	691.93	34.89	670.80	34.90	527.81	38.19

Note : ¹. Percentage compared to total income

². Debt collection expenses relating to debt collection service fees paid to an external company and seizure of foreclosed properties

³. Utility bills such as telephone bills, information system maintenance costs, electricity bills, etc.

⁴. Others including payment system service fees, credit bureau check service fees, office expenses, etc.

The company's selling and administrative expenses when compared to total income in 2023, 2022 and 2021 accounted for 34.89%, 34.90%, and 38.19%, respectively. This was due to higher employee compensation equal to 402.82 million baht, 351.88 million baht, and 281.60 million baht, or 20.31%, 18.31%, and 20.38% of total income in 2023, 2022 and 2021, respectively. This was resulted from an increasing number of employees according to the expansion of credit portfolios. Meanwhile, the follow-up and debt collection service fees which the Company paid to external debt collection companies and the expenses of foreclosed properties were increased in the same direction as an increase of bad debt recovery income.

Expected credit losses

The Company has a policy to set an allowance for expected credit losses from the outstanding balance of receivables less deferred interest income by considering the calculation model prepared by the Company in accordance with the Financial Reporting Standard No. 9. The Company would write off debtors from the accounts after the follow-up as appropriate and with clear evidence that the debts are not paid.

The Company expected credit losses of 736.80 million baht, 875.03 million baht, and 363.36 million baht in 2023, 2022, and 2021, which accounted for 37.15%, 45.53% and 26.29% of total income, respectively.

Expected credit losses	2023		2022		2021	
	million baht	percent ¹	million baht	percent ¹	million baht	percent ¹
Allowance for expected credit losses written-off	412.48	20.80	377.17	19.63	163.14	11.81
Increase in expected credit losses during the period	324.32	16.35	497.86	25.90	200.22	14.48
Total	736.80	37.15	875.03	45.53	363.36	26.29

Note : ¹ Percentage compared to total income

Allowance for expected credit losses written-off from the Company's accounts equaled to 412.48 million baht, 377.17 million baht, and 163.14 million baht in 2023, 2022, and 2021, which accounted for 20.80%, 19.63% and 11.81% of total income, respectively. The Company recognized the write-off of receivables from the account during the year as an expense in the income statement. It would write off debtors from the accounts after the follow-up as appropriate and with clear evidence that the debts are not paid. The debtors written off from the Company's accounts were increased in accordance with the amount of credit granted. When aiming to expand its customer base, the Company were at risk that more debtors would be written off from the accounts. However, the Company could efficiently control each class of debts by the use of information systems to analyze the quality of all debtor groups for the credit policy improvement and adjustment of guidelines for debt collection towards the control and prevention any risks of debtors being written off from the accounts and expected credit losses.

There was an increase of expected credit losses during the year worth of 324.32 million baht, 497.86 million baht, and 200.22 million baht in 2023, 2022, and 2021, which accounted for 16.35%, 25.90% and 14.48% of total income, respectively.

Loss (profit) from sale of foreclosed properties

The Company had losses from sale of foreclosed properties in 2023, 2022 and 2021 equal to 14.60 million baht, 7.84 million baht, and 4.00 million baht, respectively.

Financial cost

The Company had financial costs during 2023, 2022 and 2021 equal to 216.26 million baht, 158.49 million baht, and 97.31 million baht, respectively. The interest-bearing loans as of December 31, 2023, 2022, and 2021 amounted to 4,751.21 million baht, 3,785.09 million baht, and 3,303.06 million baht, respectively. During 2023, the Company issued debentures and the balance as of December 31, 2023 amounted to 452.36 million baht, with an average interest rate of 4.82%, 3.87%, and 3.85% in 2023, 2022, and 2021, respectively.

Profitability

Interest rate differential	Unit	2023	2022	2021
Interest rate income ¹	Percentage	17.59	21.55	23.47
interest rate paid ²	Percentage	4.82	3.87	3.85
interest rate differential	Percentage	12.76	17.68	19.62

Note: ¹. Interest rate income = Hire purchase interest income, less direct costs/average hire purchase receivables

². Interest rate paid = cost of finance/Average total borrowing

The interest rate income was 17.59%, 21.55%, and 23.47% in 2023, 2022, and 2021, respectively. In 2023, the interest rate income decreased by 3.96% when compared to the previous year due to the control of real interest rate for motorcycles at a rate not exceeding 23% per year and the cost of commission returns increased in the 1st and 2nd quarters of 2023, then decreased in the 3rd quarter of 2023, resulting in a lower interest rate than in 2022 and 2021.

The interest rate paid was 4.82%, 3.87%, and 3.85% in 2023, 2022, and 2021, respectively. In 2023, the interest rate paid increased when compared to 2022 and 2021 due to the Company's obtaining a new credit line with higher interest rate than in 2022 and an increase in the interest rate paid of financial institutions.

The interest rate differentials were 12.76%, 17.68%, and 19.62% in 2023, 2022, and 2021, respectively.

Net Profit and Return on Equity

The Company's net profits in 2023, 2022, and 2021 were 259.83 million baht, 164.82 million baht, and 310.94 million baht, which accounted for the rate of 13.10%, 8.57% and 22.50%, respectively. In 2023, the net profit was increased from 164.82 million baht in 2022 to 259.83 million baht, mainly due to interest rate income, income from fees and services and a decrease in expected credit losses.

The Company had return on equity equal to 5.98%, 5.28%, and 16.88% in 2023, 2022, and 2021, respectively. In 2023, the return on equity was increased when compared to 2022 due to an increase of retained earnings according to net profits. In 2022, the return on equity was decreased when compared to 2021 due to an increase in paid-up ordinary shares with warrants to purchase shares for the existing shareholders in proportion to their shareholding in the amount of 225.00 million baht or 450.00 million newly issued ordinary shares, with a share premium net amount of 1,684.40 million baht and the fair value of warrants to purchase shares of 115.20 million baht.

Ability for asset management

Assets

The Company had assets as of December 31, 2023, 2022, and 2021 equal to 10,078.71 million baht, 8,359.73 million baht, and 5,831.17 million baht, respectively. These consisted of current assets which accounted for 43-47% of total assets, mainly the hire purchase receivables due within one year net, and non-current assets which accounted for 53 - 57% of total assets, mainly the hire purchase receivables net. The major changes in the Company's assets were as follows:

Hire purchase receivables net

The Company had hire purchase receivables net as of December 31, 2023, 2022, and 2021 equal to 9,285.42 million baht, 7,427.57 million baht, and 5,463.60 million baht, respectively, which accounted for approximately 89 - 94% of total assets. These included the portions due within one year of 41-42% of total hire purchase receivables net and the portion due more than one year of 58-59% of total net hire purchase receivables net.

The hire purchase receivables in 2023 were increased from 2022, which accounted for 25.01% and 35.95% in 2022 and 2021, respectively. These were due to the Company's continual expansion of its customer base and credit portfolios, as well as more sales promotions with partners. Thus, the number of new contracts was increased significantly in the same direction as income.

Hire purchase receivables net	As of December 31, 2023		As of December 31, 2022		As of December 31, 2021	
	million baht	percent	million baht	percent	million baht	percent
Portion due within one year	3,822.46	41.17	3,122.00	42.03	2,256.62	41.30
Portion due more than one year	5,462.96	58.83	4,305.57	57.97	3,206.98	58.70
Total hire purchase receivables net	9,285.42	100.00	7,427.57	100.00	5,463.60	100.00

The Company has provided measures for a debt moratorium to assist debtors affected by the spread of COVID-19 pandemic as follows:

In 2021, debtors who exercised the debt moratorium were granted a waiver to pay installments of 30%, 40%, and 50% of total installments (as the case may be) for a period of 3 months. The rest must be paid in additional 3 installments from the last installment of hire purchase contract. In 2021, the Company allowed customers to request a moratorium on debt payments from August. The debt moratorium began in September of the year 2020 and 2021 with a total of 6,739 debtors worth of 38.70 million baht, or an amount equal to approximately 5% of total number of debtors as of December 31, 2021.

However, the Company did not extend debt moratorium in 2022 for debtors due to the ease of COVID-19 pandemic from the previous year, in line with a gradual recovery of Thai economy.

Net loan receivables

Net loan receivables are the Car for Cash loan receivables provided by subsidiaries, which has started for service since April 2023. As of December 31, 2023, the Company had loan receivables equal to 47.10 million baht. This consisted of the portion due within one year which accounted for 20% of total net loan receivables and another portion due for more than one year which represented 80% of the total net loan receivables.

Quality of accounts receivable

The Company's hire purchase receivables and loan receivables in 2023, 2022, and 2021 were classified as follows:

Classification	As of December 31, 2023		As of December 31, 2022		As of December 31, 2021	
	million baht	percent	million baht	percent	million baht	percent
No significant increase in credit risk	8,660.34	93.57	6,870.68	92.37	5,206.91	94.81
Significant increase in credit risk	373.04	4.03	340.62	4.58	207.16	3.77
Credit impairment	221.87	2.40	226.89	3.05	77.97	1.42
Total hire purchase receivables and loan receivables	9,255.25	100.00	7,438.19	100.00	5,492.04	100.00

The Company applied a general approach to measure expected credit losses for the hire purchase receivables by considering changes in credit quality which divided into 3 classes. Each class had different methods of measuring the

allowance for expected credit losses and the recognition of interest income.

As of December 31, 2023, 2022, and 2021, the classification and allowance for expected credit losses Were detailed as follows:

Unit: million baht

Classification	Hire purchase receivables and loan receivables			Allowance for expected credit losses			Hire purchase receivables net and loan receivables net		
	As of December 31, 2023	As of December 31, 2022	As of December 31, 2021	As of December 31, 2023	As of December 31, 2022	As of December 31, 2021	As of December 31, 2023	As of December 31, 2022	As of December 31, 2021
No significant increase in credit risk	8,660.34	6,870.68	5,206.91	(199.77)	(205.00)	(153.18)	8,460.57	6,665.68	5,053.73
Significant increase in credit risk	373.04	340.62	207.16	(102.69)	(134.40)	(80.27)	270.35	206.22	126.89
Credit impairment	221.87	226.89	77.97	(137.30)	(204.68)	(74.06)	84.57	22.21	3.91
Others ¹	-	-	-	(7.00)	-	(6.07)	(7.00)	-	(6.07)
Total	9,255.25	7,438.19	5,492.04	(446.76)	(544.08)	(313.58)	8,808.49	6,894.11	5,178.46

Note: ¹ For the years ended December 31, 2023 and 2021, the management considered setting the additional allowance for expected credit losses by identifying them as management overlays in the amount of 7.00 million baht and 6.07 million baht, respectively.

Most of the Company's hire purchase receivables and loan receivables were not yet due. At the end of 2023, 2022, and 2021, the outstanding receivables were 7,957.84 million baht, 6,289.43 million baht, and 4,806.68 million baht, respectively, which accounted for 85.97%, 84.56%, and 87.52% of the hire-purchase receivables net and loan receivables. For debtors overdue (OD) in 2023, 2022, and 2021, it was 1,297.41 million baht, 1,148.76 million baht, and 685.36 million baht, or 14.03%, 15.44%, and 12.48% of the hire purchase receivables and loan receivables, respectively. The details of quality of accounts receivable were as follows:

Quality of accounts receivable	Unit	As of December 31, 2023	As of December 31, 2022	As of December 31, 2021
Debtors overdue (OD)	Million baht	1,297.41	1,148.76	685.36
Debtors with credit impairment (NPL)	Million baht	216.79	226.89	77.97
Debtors written off from the account	Million baht	412.48	377.17	163.14
Proportion of OD to net receivables ¹	Percentage	14.03	15.44	12.48
Proportion of NPL to net receivables ¹	Percentage	2.35	3.05	1.42
Proportion of debtors written off from the account to net receivables ¹	Percentage	4.46	5.07	2.97
Proportion of NPL and debtors written off from the account to net receivables ¹	Percentage	6.80	8.12	4.39

Note: ¹ Net receivables mean hire purchase receivables net of deferred interest income, including loan receivables and accrued interest receivables.

The Company adheres to the importance to risk management for quality of accounts receivable and business growth. Therefore, credit policies and work processes have been continuously improved to be more efficient to screen debtors who are qualified and capable of debt repayment, in line with a strict follow-up and debt collection when there is a risk of quality of accounts receivable. As a result, the proportion of overdue debtors (OD) to net receivables and the proportion of debtors with credit impairment (NPL), as well as debtors written off from the account to net receivables was decreased

in 2023 when compared to 2022.

Sufficiency of provision for allowance of expected credit losses

As of December 31, 2023, 2022, and 2021, the Company set the allowance for expected credit losses equal to 446.76 million baht, 544.08 million baht, and 313.58 million baht, respectively. There was a decrease of expected credit losses in 2023 amounting to 97.32 million baht or 17.89% when compare to 2022. This was in line with the debtor screening policy to screen quality debtors with the ability to repay debts. The Company also operated a strict follow-up on defaulted debt collection. As a result, the allowance for expected credit losses would likely decrease.

Sufficiency of allowance for expected credit losses	Unit	As of December 2023	As of December 2022	As of December 2021
Proportion of allowance for expected credit losses of net receivables not overdue to net receivables not overdue ¹	Percentage	1.65	1.97	2.11
Proportion of allowance for expected credit losses of net receivables overdue to net receivables overdue (OD) ¹	Percentage	23.79	36.58	30.05
Proportion of allowance for expected credit losses of net receivables with credit impairment to net receivables with credit impairment (NPL) ¹	Percentage	61.89	90.21	94.99

Note: ¹ Net receivables mean hire purchase receivables net of deferred interest income, including loan receivables and accrued interest receivables.

For the year end of December 31, 2023, the Company's proportion of allowance for expected credit losses of net receivables not overdue to net receivables not overdue was decreased from 1.97% to 1.65% at the end of 2022 and 2023, respectively. Also, the said proportion was decreased among overdue debtors (OD) from 36.58% to 23.79% for the end of 2022 and 2023, respectively. Additionally, there was a decreased proportion among debtors with credit impairment (NPL) from 90.21% to 61.89% for the end of 2022 and 2023, respectively. This was in line with the debtor screening policy to screen quality debtors with the ability to repay debts. The Company also operated a strict follow-up on defaulted debt collection. As a result, the allowance for expected credit losses would likely decrease.

Other receivables

Other receivables as of December 31, 2023, 2022, and 2021 were 39.04 million baht, 58.43 million baht, and 56.76 million baht, respectively. Most of the Company's other receivables were the installments paid by customers through various channels in the process of verification by the banks, and debtors waiting for insurance claims in the process of verification by insurance companies for payment of claims.

Property foreclosed net

The foreclosed assets are those used as collateral for hire-purchase and seized from defaulted debtors. It is recognized for the first time when the Company seizes debtor's collateral at the cost or net realizable value, whichever is lower. The cost price is outstanding value of hire purchase loans given to customers. The net realizable value is estimated from the Company's historical auction price statistics by considering on a monthly basis. The collateral seized and sold in the same month will use actual selling price as the net realizable value. As of December 31, 2023, 2022, and 2021, the Company had net assets for sale equal to 45.97 million baht, 60.31 million baht, and 26.81 million baht, or 0.46%, 0.72%, and 0.46% of total assets, respectively. The changes were as follows:

Foreclosed properties	As of December 31, 2023		As of December 31, 2022		As of December 31, 2021	
	Number of vehicles	Value (million baht)	Number of vehicles	Value (million baht)	Number of vehicles	Value (million baht)
Properties foreclosed, start of period	1,755	60.31	869	26.81	513	12.68
Add increase	13,586	745.36	13,605	716.84	8,587	393.40
Subtract Sell	(13,847)	(757.69)	(12,719)	(660.91)	(8,231)	(376.61)
Deduct Adjust the value of foreclosed properties as the net realizable value	-	(2.01)	-	(22.43)	-	(2.66)

Foreclosed properties	As of December 31, 2023		As of December 31, 2022		As of December 31, 2021	
	Number of vehicles	Value (million baht)	Number of vehicles	Value (million baht)	Number of vehicles	Value (million baht)
Properties foreclosed net, end of period	1,494	45.97	1,755	60.31	869	26.81

Other current assets

As of December 31, 2023, 2022 and 2021, the Company had other current assets equal to 200.17 million baht, 177.44 million baht, and 93.74 million baht, or 1.99%, 2.13%, and 1.61% of total assets, respectively. Most of those other current assets were VAT worth of 199.70 million baht, 176.83 million baht, and 90.98 million baht at the end of 2023, 2022 and 2021, respectively.

Improvement of buildings and equipment

As of December 31, 2023, 2022, and 2021, the Company had improvement of buildings and equipment equal to 6.55 million baht, 9.73 million baht, and 10.47 million baht, which accounted for 0.07%, 0.12%, and 0.18% of total assets, respectively. The net improvement consisted of buildings, equipment, office supplies, and computers.

In 2023, the net improvement of buildings and equipment was decreased by 3.18 million baht when compared to the previous year. This was due to an increase in depreciation during the year worth of 5.83 million baht. However, there was an increase in computers in the amount of 2.29 million baht during the year.

Right-of-use assets

As of December 31, 2023, 2022, and 2021, the Company had rights-of-use assets of 69.91 million baht, 42.44 million baht, and 34.62 million baht, which accounted for 0.69%, 0.51%, and 0.59% of total assets, respectively. These consisted of rentals of real estate and vehicle.

Unit: million baht	As of December 31, 2023	As of December 31, 2022	As of December 31, 2021
Real estate	54.26	26.08	18.16
Vehicle	15.65	16.36	16.46
Total right-of-use assets	69.91	42.44	34.62

In 2023, the right-of-use assets were increased by 27.47 million baht or 64.72% due to a higher number of contracts, changes in lease agreements, and reassessment of lease liabilities. Thus, the right-of-use assets was increased during the year of 41.89 million baht, in line with an increase in depreciation of 12.25 million baht.

Intangible assets

As of December 31, 2023, 2022, and 2021, the Company had intangible assets equal to 35.61 million baht, 29.83 million baht, and 34.77 million baht, respectively. These consisted of computer software, which was increased by 5.79 million baht in 2023 when compared to the previous year.

Liquidity and capital sufficiency

The capital structure comprised total liabilities of 5,612.20 million baht, 4,129.45 million baht, and 3,822.89 million baht as of December 31, 2023, 2022 and 2021, which accounted for 55.68%, 49.40%, and 65.56% of total liabilities and owner's equity, respectively. The owner's equity equaled to 4,466.51 million baht, 4,220.35 million baht, and 1,998.29 million baht as of December 31, 2023, 2022, and 2021, or 44.32%, 50.48%, and 34.27% of total liabilities and owner's equity, respectively. Meanwhile, the non-controlling interests equaled to 171 baht, 9.92 million baht, and 9.99 million baht as of December 31, 2023, 2022 and 2021, or 0.00%, 0.12%, and 0.17% of total liabilities and owner's equity, respectively.

The total liabilities consisted of current liabilities, which accounted for approximately 46-49% of total liabilities. Most of the Company's current liabilities included trade and other payables, short-term and long-term loans from financial institutions due within one year, and non-current liabilities of approximately 51-54% of total liabilities. However, the proportion of non-current liabilities was increased due to an increase of long-term loans from financial institutions and debentures.

The owners' equity consisted of the issued and paid-up share capital, share premium, share warrants, retained earnings, and non-controlling interests. The owner's equity was increased according to the growth of the retained earnings. In 2022, there was an increase in ordinary shares and paid-up capital with warrants to purchase shares for the existing shareholders in proportion to their shareholding of 225.00 million baht, or 450.00 million newly issued ordinary shares, with a share premium worth of 1,684.40 million baht and a fair value of warrants of 115.20 million baht. In 2023, there was a reversal of warrants to purchase shares in the amount of 115.20 million baht due to expiry on December 21, 2023.

Loans from financial institutions

As of December 31, 2023, 2022 and 2021, the Company had loans from financial institutions equal to 4,751.21 million baht, 3,785.09 million baht, and 3,003.06 million baht, which accounted for 47.15%, 45.28%, and 51.50% of total assets, respectively. The loans from financial institutions were increased during the past three years due to the continual expansion of hire purchase portfolios.

Loans from financial institutions	As of December 31, 2023		As of December 31, 2022		As of December 31, 2021	
	Million baht	Percentage ¹	Million baht	Percentage ¹	Million baht	Percentage ¹
Current loans						
Short-term loans	-	-	-	-	485.00	8.32
Long-term loans due within one year	2,266.28	22.49	1,742.33	20.84	639.56	10.97
Non-current loans						
Long-term loans	2,484.93	24.66	2,042.76	24.44	1,878.50	32.21
Total loans from financial institutions	4,751.21	47.15	3,785.09	45.28	3,003.06	51.50
Proportion of current loans to total loans (%)	47.70		46.03		37.45	

Note : ¹ Percentage of total liabilities and shareholders' equity

Most of the Company's loans were credit lines with various financial institutions, including short-term loans from financial institutions. As of December 31, 2023 and 2022, there was no outstanding short-term loans from financial institutions. Meanwhile, as of December 31, 2021, the short-term loans were worth of 485.00 million baht, or 8.32% of total liabilities and owner's equity, respectively. The long-term loans as of December 31, 2023, 2022 and 2021 were 4,751.21 million baht, 3,785.09 million baht, and 2,518.06 million baht, or 47.15%, 45.28%, and 43.18% of total liabilities and owner's equity, respectively. The use of credit lines was increased according to the expansion of hire purchase portfolios of the Company. When considering the liquidity during the past 3 years, the Company had loans due within one year of approximately 37-48% of total loans. However, the Company remained to manage and administer the liquidity in providing sufficient funds for the needs of each period. At the end of 2023, the proportion of current loans from financial institutions was increased to 47.70% from 46.03% in 2022. In the meantime, the proportion of non-current loans was decreased to 52.30% from 53.97% at the end of 2022. This was consistent with the period of lending provision to the Company's customers of approximately 12-60 months. The proportion of receivables due within 1 year was approximately 41-42% of the net hire purchase receivables each year.

Short-term loans from associate companies

The company had short-term loans from associate companies as of December 31, 2021 equal to 300.00 million baht, with an interest rate of 2.70% per year, which was the lowest short-term interest rate from financial institutions. Meanwhile, the minus loans equaled to 0.25% due to additional support from major shareholders in 2021 of 500.00 million baht. The Company paid short-term loans from all associate companies during the year 2022. As of December 31, 2023 and 2022, the Company had no short-term loans from associated companies.

Trade and other payables

As of December 31, 2023, 2022 and 2021, the Company had trade and other payables equal to 262.56 million baht, 262.24 million baht, and 379.98 million baht, which accounted for 2.61%, 3.14%, and 6.52% of total liabilities and own's equity, respectively. The Company's trade comprised motorcycle payables for the dealers. At the end of 2023, 2022 and 2021, the Company's trade payables equaled to 129.81 million baht, 102.36 million baht, and 219.55 million baht, respectively. Meanwhile, the Company's other payables included accrued interest and others. Most of the other payables were accrued expenses at the end of 2023, 2022, and 2021 worth of 92.96 million baht, 124.46 million baht, and 126.29 million baht, respectively. Most of the accrued expenses consisted of accrued commissions, commission payable, and accrued bonuses, etc.

The Company has a policy to support measures to set credit term benchmarks in Thailand as proposed by the National Economic and Social Development Council and the Bank of Thailand to alleviate the economic situation from the impact of COVID-19 pandemic. There is an increasing of business liquidity for business partners, especially in the SMEs group, by repaying debts to partners within 30-45 days, depending on the suitability of each type of business. The Company's main trade payables are the dealers. The Company always manages its debt repayments to those dealers within a period of not more than 30 days.

Financial derivative liabilities

At present, the Company enters into an interest rate swap contract for the loans from a financial institution by swapping from floating interest rates to fixed interest rates in avoiding cash flow risks from interest rates. As of December 31, 2023, 2022 and 2021, the Company had financial derivative liabilities equal to 15.83 million baht, 14.74 million baht, and 41.29 million baht, respectively. These included financial derivative liabilities due within 1 year of 5.99 million baht, 10.03 million baht, and 15.90 million baht, as well as other financial derivative liabilities in the amount of 9.84 million baht, 4.71 million baht, and 25.39 million baht, respectively.

Debentures

During 2023, the Company issued non-collateral, unsubordinated named debentures, with representatives of bondholders. There was an interest rate of 5.50-5.85% per year, due from 2025 to 2026. As of December 31, 2023, the Company had outstanding bonds of 452.36 million baht.

Owner's equity

Registered capital and issued and fully paid capital

As of December 31, 2023 and 2022, the Company had a registered capital of 806.50 million baht, an increase from the end of 2021, following the General Meeting of Shareholders held on April 21, 2022 which resolved to increase the Company's registered capital by 337.50 million baht for the issuance of additional shares with warrants to purchase ordinary shares. Thus, the Company had a registered capital and fully paid at the end of 2023, 2022 and 2021 of 675.00 million baht, 675.00 million baht, and 450.00 million baht, respectively.

In 2021, the Extraordinary General Meeting of Shareholders, No. 1/2021, resolved to increase the registered capital of the Company by 19.00 million baht for the issuance of warrants to purchase ordinary shares. Therefore, the Company had a registered capital of 469.00 million baht at the end of 2021.

Warrants to purchase shares

As of December 31, 2022, the Company had warrants to purchase shares of 115.20 million baht, following the General Meeting of Shareholders held on April 21, 2022 which resolved to issue warrants to purchase ordinary shares of not more than 225,000,000 units for the existing shareholders who subscribed and received the allocation of newly issued ordinary shares free of charge at the ratio of 2 newly issued ordinary shares to 1 unit of warrants. The exercise price was 7 baht per share and warrants were valid for 1 year and 6 months from the date of issuance. The Company acknowledged the value of warrants to purchase shares in financial statements at fair value on the date of issuance. In 2023, a number of 52 warrants were exercised and 115.20 million baht of warrants due to expiry on December 21, 2023 were reversed.

Other reserves – share-based payment

During 2023, 2022 and 2021, the Company acknowledged share-based expenses of 8.33 million baht, 9.93 million baht and 4.63 million baht, respectively, which were recorded as expenses in the statement of comprehensive income, along with an increase in other reserves – share-based payment transactions in the own's equity. During the year 2023, the Company canceled the rights to purchase shares, with reversed record in the statement of comprehensive income of 22.12 million baht. Thus, as of December 31, 2023, 2022 and 2021, the Company had other reserves – share-based payment of 0.77 million baht, 14.56 million baht, and 4.63 million baht, respectively.

Retained earnings

The Company had unappropriated retained earnings of 1,268.40 million baht, 1,020.85 million baht, and 862.81 million baht as of December 31, 2023, 2022 and 2021, respectively. There was an increase of the Company's retained earnings in line with the net profits over the past 3 years. Also, the Annual General Meeting of Shareholders for the year 2023, 2022 and 2021 resolved to approve the omission of dividends payment for the year 2023, 2022 and 2021 in compliance with the financial statements ended December 31, 2023, 2022 and 2021 to reserve money as working capital.

Monetary policy ratio

The Company had debt to owner's equity ratio of 1.26 times, 0.98 times, and 1.90 times as of December 31, 2023, 2022 and 2021, respectively. The increase in debt to owner's equity ratio from 0.98 times in 2022 to 1.26 times in 2023 was mainly due to an increase in long-term loans from financial institutions and debentures in 2023.

At the end of December 31, 2023, the Company was still able to maintain financial ratios according to the terms of the loan agreement.

Cash flow

Cash flow

Cash flow (unit: million baht)	2023	2022	2021
Net cash received (used) in operating activities	(1,565.22)	(2,025.28)	(1,187.55)
Net cash used in investment activities	(13.55)	(12.55)	(14.61)
Net cash received by finance activities	1,393.82	2,488.43	578.87

In 2023, 2022 and 2021, the Company had net cash received (used) in operating activities of 1,565.22 million baht, 2,025.31 million baht, and 1,187.55 million baht, respectively. During the past 3 years, the Company had an increase in net cash used in operating activities, mainly due to its expansion of credit portfolios. This was in line with a significant increase in the number of new contracts.

In 2023, 2022 and 2021, the Company had net cash received (used) in investment activities of 13.55 million baht, 12.55 million baht, and 14.61 million baht, respectively. Most of the investment was used for purchasing intangible assets, such as various programs and building improvement and equipment, e.g. computers in the development of information system of the Company.

The Company's net cash received (used) from finance activities was 1,393.82 million baht, 2,488.47 million baht, and 578.87 million baht in 2023, 2022 and 2021, respectively. In 2023, the Company's cash inflow was mainly the borrowings from financial institutions and issuance of ordinary shares in August 2023. In 2022, the Company had cash inflow mainly from the issuance of ordinary shares and warrants to purchase shares for existing shareholders in the proportion to their shareholding in June 2022 to be used as working capital and repayment of loan due. In 2021, the Company had cash flow from loans of financial institutions and associate companies.

Liabilities obligations and management of off-balance sheet liabilities

In 2023, 2022, and 2021, the Company had obligations from short-term leases which were not acknowledged as right-of-use assets and lease liabilities due to the exceptions in accordance with financial reporting standards of 0.81 million baht, 0.87 million baht, and 0.21 million baht, respectively.

Financial statements

Statement of financial position

Statement of financial position	Consolidated financial statements as of						Separate financial statements as of					
	31 December 2023 (Audit)		31 December 2022 (Audit)		31 December 2021 (Audit)		31 December 2023 (Audit)		31 December 2022 (Audit)		31 December 2021 (Audit)	
	Baht	Percentage ¹	Baht	Percentage ¹	Baht	Percentage ¹	Baht	Percentage ¹	Baht	Percentage ¹	Baht	Percentage ¹
Assets												
Current assets												
Cash and cash equivalents	340,687,968	3.38	525,641,550	6.29	75,037,658	1.29	339,603,869	3.37	475,899,440	5.70	24,998,930	0.43
Hire-purchase receivables due within one year net	3,822,459,216	37.93	3,122,003,753	37.35	2,256,620,144	38.70	3,822,459,216	37.90	3,122,003,753	37.39	2,256,620,144	38.77
Loan receivables due within one year net	9,462,573	0.09	-	-	-	-	-	-	-	-	-	-
Short-term loans to related businesses	-	-	-	-	-	-	4,000,000	0.04	-	-	-	-
Other receivables	39,035,155	0.39	58,433,765	0.69	56,757,559	0.97	40,315,393	0.40	58,433,765	0.70	56,781,173	0.97
Property foreclosed net	45,968,823	0.46	60,310,883	0.72	26,810,003	0.46	45,968,823	0.46	60,310,883	0.72	26,810,003	0.46
Other current assets	200,173,869	1.99	177,436,333	2.12	93,737,917	1.61	200,122,023	1.98	177,435,478	2.12	93,737,585	1.61
Total current assets	4,457,787,604	44.24	3,943,826,284	47.17	2,508,963,281	43.03	4,452,469,324	44.15	3,894,083,319	46.63	2,458,947,835	42.24
Non-current assets												
Investments in subsidiaries	-	-	-	-	-	-	49,999,800	0.50	40,000,000	0.48	40,000,000	0.69
Hire-purchase receivables net	5,462,961,194	54.20	4,305,566,365	51.50	3,206,976,284	55.00	5,462,961,194	54.17	4,305,566,365	51.56	3,206,976,284	55.09
Net loan receivables	37,642,594	0.37	-	-	-	-	-	-	-	-	-	-
Improvement of buildings and equipment	6,554,330	0.07	9,731,498	0.12	10,471,057	0.18	6,462,733	0.06	9,731,498	0.12	10,471,057	0.18
Right-of-use assets	69,905,258	0.69	42,438,631	0.51	34,619,730	0.59	69,905,258	0.69	42,438,631	0.51	34,619,730	0.59
Intangible assets	35,612,201	0.35	29,825,903	0.36	34,773,441	0.60	35,461,347	0.35	29,797,903	0.36	34,773,441	0.60
Deferred tax assets	4,955,682	0.05	24,982,116	0.30	32,334,958	0.55	4,955,682	0.05	24,982,116	0.30	32,334,958	0.56
Other non-current assets	3,290,420	0.03	3,357,600	0.04	3,030,760	0.05	3,280,420	0.03	3,357,600	0.04	3,030,760	0.05
Total non-current assets	5,620,921,679	55.76	4,415,902,113	52.83	3,322,206,230	56.97	5,633,026,434	55.85	4,455,874,113	53.37	3,362,206,230	57.76
Total assets	10,078,709,282	100.00	8,359,728,397	100.00	5,831,169,511	100.00	10,085,495,758	100.00	8,349,957,432	100.00	5,821,154,065	100.00

Statement of financial position	Consolidated financial statements as of						Separate financial statements as of					
	31 December 2023 (Audit)		31 December 2022 (Audit)		31 December 2021 (Audit)		31 December 2023 (Audit)		31 December 2022 (Audit)		31 December 2021 (Audit)	
	Baht	Percentage ¹	Baht	Percentage ¹	Baht	Percentage ¹	Baht	Percentage ¹	Baht	Percentage ¹	Baht	Percentage ¹
Liabilities and Owner's Equity												
Current liabilities												
Trade and other payables	262,556,854	2.61	262,239,889	3.14	379,982,381	6.52	261,820,980	2.60	262,086,117	3.14	379,902,381	6.53
Short-term loans from financial institutions	-	-	-	-	485,000,000	8.32	-	-	-	-	485,000,000	8.33
Long-term loans from financial institutions due within one year	2,266,281,711	22.49	1,742,333,333	20.84	639,555,556	10.97	2,266,281,711	22.47	1,742,333,333	20.87	639,555,556	10.99
Short-term loans from associate companies	-	-	-	-	300,000,000	5.14	-	-	-	-	300,000,000	5.15
Financial derivative liabilities due within one year	5,993,722	0.05	10,030,171	0.12	15,903,391	0.27	5,993,722	0.06	10,030,171	0.12	15,903,391	0.27
Income tax payable	33,445,072	0.33	3,705,790	0.04	44,021,730	0.75	33,445,072	0.33	3,705,790	0.04	44,021,730	0.76
Current portion of lease liabilities due within one year	17,752,473	0.17	15,063,137	0.18	16,585,854	0.28	17,752,473	0.18	15,063,137	0.18	16,585,854	0.28
Other current liabilities	9,335,591	0.09	8,093,517	0.10	7,423,146	0.13	9,294,355	0.09	8,093,517	0.10	7,422,756	0.13
Total current liabilities	2,595,365,423	25.74	2,041,465,835	24.42	1,888,472,058	32.38	2,594,588,313	25.73	2,041,312,065	24.45	1,888,391,668	32.44
Non-current liabilities												
Long-term loans from financial institutions	2,484,929,549	24.66	2,042,763,889	24.44	1,878,500,000	32.21	2,484,929,549	24.64	2,042,763,889	24.46	1,878,500,000	32.27
Debentures	452,363,312	4.49	-	-	-	-	452,363,312	4.49	-	-	-	-
Debentures	50,919,846	0.51	27,307,542	0.33	18,163,063	0.31	50,919,846	0.10	27,307,542	0.33	18,163,063	0.31
Financial derivative liabilities	9,843,313	0.10	4,712,737	0.05	25,386,747	0.44	9,843,313	0.50	4,712,737	0.06	25,386,747	0.44
Employee benefit obligations	13,941,066	0.14	10,699,195	0.13	9,870,630	0.18	13,917,789	0.14	10,699,195	0.13	9,870,630	0.17
Provision for demolition costs	4,840,000	0.05	2,502,000	0.03	2,502,000	0.04	4,840,000	0.04	2,502,000	0.03	2,502,000	0.04
Total non-current liabilities	3,016,837,086	29.95	2,087,985,363	24.98	1,934,422,440	33.18	3,016,813,809	29.91	2,087,985,363	25.01	1,934,422,440	33.23
Total Liabilities	5,612,202,509	55.69	4,129,451,198	49.40	3,822,894,498	65.56	5,611,402,122	55.64	4,129,297,428	49.46	3,822,814,108	65.67

Statement of financial position	Consolidated financial statements as of						Separate financial statements as of					
	31 December 2023 (Audit)		31 December 2022 (Audit)		31 December 2021 (Audit)		31 December 2023 (Audit)		31 December 2022 (Audit)		31 December 2021 (Audit)	
	Baht	Percentage ¹	Baht	Percentage ¹	Baht	Percentage ¹	Baht	Percentage ¹	Baht	Percentage ¹	Baht	Percentage ¹
Owner's equity												
Owner's equity												
Registered capital												
Ordinary shares 1,613,000,000 shares 0.50 baht per share	806,500,000	8.00	806,500,000	9.65	-	-	806,500,000	8.00	806,500,000	9.66	-	-
Ordinary shares 938,000,000 shares 0.50 baht per share	-	-	-	-	469,000,000	8.04	-	-	-	-	469,000,000	8.06
Issued and paid-up capital												
Ordinary shares 1,350,000,000 shares 0.50 baht per share	675,000,026	6.70	675,000,000	8.07	-	-	675,000,026	6.69	675,000,000	8.08	-	-
Ordinary shares 900,000,000 shares 0.50 baht per share	-	-	-	-	450,000,000	7.72	-	-	-	-	450,000,000	7.73
Share premium	2,466,584,698	24.47	2,351,384,499	28.13	666,980,000	11.44	2,466,584,698	24.46	2,351,384,499	28.16	666,980,000	11.46
Warrants to purchase shares	-	-	115,199,861	1.38	-	-	-	-	115,199,861	1.38	-	-
Other Reserves – Share-Based Payment	767,001	0.01	14,559,416	0.17	4,626,358	0.08	767,001	0.01	14,559,416	0.17	4,626,358	0.08
Retained earnings												
Allocated – legal reserve	68,508,734	0.68	55,157,011	0.66	46,900,000	0.80	68,508,734	0.68	55,157,011	0.66	46,900,000	0.81
Unallocated	1,268,401,609	12.58	1,020,847,301	12.21	862,813,755	14.80	1,275,902,805	12.65	1,021,153,544	12.23	862,865,710	14.82
Other components of owner's equity	(12,755,466)	(0.13)	(11,794,327)	(0.14)	(33,032,111)	(0.57)	(12,669,628)	(0.13)	(11,794,327)	(0.14)	(33,032,111)	(0.57)
Total Owner's Equity of the Company	4,466,506,602	44.31	4,220,353,761	50.48	1,998,288,002	34.27	4,474,093,636	44.36	4,220,660,004	50.54	1,998,339,957	34.33
Non-controlling interests	171	0.00	9,923,438	0.12	9,987,011	0.17	-	-	-	-	-	-
Total Owner's Equity	4,466,506,773	44.31	4,230,277,199	50.60	2,008,275,013	34.44	4,474,093,636	44.36	4,220,660,004	50.54	1,998,339,957	34.33
Total Liabilities and Owner's Equity	10,078,709,282	100.00	8,359,728,397	100.00	5,831,169,511	100.00	10,085,495,758	100.00	8,349,957,432	100.00	5,821,154,065	100.00

Note: ¹ Percentage compared to total assets

Statement of Comprehensive Income

Statement of Comprehensive Income	Consolidated financial statements as of						Separate financial statements as of					
	31 December 2023		31 December 2022		31 December 2021		31 December 2023		31 December 2022		31 December 2021	
	Baht	Percentage ²	Baht	Percentage ²	Baht	Percentage ²	Baht	Percentage ²	Baht	Percentage ²	Baht	Percentage ²
Income												
Interest income from hire purchase contracts	1,540,627,729	77.68	1,510,825,246	78.61	1,028,315,219	74.41	1,540,627,729	77.59	1,510,825,246	78.62	1,028,315,219	74.42
Interest income from loans	2,543,819	0.13	-	-	-	-	-	-	-	-	-	-
Fees and service income	237,486,763	11.97	180,108,946	9.37	143,597,915	10.39	237,326,465	11.95	180,108,946	9.37	143,597,915	10.39
Other income	202,770,700	10.22	230,922,000	12.02	209,980,524	15.20	207,661,088	10.46	230,836,532	12.01	209,941,304	15.19
Total income	1,983,429,011	100.00	1,921,856,192	100.00	1,381,893,658	100.00	1,985,615,282	100.00	1,921,770,724	100.00	1,381,854,438	100.00
Expenses												
Selling and administrative expenses	691,928,933	34.89	670,802,177	34.90	527,806,019	38.19	687,179,877	34.61	670,398,848	34.88	527,701,855	38.19
Expected credit losses	736,796,364	37.15	875,033,892	45.53	363,363,625	26.29	736,527,433	37.09	875,033,892	45.53	363,363,625	26.29
Loss on sale of foreclosed properties	14,598,241	0.74	7,838,385	0.42	3,998,180	0.30	14,598,241	0.74	7,838,385	0.41	3,998,180	0.29
Financial cost	216,265,776	10.90	158,490,131	8.25	97,307,313	7.04	216,265,776	10.89	158,490,131	8.25	97,307,313	7.04
Total expenses	1,659,589,314	83.68	1,712,164,585	89.10	992,475,137	71.82	1,654,571,327	83.33	1,711,761,256	89.07	992,370,973	71.81
Profit before income tax	323,839,697	16.32	209,691,607	10.90	389,418,521	28.18	331,043,955	16.67	210,009,468	10.93	389,483,465	28.19
Income tax expenses	(64,009,493)	(3.23)	(44,869,253)	(2.33)	(78,476,962)	(5.68)	(64,009,493)	(3.22)	(44,869,253)	2.34	(78,476,962)	(5.68)
Profit for the year	259,830,204	13.09	164,822,354	8.57	310,941,559	22.50	267,034,462	13.45	165,140,215	8.59	311,006,503	22.51

Statement of Comprehensive Income	Consolidated financial statements as of						Separate financial statements as of					
	31 December 2023 (Audit)		31 December 2022 (Audit)		31 December 2021 (Audit)		31 December 2023 (Audit)		31 December 2022 (Audit)		31 December 2021 (Audit)	
	Baht	Percentage ²	Baht	Percentage ²	Baht	Percentage ²	Baht	Percentage ²	Baht	Percentage ²	Baht	Percentage ²
Other comprehensive income												
Items not reclassified to profit or loss												
Remeasurements of post-employment benefit obligations	1,333,152	0.07	1,755,787	0.09	3,510,129	0.25	1,333,152	0.07	1,755,787	0.09	3,510,129	0.25
Income tax on items not reclassified to profit or loss	(266,630)	(0.01)	(351,157)	(0.02)	(702,026)	(0.05)	(226,630)	(0.01)	(351,157)	(0.02)	(702,026)	(0.05)
Total items not reclassified to profit or loss	1,066,522	0.06	1,404,630	0.07	2,808,103	0.20	1,066,522	0.06	1,404,630	0.07	2,808,103	0.20
Items reclassified to profit or loss												
Profit (loss) from cash flow hedges	(1,094,127)	(0.06)	26,547,230	1.38	4,508,286	0.33	(1,094,127)	(0.06)	26,547,230	1.38	4,508,286	0.33
Income taxes relating to items reclassified to profit or loss	218,826	0.01	(5,309,446)	(0.28)	(901,657)	(0.07)	218,826	0.01	(5,309,446)	(0.28)	(901,657)	(0.07)
Total items reclassified to profit or loss	(875,301)	(0.05)	21,237,784	1.10	3,606,629	0.26	(875,301)	(0.05)	21,237,784	1.10	3,606,629	0.26
(loss) other comprehensive income for the year net from tax	191,221	0.01	22,642,414	1.17	6,414,732	0.46	191,221	0.01	22,642,414	1.17	6,414,732	0.46
Total comprehensive income for the year	260,021,425	13.10	187,464,768	9.74	317,356,291	22.96	267,225,683	13.46	187,782,629	9.76	317,421,235	22.96
Profit (loss) sharing:												
Owner's equity of the Company	259,839,509	13.09	164,885,927	8.57	310,954,548	22.50	267,034,462	13.45	165,140,215	8.59	311,006,503	22.51
Non-controlling interests	(9,305)	0.00	(63,573)	(0.00)	(12,989)	(0.00)	-	-	-	-	-	-
Total comprehensive profit (loss) sharing:	259,830,204	13.09	164,822,354	8.57	310,941,559	22.50	267,034,462	13.45	165,140,215	8.59	311,006,503	22.51
Owner's equity of the Company	260,030,730	13.10	187,528,341	9.74	317,369,280	22.96	267,225,683	13.46	187,782,629	9.76	317,421,235	22.96
Non-controlling interests	(9,305)	0.00	(63,573)	(0.00)	(12,989)	(0.00)	-	-	-	-	-	-
Earnings per share	260,021,425	13.10	187,464,768	9.74	317,356,291	22.96	267,225,683	13.46	187,782,629	9.76	317,421,235	22.96
Basic earnings per share (baht per share)	0.19		0.14		0.35		0.20		0.14		0.35	

Note:² Percentage compared to total income

Cash flow statement

Cash flow statement	Consolidated financial statements as of			Separate financial statements as of		
	31 December 2023 (Audit)	31 December 2022 (Audit)	31 December 2021 (Audit)	31 December 2023 (Audit)	31 December 2022 (Audit)	31 December 2021 (Audit)
	Baht	Baht	Baht	Baht	Baht	Baht
Cash flow from operating activities						
Profit before income tax	323,839,697	209,691,607	389,418,521	331,043,955	210,009,468	389,483,465
Adjustment to reconcile operating profit						
Depreciation and Amortization	33,097,401	28,719,725	28,248,285	33,056,862	28,719,725	28,248,285
Expected credit losses	736,796,64	875,033,892	363,363,625	736,527,433	875,033,892	363,363,625
Loss from diminishing in value of foreclosed properties	1,127,794	-	-	1,127,794	-	-
Loss from sale and write-off of equipment	95,331	82,984	59	95,331	82,984	59
(Profit) loss from sale and write-off of intangible assets	5,789	7,303,366	(220,516)	5,789	7,303,366	(220,516)
(Profit) loss from change in lease agreement	(42,717)	34,204	-	(42,717)	34,204	-
Employee benefit expenses	4,951,919	4,220,902	2,386,839	4,928,642	4,220,902	2,386,839
Share-based payment expenses (reversed)	(13,792,415)	9,933,058	4,626,358	(13,792,415)	9,933,058	4,626,358
Interest income from hire purchase contracts	(1,540,627,729)	(1,510,825,246)	(1,028,315,219)	(1,540,627,729)	(1,510,825,246)	(1,028,315,219)
Interest income from loans	(2,543,819)	-	-	-	-	-
Financial cost	216,265,776	158,490,131	97,307,313	216,265,776	158,490,131	97,307,313
Operating loss before changes in working capital	(240,826,609)	(217,296,077)	(143,184,735)	(213,411,279)	(216,978,216)	(143,119,791)
Changes in working capital						
Hire-purchase receivables net	(3,505,334,142)	(3,606,740,204)	(2,472,415,951)	(3,505,334,142)	(3,606,740,204)	(2,472,415,951)
Loan receivables net	(46,968,471)	-	-	-	-	-
Property foreclosed net	476,017,746	443,736,135	236,154,214	476,017,746	443,736,135	236,154,214
Other receivables	24,709,918	(3,206,760)	6,758,774	23,429,680	(3,183,146)	6,735,160
Other current assets	(31,666,858)	(83,698,416)	(71,145,423)	(31,620,038)	(83,697,893)	(71,145,091)
Other non-current assets	67,180	(326,840)	(59,900)	77,180	(326,840)	(59,900)
Trade and other payables	(2,441,870)	(120,853,018)	236,527,658	(3,023,974)	(120,926,788)	236,447,658
Other current liabilities	1,242,074	670,371	4,104,366	1,200,838	670,761	4,103,976
Employee benefit obligations	(376,896)	(1,655,850)	-	(376,896)	(1,655,850)	-
Cash used for operations	(3,325,577,928)	(3,589,370,659)	(2,203,260,997)	(3,271,040,885)	(3,589,102,041)	(2,203,299,725)
Cash flows from operating activities (continued)						
Cash earning interest	1,985,607,550	1,802,851,407	1,164,583,677	1,983,469,358	1,802,851,407	1,164,583,677
Cash pay interest	(210,951,376)	(155,362,934)	95,629,570	(210,951,376)	(155,362,934)	95,629,570
Income tax payment cash	(14,295,751)	(83,394,044)	(53,244,931)	(14,291,581)	(83,394,044)	(53,244,931)
Net cash received by (used) in operating activities	(1,565,217,505)	(2,025,276,230)	(1,187,551,821)	(1,512,814,484)	(2,025,007,612)	(1,187,590,549)

Cash flow statement	Consolidated financial statements as of			Separate financial statements as of		
	31 December 2023 (Audit)	31 December 2022 (Audit)	31 December 2021 (Audit)	31 December 2023 (Audit)	31 December 2022 (Audit)	31 December 2021 (Audit)
	Baht	Baht	Baht	Baht	Baht	Baht
Cash flows from investment activities						
Cash received by selling intangible assets	-	-	934,580	-	-	934,580
Cash received by selling equipment	58,728	3,981	-	58,728	3,981	-
Cash paid for the purchase of equipment	(2,864,395)	(5,484,725)	(8,553,636)	(2,742,415)	(5,484,725)	(8,553,636)
Cash paid for the purchase of intangible assets	(10,747,753)	(7,073,460)	(6,995,825)	(10,614,743)	(7,045,460)	(6,995,825)
Cash paid for investment in subsidiaries	-	-	-	(9,999,800)	-	(40,000,000)
Net cash used in investment activities	(13,553,420)	(12,554,204)	(14,614,881)	(23,298,230)	(12,526,204)	(54,614,881)
Cash flows from finance activities						
Cash received from short-term loans to associate companies	-	-	-	5,000,000	-	-
Cash repayment of short-term loans to associate companies	-	-	-	(9,000,000)	-	-
Cash received from short-term loans of financial institutions	1,410,000,000	910,000,000	1,185,000,000	1,410,000,000	910,000,000	1,185,000,000
Cash repayment of short-term loans from financial institutions	(1,410,000,000)	(1,395,000,000)	(950,000,000)	(1,410,000,000)	(1,395,000,000)	(950,000,000)
Cash received from short-term loans of associated companies	-	700,000,000	300,000,000	-	700,000,000	300,000,000
Cash repayment of short-term loans from associated companies	-	(1,000,000,000)	-	-	(1,000,000,000)	-
Cash received from long-term loans of financial institutions	3,000,000,000	2,280,000,000	1,220,000,000	3,000,000,000	2,280,000,000	1,220,000,000
Cash repayment of long-term loans from financial institutions	(2,030,333,333)	(1,012,958,334)	(1,169,444,444)	(2,030,333,333)	(1,012,958,334)	(1,169,444,444)
Cash received by the issuance of debentures	455,500,000	-	-	455,500,000	-	-
Cash repayment of the principal of lease agreement	(21,349,888)	(18,112,790)	(16,682,340)	(21,349,888)	(18,112,790)	(16,682,340)
Cash received from issuance of ordinary shares	-	2,025,000,000	-	-	2,025,000,000	-
Cash received for the cost of share warrant	364	-	-	364	-	-
Cash payment for expenses of the issuance of ordinary shares and warrants to purchase shares	-	(494,550)	-	-	(494,550)	-
Cash payment for non-controlling interest in subsidiaries	(9,999,800)	-	-	-	-	-
Cash received as payment for shares from non-controlling interests	-	-	10,000,000	-	-	-
Net cash received from finance activities	1,393,817,343	2,488,434,326	578,873,216	1,399,817,143	2,488,434,326	568,873,216
Cash and cash equivalents net change	(184,953,582)	450,603,892	(623,293,486)	(136,295,571)	450,900,510	(673,332,214)
Cash and cash equivalents at the start of the year	525,641,550	75,037,658	698,331,144	475,899,440	24,998,930	698,331,144
Cash and cash equivalents at the end of the year	340,687,968	525,641,550	75,037,658	339,603,869	475,899,440	24,998,930

Key financial ratios

Key financial ratios	Unit	For the year end of		
		31 December 2023	31 December 2022	31 December 2021
Profitability ratio				
Interest rate	Percentage	17.59	21.55	23.47
Interest rate paid	Percentage	4.82	3.87	3.85
Interest rate differential	Percentage	12.76	17.68	19.62
Net profit margin	Percentage	13.10	8.58	22.50
Return on Equity	Percentage	5.98	5.28	16.88
Efficiency Ratio				
Return on assets	Percentage	2.82	2.32	5.93
Asset turnover rate	Times	0.22x	0.27x	0.26x
Financial Policy Analysis Ratio				
Debt to owner's equity ratio	Times	1.26x	0.98x	1.90x
Loan to loan ratio	Times	1.79x	1.82x	1.53x
Dividend payout ratio	Percentage	— ¹	— ¹	— ¹
Asset quality ratio				
Ratio of allowance for expected credit losses to hire purchase receivables ²	Percentage	4.83	7.31	5.71
Ratio of net receivables ² with credit impairment to net receivables ²	Percentage	2.40	3.05	1.42
Bad debt ratio to net receivables ²	Percentage	4.46	5.07	2.97

Note:

1. No dividends were paid in 2021-2023.
2. Net receivables mean hire purchased receivables net of deferred interest income and deferred commission, including loan receivables net of deferred commission.



GENERAL AND OTHER IMPORTANT INFORMATION

5.1 General Information

Securities Registrar

Company name	: Thailand Securities Depository Company Limited
Address	: No. 93 The Stock Exchange of Thailand Building Ratchadaphisek Road, Din Daeng, Bangkok 10400
Phone number	: 02-009-9999
Fax	: 02-009-9991

Auditor

Company name	: PricewaterhouseCoopers ABAS Company Limited
Test taker name	: Ms. Sakuna Yamsakul, Certified Public Accountant, Registration Number 4906
Address	: No. 179/74-80 class 15 Bangkok City Tower, South Sathorn Road, Thungmahamek, Sathorn, Bangkok 10120
Phone number	: 02-844-1000
Website	: http://www.pwc.com

legal advisor

Company name	: Mananya and Associates Company Limited
Address	: No. 75/58 Richmond Building, 17th Floor, Soi Sukhumvit 26, Khlong Tan, Khlong Toei, Bangkok 10110
Phone number	: 02-123-8580

Debentures Holder Representative

Company name	: Bank of Ayudhya Public Company Limited
Address	: No. 1222 Rama3 Road,Bang Phongphang, Yan Nawa, Bangkok 10120
Phone number	: 02-296-5999

Information about the company and the location of the head office

Company name	: Next Capital Public Company Limited
Company registration number	: 0107563000053
Head office location	: No. 163 Thai Samut Building, 15th Floor Surawong Road, Suriyawong, Bangrak, Bangkok 10500
Phone number	: 02-342-9699
Fax	: 02-342-9688
Nature of business	: Provide motorcycle hire purchase loan service under the trademark and service "Next Capital"
Website	: http://www.nextcapital.co.th
Registered capital	: 806.50 million baht / 1,613,000,000 shares at par value 0.50 baht
Registered and paid-up capital	: 675.00 million baht / 1,350,000,052 shares at par value 0.50 baht

Branch Offices

As of December 31, 2023, the company has 19 branches as follows:

	Branch	Address	Phone number	Fax
1	Bangkok	No. 677/2, Phetkasem Road, Nong Khang Phlu Subdistrict, Nong Khaem District, Bangkok 10160	02-431-1254	02-431-1255
2	Bangkok - West	No. 475/2, Nonthaburi Road, Tha Sai Subdistrict, Mueang Nonthaburi District, Nonthaburi 11000	02-580-9715	02-580-9716
3	Chiang Mai	No. 552/3, Lamphun Road, Nong Hoi Subdistrict, Mueang Chiang Mai District, Chiang Mai 50000	053-140-080	053-140-081
4	Lop Buri	No. 80/63 Moo 3 Tambon Pa Tan, Amphur Muang Lopburi, Lopburi 15000	036-613-268	036-613-269
5	Khon Kaen	No. 226/69 Moo 6, Nai Mueang Subdistrict, Mueang Khon Kaen District, Khon Kaen 40000	043-336-061	043-336-062
6	Nakhon Ratchasima	No. 344/5 Yommarat Road, Nai Mueang Subdistrict, Mueang Nakhon Ratchasima District, Nakhon Ratchasima 30000	044-252-330	044-252-331
7	Chon Buri	No. 599/4 Moo 4 Surasak Subdistrict, Sriracha District, Chonburi 20110	038-110-102	038-110-103
8	Phetchaburi	No. 101/2 Boriphat Road, Tha Rap Subdistrict, Mueang Phetchaburi District, Phetchaburi 76000	032-414-524	032-414-525
9	Prachuap Khiri Khan	No. 201/8 Moo 6, Mae Rumphueng Subdistrict, Bang Saphan District, Prachuap Khiri Khan 77140	032-548-177	032-548-178
10	Pranburi	No. 99/108 Moo 7, Khao Noi Subdistrict, Pranburi District, Prachuap Khiri Khan 77120	032-621-751	032-621-752
11	Surat Thani	No. 503/7-8, Chon Kasem Road, Talat Subdistrict, Mueang Surat Thani District, Surat Thani 84000	077-216-822	077-216-821
12	Hat Yai	No. 94 Choti Wittayakun Road 3, Kho Hong Subdistrict, Hat Yai District, Songkhla 90110	074-429-846	074-429-847
13	Nakhon Si Thammarat	No. 112,114 Wandee Kositkulporn Road, Nai Mueang Subdistrict, Mueang Nakhon Si Thammarat District, Nakhon Si Thammarat 80000	075-805-108	075-805-109
14	Phuket	No. 15/24 Moo 3 Ratsada subdistrict, Muang Phuket District, Phuket 83000	076-240-120	076-240-121
15	Trang	No. 16/14 Ploen Phithak Road, Thap Thiang Subdistrict, Mueang Trang District, Trang 92000	075-219-190	075-219-192
16	Thungsong	No. 36/7 Rotfai Road, Pak Phraek Subdistrict, Thung Song District, Nakhon Si Thammarat 80110	075-332-327	075-332-328
17	Krabi	No. 2/8 Phisan Phob Road, Pak Nam Subdistrict, Mueang Krabi District, Krabi 81000	075-620-198	075-620-199
18	Narathiwat	No. 208, Phichit Bamrung Road, Bang Nak Subdistrict, Mueang Narathiwat District, Narathiwat 96000	073-512-140	073-512-141
19	Samut Prakan	No. 59/10, Golden Biz Bangna-Kingkaew Village, Moo 2 Ratchathewa Subdistrict, Bang Phi District, Samut Prakan 10540	02-130-6892	02-130-6893

5.2 Other important information

5.2.1 Other information that may significantly affect the decision of investors

-None-

5.2.2 Overseas shareholders' restrictions

In the event that the Company offers or grants the right to the ordinary shareholders to purchase the newly issued ordinary shares or any rights in any form, the Company has the right to exercise its discretion in making the offering of such instruments to the shareholders. The Company may not offer the right to subscribe for such instruments to ordinary shareholders outside Thailand. In addition, under applicable law, the Company may be prohibited from offering such instruments to shareholders in certain countries unless relevant procedures have been taken. Compliance with securities laws or other regulatory requirements in some countries may prevent investors from exercising their right to purchase a proportional instrument, which may reduce their shareholding. However, the Company is not obliged to apply for the registration of the Company's ordinary shares in any country in order to enable foreign investors to exercise their rights to purchase the newly issued ordinary shares proportionately in the future.

5.3 Legal dispute

As of December 31, 2023, The Company has no other legal disputes that may materially adversely affect the Company's assets

5.4 Secondary market in case of listing on the stock exchange of other countries

-None-

5.5 Contact financial institution (only in the case of debt instruments)

For bond issuance, the company has received cooperation and has a good relationship with Yuanta Securities (Thailand) Company Limited. However, the company aims to develop relationships with financial institutions both domestically and internationally to support the company's business operations in the future.

02



Corporate Governance

- Company corporate governance policy overview
- Corporate governance structures and important information about the board, sub-committees, management, employees, and others.
- Corporate Governance Report
- Internal control and related transactions



Corporate Governance

6.1 Company corporate governance policy overview

Next Capital Public Company Limited and its subsidiaries, “the Company” has established a good corporate governance policy in accordance with the good corporate governance guidelines of the Securities and Exchange Commission (“SEC”) and the Stock Exchange of Thailand (“Stock Exchange”) as a practice for directors, executives, employees, subsidiaries, and all group of stakeholders of the Company, which will help promote the systematic operation of the Company. The Company shall implement clear standards that can be examined. This will promote fairness and transparency, which will create confidence among shareholders, investors, and related parties. The Company will supervise and manage in accordance with the objectives and goals of the Company under the strategy, operating policy, and business conduct under ethics and in accordance with the relevant laws, including respecting of rights and having responsibility to the shareholders and stakeholders. The performance shall be monitored, evaluated, and reported efficiently. The interests of the society and environment shall be considered, including being adaptable to be in line with the constant changes for the Company to be able to compete and conduct business sustainably.

6.1.1 Policies and guidelines on board and management

The Company has established a policy for recruiting company directors and sub-committees with details in accordance with the charter of each committee. For the Executive management of the Company, the Company has a recruiting policy by considering candidates who have the qualifications, knowledge, skills, and practical experience and have the characteristics necessary to drive the organization towards its goals. The Chief Executive Officer will be appointed by the Board of Directors. In order for the business to operate continuously, the Board of Directors has established a succession policy where the performance results according to the succession plan are reported to the Board of Directors at least once a year. The Company will ensure that it is recruiting the chief executive officer and senior management with the knowledge, skills, experience, and characteristics necessary to drive the organization towards its goals. In addition, the Company's Nomination and Remuneration Committee appropriately governs the remuneration and evaluation of the Chief Executive Officer, considering the responsibility and performance results.

For other senior management, the Company's Nomination and Remuneration Committee looks at the compensation structure in the form of salaries and bonuses, considering the responsibilities and performance of their duties, and the performance of the Company as well as the economic environment.

As of December 31, 2023, the Company has a total of 9 directors, comprising of executive directors, non-executive directors, and independent directors to balance the power appropriately. For example, the chairman of the board is an independent director who is also a non-executive director. This is so that the directors can freely comment on the work of the management.

For personnel development, the Board of Directors promotes training and education for all levels of stakeholders in order to continuously improve their operations.

The Company requires an assessment of the performance of the Board of Directors and the sub-committees on a regular basis at least once a year. The assessments are divided into the performance assessment of the entire Board of Directors, and entire the sub-committees, and the self-assessment of the individual committees, in which the Company Secretary Office sends a self-assessment form of the Board of Directors to all directors in order to assess the performance of the Board and the Sub-Committees in which they serve. After that, the Company Secretariat will summarize the results and present the assessment results to the Board of Directors for acknowledgment. In 2023, the entire committee's self-assessment includes six assessment topics: 1) The structure and qualifications of the committee 2) The roles, duties, and responsibilities of the committee 3) The board meetings 4) The performance of the duties of the

Directors 5) Relationship with the Management and 6) Directors' Self Development and Management Development. As for the self-assessment of individual committees, there are three assessment topics: 1) The structure and qualifications of the committee, 2) The meetings of the committee, and 3) The roles, duties, and responsibilities of the committee. In addition, the self-assessment of the sub-committees consists of the Audit Committee, the Risk Management Committee, the Nomination and Remuneration Committee, and the Executive Committee.

The Board of Directors supervises the structure and relationship of the Company's shareholders where such shareholders may have the power to control the management of the Company not to conflict with the performance of duties of the Board of Directors as well as not to conflict with the Company's business operations. The Board of Directors also supervises the disclosure of information or agreements that affect or may affect the control of the Company.

6.1.2 Policies and guidelines on shareholders and stakeholders

In 2023, the Board of Directors has complied with the laws, objectives, regulations, and resolutions of the shareholders' meetings of the company, as well as adhere to and abide by the principles of good corporate governance as a guideline for the Company's operations. The Board of Directors realizes the importance of good corporate governance practices by recognizing the roles and responsibilities of the Board of Directors and management in order to enhance the efficiency and transparency, as well as to build trust and confidence among shareholders, stakeholders, and all related parties as follows.

1. Shareholders care

The Company realizes and gives importance to the basic rights of shareholders such as the right to obtain adequate information, the right to attend meetings to exercise the voting rights at the shareholders' meeting to appoint or remove directors, appoint an auditor, dividend allocation, determination or amendment of the Memorandum of Association and Articles of Association of the Company, etc. The Company will promote and facilitate the exercise of shareholders' rights as follows.

- 1) The Company has established Thailand Securities Depository Company Limited to act as the registrar of securities to facilitate shareholders.
- 2) The Company will send documents, information on the date, time, place and agenda, as well as explanations and reasons for each agenda item, including all information related to matters that need to be decided at the meeting in the shareholders meeting invitation or in attachments to the agenda of the meeting. The company will inform all shareholders at least 28 days in advance, including publishing such information on Company's website.
- 3) The Company will facilitate shareholders to fully exercise their rights to attend and vote by holding the meeting on business days and selecting the meeting venue that is convenient for traveling with a map attached to show the venue of the shareholders meeting in the meeting invitation letter.
- 4) Prior to the date of the shareholders meeting, the Company will allow shareholders to propose agenda items in order to include the agenda of the general shareholders meeting and nominate qualified persons to be elected as the Company's directors. In this regard, the Company shall inform details, criteria, and methods through the news channel of the Stock Exchange of Thailand and on the Company's website.
- 5) The Company will nominate at least one independent director to be a proxy of the shareholders who cannot attend the meeting by using a form of proxy that shareholders can direct their votes.
- 6) In the shareholders' meeting, the chairman of the meeting will allocate appropriate time and will give the shareholders an opportunity to express their opinions and ask related questions according to the agenda of the meeting.
- 7) The Company will encourage all directors and high-level executives to attend the shareholders' meeting in order to answer questions at the meeting.
- 8) The Company will arrange for the shareholders to vote separately according to each item in each agenda proposed, such as the agenda of appointment of directors by choosing to vote for each director individually.

- 9) The Company will support the use of ballots by using technology in registration, including voting on important agenda such as connected transactions, acquisition and disposition of assets, etc. for transparency, verifiable, speedy, and accuracy in vote counting.
- 10) The Company will arrange for an independent person to assist in counting the votes in each agenda.
- 11) After the meeting, the Company will prepare the minutes of the meeting that are recorded accurately and completely in all essential aspects. In addition, important issues, questions, opinions, and suggestions will be recorded in the minutes of the meeting for shareholders to review. The company will publish the voting results of each agenda and publish the minutes of the meeting on the Company's website for the shareholders' consideration.
- 12) The Company will send a copy of the shareholder meeting to the Stock Exchange of Thailand within 14 days from the date of the shareholders' meeting.

2. Equitable treatment of shareholders and promoting the exercise of shareholders' rights

The Company has established equal treatment to all shareholders and promotes the exercise of shareholders' rights, regardless of the shareholder being a major shareholder, or a minority shareholder, an executive shareholder or a non-executive shareholder, a Thai shareholder or a foreigner as follows:

- 1) The Company will send the invitation letter to the shareholders meeting together with the agenda and comments of the board of directors to the Stock Exchange of Thailand and disseminate through the Company's website at least 28 days before the shareholders meeting date. The Company will prepare the aforementioned shareholders meeting invitation letter in English and disseminate it together with the Thai version of the invitation letter to the shareholders meeting.
- 2) Minor shareholders are able to nominate to be elected as directors in the general meeting of shareholders in accordance with the criteria and period specified by the Company, in which the information has been published through the news system of the Stock Exchange of Thailand and Company's website.
- 3) Minor shareholders are able to propose agenda items in order to include the agenda in the general meeting of shareholders according to the criteria and for the period specified by the Company, in which the information has been published through the news system of the Stock Exchange of Thailand and Company's website.
- 4) Executive shareholders will not be able to add agenda unnecessarily without an advanced notice, especially important agenda that shareholders need time to study information before making decisions.
- 5) The Company will inform the shareholders of the rules used in the meeting, methods for exercising voting rights according to each type of shares, and the method of counting the votes of shareholders who have to vote on each agenda item.
- 6) In the election of directors, the Company encourages the election of directors individually.
- 7) Directors and executives have a duty to disclose information about their own interests and those involved in the consideration. Any agenda in which a director or an executive has a conflict of interest, it is required that the director or executive declare their interests prior to the consideration of that agenda and record such interests in the minutes of the meeting. Directors and executives who have interests in any agenda must not take part in making decisions on such agenda.

3. Protection against the use of inside information

The company has established written guidelines for the retention and prevention of the use of the Company's inside information. The directors, executives and employees must not use inside information of the company, that is of essence and has not been disclosed to the public, for the benefit of oneself or others until the company has disclosed information to the public for 24 hours. Customer's information shall not be disclosed and all confidential commercial information must be retained. In addition, directors, executives, including persons holding executive positions in accounting or finance at department manager level or above or equivalent, and employees working in departments where inside information

can be obtained are not allowed to trade in Company securities within 30 days before the quarterly and annual financial statements, or information that affects the price of securities, are disclosed to the public and at least 24 hours after the disclosure of the financial statements or company information to the relevant departments before trading the securities of the company is permitted. All directors and executives who are responsible for reporting their securities holdings are required to submit such reports to the Company Secretary every time.

4. Conflict of interest

The Company has established guidelines to prevent actions that are contrary to the interests of the Company, whether or not from dealing with the Company's trade partners, such as business partners, customers, competitors, or from opportunities or information obtained from directors, executives and employees of the Company to seek personal gains and gains in doing business that is in competition with the Company and affects the responsibilities and duties to the Company. In this regard, the Company prohibits directors, executives and employees with interests to approve any transaction or act on behalf of the Company in order to prevent any conflict of interest that may arise. In the event of conducting any business with the Company, either on behalf of personal, family or on behalf of any legal entity in which directors, executives and employees have the power to operate in that juristic person, directors, management and employees are required to disclose their interests to the Company prior to the transaction. In addition, the Board of Directors, the audit committee and management must consider connected transactions between the Company and individuals or juristic persons that may be considered as having a conflict of interest with prudence, honesty and reasonableness with regard to the best interests of the Company.

5. Responsibility to the stakeholders

The Company realizes the importance of treating all groups of stakeholders, namely shareholders, employees, customers, business partners, competitors, creditors, society and environment, by taking into consideration the involvement of all groups of stakeholders. The Company will comply with relevant laws and regulations, considering the rights of such stakeholders in accordance with the law or in accordance with the agreements made with the Company, and shall not take any actions that violate the rights of those stakeholders. In addition, in the Company's business operation, it considers the rights of stakeholders as follows:

1) Shareholders

The Company will operate its business with transparency in order to create sustainable value for the business by striving to create good performance and stable growth for the best interests of shareholders in the long term, as well as to disclose information with transparency and credibility to the shareholders.

2) Employees

The Company will treat all employees equally, fairly and provide reasonable compensation. In addition, the company also attaches importance to the development of skills, knowledge, abilities, and potential of employees on a regular basis, such as organizing training, seminars and training sessions by providing all employees thorough opportunities for further development of the organization. The Company has established guidelines on anti-corruption and instills all employees to comply with relevant laws and regulations, such as the strict use of inside information.

3) Customer

The Company is responsible to its customers by maintaining quality standards and quality services in order to focus on long-term customer satisfaction. It also provides a channel for customers to provide quick and accurate feedback on the service as well as to maintain the confidentiality of the customers, refraining from using such confidential information for personal gains or gains of related person illegally.

4) Business Partner

The Company has a procurement process that is transparent and fair which upholds the best interest of the Company. In addition, the Company has prepared a contract form that is appropriate and fair to all parties in which the Company strictly abides by.

5) Competitors

The Company behaves within the framework of good competition ethically and within the framework of the law, including supporting and promoting free and fair competition.

6) Creditor

The Company will treat creditors fairly and strictly comply with various conditions as agreed with the creditors.

7) Society and Environment

The Company gives importance to society and the environment, as well as having an awareness of social and environmental responsibility. In addition, the Company cooperates and supervise strict adherence to the spirit of the law and relevant regulations.

6. Anti-Corruption

The Company has a policy against corruption including written practice guidelines which are communicated to all directors, executives and employees at all levels through internal communication channels. Training is provided to employees to educate them on the Company's anti-corruption policies and practices. In addition, there are channels for receiving information, clues or complaints about fraud or corruption and channels for submission of information regarding the said complaint.

7. Measures to take on those who do not comply with policies and guidelines

If it has been found that there is an individual who does not comply with policies and guidelines, complaints can be submitted by preparing a written report of the violation or non-compliance with the policy and practice along with other supporting documents (if any). The complaint can be sent to the e-mail of the recipient of the complaint, namely the supervisors at all levels, the chairman of the audit committee, and the company secretary. The recipient of the complaint is required to gather facts and summarize the preliminary results and present the matter to the management representative to participate in the consideration to establish measures to stop violations or non-compliance with policies and guidelines. The Company will determine the penalties to suit the nature and situation of each type of violation. The severity of the punishment varies according to the seriousness of the offense.

6.2 Business Code of Conduct

The company encourages directors, executives, and employees to adhere to the principles of ethics and business conduct without neglecting or ignoring when they see the non-compliance with the Code of Ethics and the Code of Conduct in the business of the Company. The Company has set a written code of ethics and business conduct as a framework for conducting business. This is for the directors, executives, employees, and all related parties to acknowledge and observe as a strict guideline.

In treating shareholders, the Board of Directors gives importance to and considers the responsibility to shareholders in relation to the Company's business operations and is responsible for setting up policies and directions for the Company's operations. It also supervises the management to be in line with the goals, objectives, vision, strategies, and business directions in order to strive to be one of the leaders in the financial business and to be the business in the hearts of customers and partners. The Company has adopted a modern technology system to provide quality credit services to its customers and to create sustainable growth, and for the long-term benefit of shareholders within the framework of the law and business ethics while being considerate of the interests of all stakeholders.

The company intends to operate its business with transparency, morality, and responsibility to stakeholders, as well as society and the environment. The company requires all directors, executives and employees to strictly follow along with implementing public relations campaign to ensure that the Business Code of Conduct is understood throughout the organization.

6.3 Major changes and developments in policies, practices and governance systems over the past year

The Company conducts a review of policies, practices, corporate governance principles and the Board of Directors' Charter, Sub-Committee Charter, and other charters, to review the suitability and to increase the efficiency of corporate governance in accordance with the good corporate governance principles for listed companies in 2017 (CG Code) at least once a year. In addition, at the Board of Directors' Meeting No. 1/2023 held on February 21, 2023, the Company reviewed all policies, guidelines, principles of corporate governance, including all charters, all of which the Company did not amended any material details.

In 2023, the Company has reviewed the policies, guidelines, corporate governance principles, including all charter, which the company has not changed any material details. In the same year, the Company also participated in the "Opportunity Day," organized by the Stock Exchange of Thailand. The objective is to clarify information about the business and operations of the Company to shareholders, securities analysts, investors, media, and interested parties, as well as disclose information that shareholders and investors have access to on the company's website at www.nextcapital.co.th under the "Investor Relations" category and "Multimedia Presentation" and the website of the Stock Exchange of Thailand.

Certification of various assessments related to good corporate governance

Quality Assessment of the Annual General Meeting of Shareholders

Thai Investors Association has organized the project, "Quality Assessment of the Annual General Meeting of Shareholders" since 2006. It aims to encourage listed companies for a focus on the Annual General Meeting of Shareholders and maintain the same standards of the Annual General Meeting of Shareholders, with international recognition and good image for Thai capital market, in terms of participation, rights of shareholders, and good corporate governance. In addition, it also encourages shareholders to realize the benefits of attending the meeting of shareholders and enhance good cooperation and relationships among related units in the capital market.

Following the quality assessment of the Annual General Meeting of Shareholders in 2023, the company received 100 score from the Thai Investors Association.

Assessment of the Corporate Governance Survey of Listed Companies for the Year 2023 (CGR 2023)

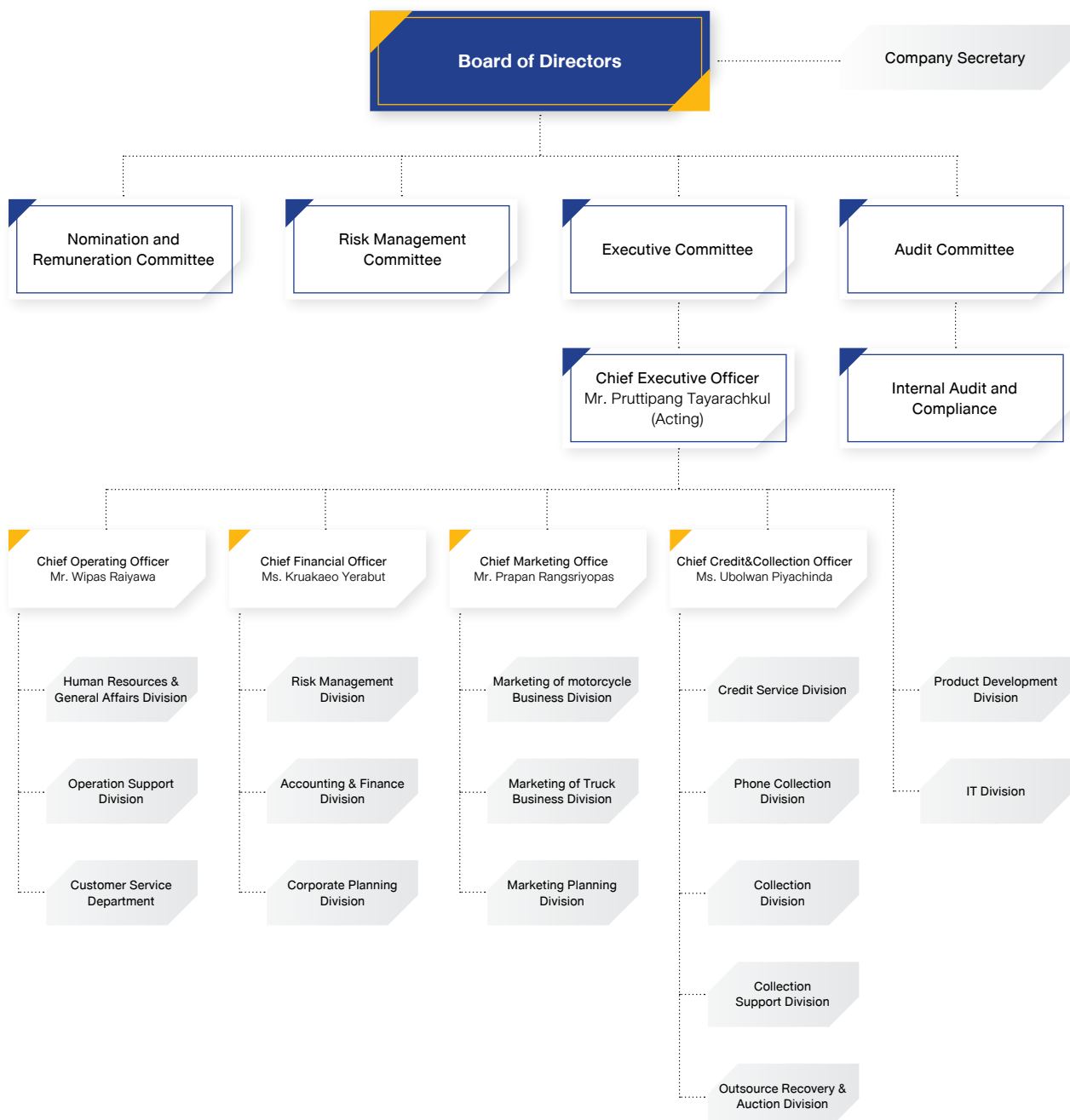
The Company is committed to continuously improving the "Good Corporate Governance" and "Business Ethics" of the Company as well as of its subsidiaries. Based on the assessment of the Corporate Governance Survey of Listed Companies for the year 2023 by the Thai Institute of Directors, in collaboration with the Stock Exchange of Thailand and the Securities and Exchange Commission, the Company received a "Very Good" rating.



Corporate governance structures and important information about the board, sub-committees, management, employees, and others.

7.1 Corporate governance structure

As of December 31, 2023, the Company's management structure consists of: The Board of Directors and the four sub-committees are the Audit Committee, the Risk Management Committee, the Nomination and Remuneration Committee, and the Executive Committee with organizational structure and details as follows:



Report of Changes in Securities Holding of Directors and Executives in the Company and its Subsidiaries
Information as of December 31, 2023

Name		Ordinary Share (Shares)	
		2022	2023
1.	Mr. Chaiwat Utaiwan	-	-
	Spouse	-	-
	Underage Child	-	-
2.	Mrs. Ladawan Charoen-rajapark	-	-
	Spouse	-	-
	Underage Child	-	-
3.	Mr. Amornyot Panich	356,949	170,049
	Spouse	-	-
	Underage Child	-	-
4.	Asst Prof Dr. Patipan Sae-Lim	-	-
	Spouse	-	-
	Underage Child	-	-
5.	Mr. Sura Khanittaweekul	-	-
	Spouse	-	-
	Underage Child	-	-
6.	Mr. Pruttipang Tayarachkul	300,000	300,000
	Spouse	-	-
	Underage Child	-	-
7.	Mrs. Wassana Pongsangluk	-	-
	Spouse	-	-
	Underage Child	-	-
8.	Ms. Sutida Mongkolsuthree	-	-
	Spouse	21,696,841	21,696,841
	Underage Child	-	-
9.	Mrs. Haruthaikarn Phansuwan ¹	-	-
	Spouse	-	-
	Underage Child	-	-
10.	Mr. Praphan Rangsiyophas	-	-
	Spouse	-	-
	Underage Child	-	-
11.	Ms. Kruakao Yerabut ²	370,000	370,000
	Spouse	-	-
	Underage Child	-	-
12.	Mr. Wipas Raiyawa	-	-
	Spouse	-	-
	Underage Child	-	-
13.	Ms. Ubolwan Piyachinda	194,500	2,400
	Spouse	-	-
	Underage Child	-	-
14.	Mr. Yuttapol Muangsrichan	-	-
	Spouse	-	-
	Underage Child	-	-

Name	Ordinary Share (Shares)	
	2022	2023
Directors resigned during 2023 as follows:		
1. Mr. Punnamas Vjittkulwongsa	-	-
Spouse	-	-
Underage Child	-	-

หมายเหตุ: 1. The Board of Directors' Meeting No. 1/2023 on February 21, 2023 resolved to appoint Mrs. Haruthaikarn Phansuwan to serve as the Company's director in place of the director who resigned, effective on February 21, 2023

2. Chief Financial Officer

3. No. 10 - 14 are the Executives of the Company according to the SEC's notification regarding the determination of definitions in announcements concerning the issuance and offering of securities.

7.2 Board information

7.2.1 Composition of the Board of Directors

- 1) There are 4 independent directors, representing at least one-third of the total number of 9 directors, representing 44%.
- 2) The Audit Committee consists of 3 Independent Audit Committee members with one person who has duties in the same manner as specified in the SET's regulations and has knowledge and experience to review the reliability of the financial statements as well as perform other duties as an audit committee.
- 3) There are 8 non-executive directors out of the 9 directors, representing 89%.
- 4) The Chairman of the Board is an independent director and is not the same person as the Chairman of the Executive Committee and Chief Executive Officer, in which they are to perform duties independently, clearly separating duties and responsibilities between each other.
- 5) There are 4 female directors out of the 9 directors, representing 44%.

7.2.2 Board information

Board of Directors

As of December 31, 2023, the Board of Directors consists of 9 directors as follows:

Name-Surname	Position
1. Mr. Chaiwat Utaiwan	Chairman of the Board of Directors / Independent Director
2. Mrs. Ladawan Charoen-rajabark	Independent Director / Chairman of the Audit Committee / Chairman of the Risk Management Committee
3. Mr. Amornyot Panich	Independent Director / Chairman of the Nomination and Remuneration Committee / Member of Audit Committee
4. Mr. Patipan Sae-Lim	Independent Director / Member of Audit Committee / Member of Risk Management Committee
5. Mr. Sura Khanittaweekul	Director / Member of the Nomination and Remuneration Committee
6. Mr. Pruttipang Tayarachkul	Director / Chairman of the Executive Committee / Member of the Risk Management Committee
7. Mrs. Wassana Pongsangluk	Director
8. Ms. Sutida Mongkolsuthree	Director / Member of the Nomination and Remuneration Committee
9. Mrs. Haruthaikarn Phansuwan ¹	Director

Note: ¹ The Board of Directors' Meeting No. 1/2023 on February 21, 2023 resolved to appoint Mrs. Haruthaikarn Phansuwan to serve as the Company's director in place of the director who resigned, effective on February 21, 2023.

Directors resigned during 2023 as follows:

Name-Surname	Position
Mr. Punnamas Vjittkulwongsa	Director / Chairman of the Executive Committee / Member of the Risk Management Committee

Note: Mr. Punnamas Vjittkulwongsa resigned from being a director / Chairman of the Executive Committee / Member of the Risk Management Committee, effective on 28 November 2023.

Director who has authority to sign to bind the company

Directors authorized to sign on behalf of the company are Mr. Sura Khanittaweekul or Mrs. Wassana Pongsangluk, signing with Mr. Pruttipang Tayarachkul or Ms. Sutida Mongkolsuthree, a total of two persons and the Company's seal.

7.2.3 Information about roles

Roles and duties of the committee

The Board of Directors is responsible for setting objectives, main business goals, vision, missions, policies, strategic goals, business plans, management structure, authorization authority, and company budget, as well as consideration and approval of the operating plan presented by the executives, including supervising the operations of the company for the best interest of shareholders. The Board of Directors has to perform duties with prudence and care (Duty of Care), Duty of Loyalty and avoid conflicts of interest with the Company, as well as comply with the laws, objectives, regulations and resolutions of the shareholder's meeting (Duty of Obedience) and disclose information to shareholders accurately, completely, and transparently (Duty of Disclosure). The duties and responsibilities of the Board of Directors are shown in Attachment 5.

Roles and duties of the Chairman of the Board

The chairman of the board is responsible for supervising and monitoring the performance of the duties of the board of directors effectively and achieving the objectives and main goals of the organization. As well as fostering an ethical corporate culture and good corporate governance and encouraging Company Directors to exercise prudent discretion and to make independent opinions. Details of the powers, duties, and responsibilities of the Chairman of the Board are shown in Attachment 5.

Roles and duties of the Chief Executive Officer

The Chief Executive Officer is responsible for the administration, including overseeing overall operations in order to comply with the policy, business strategy, and company budget approved by the board of directors and / or shareholders' meeting. As well as perform any other duties assigned by the Board of Directors and / or the shareholders meeting under the objectives and articles of association of the Company and related laws. Details of authority and responsibility of the Chief Executive Officer appears in Attachment 5.

7.3 Information about the sub-committees

7.3.1 Sub-committees

The Company has four sub-committees, which are: (1) Audit Committee, (2) Risk Management Committee, (3) Nomination and Remuneration Committee, and (4) Executive Committee. The sub-committees have powers, duties and responsibilities as follows:

Scope of Duties and Responsibilities of the Audit Committee

The Audit Committee is responsible for considering and reviewing the Company's financial reporting that is accurate, reliable, and provides opinions on the appropriate and effective internal control system, and the internal audit system, including connected transactions or transactions that may lead to conflicts of interest, or the acquisition or disposition of assets are correct and complete in accordance with the regulations of the Securities and Exchange Commission, the Stock Exchange of Thailand, the Code. Civil and Commercial Law, Securities and Exchange Law, or other rules. This is to ensure that such transactions are reasonable and in the best interest of the company to propose to the Board of Directors for consideration. Details of the scope, powers, duties and responsibilities of the Audit Committee are shown in Attachment 5.

Scope of Duties and Responsibilities of the Risk Management Committee

The Risk Management Committee is responsible for formulating the Company's overall risk management policy and guidelines in accordance with the risk management policy and monitoring its implementation, including reviewing the effectiveness of risk management, including continually developing and reviewing the Company's risk management system to be effective and efficient to propose to the Audit Committee and the Board of Directors for consideration. Details of scope, powers, duties, and responsibilities of the Risk Management Committee are shown in Attachment 5.

Scope of Duties and Responsibilities of the Nomination and Remuneration Committee

The Nomination and Remuneration Committee is responsible for setting criteria. Nomination Policy and Remuneration Policy for the Board of Directors and Sub-committees by recruiting, selecting and proposing suitable people to hold positions, set necessary and appropriate compensation, criteria for evaluating and evaluating performance, determining the annual compensation of the Chief Executive Officer, including scrutinizing the criteria for bonus payments, and the annual salary increase of employees to submit to the Board of Directors for consideration. Details on the scope, power, duties and responsibilities of the Nomination and Remuneration Committee appears in Attachment 5.

Scope of Duties and Responsibilities of the Executive Committee

The Executive Committee is responsible for formulating policies, strategies, and business plans, as well as the annual budget. It also has to control, supervise, and monitor the performance of the company to be as defined. Including the management structure and authorization authority of the company, propose an organizational structure that is suitable for the company's operations for submission to the board of directors. Details of scope, powers, duties and responsibilities of the Executive Committee Appears in Attachment 5.

7.3.2 List of each sub-committee

Audit Committee

As of December 31, 2023, the Audit Committee consists of 3 members of the Audit Committee as follows:

Name-Surname	Position
Mrs. Ladawan Charoen-rajapark	Chairman of the Audit Committee / Independent Director
Mr. Amornyot Panich	Member of the Audit Committee / Independent Director
Asst Prof Dr. Patipan Sae-Lim	Member of the Audit Committee / Independent Director

Mrs. Ladawan Charoen-rajapark is an Audit Committee member who has sufficient knowledge and experience in reviewing the reliability of the financial statements.

Risk Management Committee

As of December 31, 2023, the Risk Management Committee consists of 7 members as follows:

Name-Surname	Position
Mrs. Ladawan Charoen-rajapark	Chairman of the Risk Management Committee / Independent Director
Asst Prof Dr. Patipan Sae-Lim	Member of the Risk Management Committee / Independent Director
Mr. Pruttipang Tayarachkul	Member of the Risk Management Committee
Ms. Kruakao Yerabut	Member of the Risk Management Committee
Ms. Ubonwan Piyajinda	Member of the Risk Management Committee
Mr. Wipas Raiyawa	Member of the Risk Management Committee
Mr. Praphan Rangsiyopas	Member of the Risk Management Committee

Nomination and Remuneration Committee

As of December 31, 2023, the Nomination and Remuneration Committee consists of 3 members as follows:

Name-Surname	Position
Mr. Amornyt Panich	Chairman of the Nomination and Remuneration Committee / Independent Director
Ms. Sutida Mongkolsuthree	Member of the Nomination and Remuneration Committee
Mr. Sura Khanittaweekul	Member of the Nomination and Remuneration Committee

Executive Committee

As of December 31, 2023, the Executive Committee consists of 5 members of the Executive Committee as follows:

Name-Surname	Position
Mr. Pruttipang Tayarachkul	Chairman of the Executive Committee
Ms. Kruakao Yerabut	Member of the Executive Committee
Ms. Ubonwan Piyajinda	Member of the Executive Committee
Mr. Wipas Raiyawa	Member of the Executive Committee
Mr. Praphan Rangsiyopas	Member of the Executive Committee

7.4 Management information

7.4.1 Names and positions of executives

As of December 31, 2023, the company has 6 executives as follows:

Name-Surname	Position
Mr. Pruttipang Tayarachkul	Acting Chief Executive Officer
Mr. Praphan Rangsiyopas	Chief Marketing Officer
Ms. Kruakao Yerabut	Chief Financial Officer
Mr. Wipas Raiyawa	Chief Operating Office
Ms. Ubolwan Piyachinda	Chief credit & collection officer
Mr. Yuttapol Muangsrichan	Accounting Manager

Note: 1-6 Executives of the company according to the notification of the SEC Re: Defining definitions in the announcement about securities issuance.

7.4.2 Executive compensation policy

The company has established a compensation policy for executives in accordance with knowledge, competence, work experience, and responsibilities, as well as determining compensation according to performance, such as salary, bonus, social security fund. Provident fund, other income and other long-term benefits, etc.

7.4.3 Executive compensation

At the end of 2023, 2022, and 2021, the Company has paid remuneration to the Company's executives, consisting of salary, bonus, social security fund, provident fund, other income, and other long-term benefits, etc., with details as follows:

Type of compensation	2023		2022		2021	
	number (people)	Compensation (Million baht)	number (people)	Compensation (Million baht)	number (people)	Compensation (Million baht)
Salary, bonus and other benefits	6	15.35	5	22.35	5	16.87

- หมายเหตุ : 1. Not including the Accounting Manager
 2. Including the number of executives and remuneration for the whole year 2023
 3. As of December 31, 2023, the Company has 5 executives.

7.5 Employees information

At the end of 2023, 2022, and 2021, the total number of employees (excluding executives) of the company was 688, 711, and 723, respectively, which can be mainly divided into the following categories:

Line of work	Number of employees		
	As of 31 December 2023	As of 31 December 2022	As of 31 December 2021
	(people)	(people)	(people)
Company Secretary	1	1	1
Internal Audit Department	3	3	3
Risk Management Division	1	2	2
Human Resources & General Affairs Division	9	6	12
Operating Division	23	25	23
Customer Service Department	13	12	9
Accounting & Finance Division	18	15	16
Corporate Planning Division	4	3	1
Information Technology Division	19	17	12
Product Development Division	4	4	4
Marketing Planning Division	6	5	7
Marketing of Motorcycle Division	314	351	380
Marketing of Truck Business Division	13	7	-

Line of work	Number of employees		
	As of 31 December 2023	As of 31 December 2022	As of 31 December 2021
	(people)	(people)	(people)
Credit Service Division	31	32	34
Collection Division	59	60	71
Field Collection Division	137	135	122
Collection Support Division	19	20	19
Outsource Recovery & Auction Division	14	13	7
Total	688	711	723

- Note :**
1. The number of employees in 2021 does not include 8 contract employees.
 2. The number of employees in 2022 does not include 28 contract employees.
 3. In 2022, the Company reorganized its structure to be in accordance with the Company's work plan and operations. Therefore, the data from the years 2021 have been adjusted to enable historical data comparison.
 4. Number of employees in 2023 does not include 14 contract employees.

Employee Compensation

Compensation for employees of the company (Excluding management) consists of salary, bonus, contributions to the social security fund, and the provident fund, other benefits, and other long-term benefits.

Type of compensation	2023		2022		2021	
	Number (person)	Compensation (million baht)	Number (person)	Compensation (million baht)	Number (person)	Compensation (million baht)
Salary, bonus, and other benefits	688	387.47	711	348.10	723	272.61

Provident fund

The Company established the Company's provident fund in accordance with the Provident Fund Act 1987 (including as amended). On June 1, 2016, the Company assigned TISCO Asset Management Company Limited to manage the provident fund under the registered TISCO Master Fund. Its purpose is to motivate employees to work with the company and as a guarantee for their future. As of December 31, 2023, there are 599 employees who participated in the provident fund, account for 86%, and 94 employees, who did not participate in the provident fund, account for 14%.

7.6 Other important information

7.6.1 List of persons assigned for various responsibilities.

Accounting supervisor

The Company assigned Mr. Yuttapol Muangsrichan to take the position of manager of the accounting department from 10 April 2023. The qualifications of the person holding the position of the supervisor of bookkeeping are shown in Attachment 1.

Company secretary

The Board of Directors Meeting No. 1/2023 on February 21, 2023 has resolved to appoint Miss Kwanchanok Tansopaluck as the company secretary. Qualifications of a person holding a position as company secretary appears in Attachment 1. To comply with Section 89/15 of the Securities and Exchange Act B.E. 2535 (Amendment B.E. 2551), it requires a company secretary to be responsible for acting on behalf of the company or the Board of Directors with the scope of duties and responsibilities as follows:

1. Prepare and keep the following documents:
 - (A) Director Register
 - (B) Notice of the Board of Directors' Meeting, Minutes of the Board of Directors' Meetings, and the Company's Annual Reports
 - (C) Notice of the Shareholders' Meeting and Minutes of the Shareholders' Meeting
2. Keep reports of conflicts of interest reported by directors or executives.
3. Perform other actions as specified by the Capital Market Supervisory Board.

Internal auditors

The Audit Committee Meeting No. 1/2023 on February 21, 2023 resolved to appoint Dharmniti Internal Audit of Co., Ltd. ("Dharmniti") being an internal audit service provider and having Ms. Phatchira Mingkwan appointed as Head of Internal Audit Unit, with the qualifications of a person holding the position of the Company's Head of Internal Audit Unit as shown in Attachment 3.

Head of Compliance

Name : Mr. Chanawat Riengwirojkit

Position : Compliance Manager

Address: No. 163 Thai Samut Building, 15th Floor, Surawong Road, Suriyawong Subdistrict
Bang Rak District, Bangkok 10500

7.6.2 Investor relations

Name: Ms. Kwanchanok Tansopaluck

Address: 163 Thai Samut Building, 15th Floor, Surawong Road, Suriyawong Sub-district, Bang Rak District, Bangkok 10500

Email: IR@nextcapital.co.th

7.6.3 Auditor's remuneration

The Company hired PricewaterhouseCoopers ABAS Company Limited as the Company Auditor. It has been approved by the 2023 Annual General Meeting of Shareholders because PricewaterhouseCoopers ABAS Company Limited is an independent and reliable auditor. They do not provide any other services to the Company and have any relationship nor interests with the Company / Subsidiaries / Executives / Major Shareholders or related to any of the above persons.

The remuneration of the Company Auditor (Audit Fee) for the year 2023 is in the total amount of 3,300,000 baht (the Company has no other service fees besides the Audit Fee).

Comparison Table of the Audit Fee

Audit Fee	Fiscal Year 2022	Fiscal Year 2023
Next Capital Public Company Limited	3,150,000	3,150,000
Subsidiary	150,000	150,000
Other expenses	Actual Payment	Actual Payment
TOTAL	3,300,000	3,300,000



Corporate Governance Report

8.1 Summary of the Board's Performance in the Past Year

The Board of Directors consists of 9 directors, 4 of which are independent directors, 4 are non-executive directors and 1 executive director. 1 independent director is the chairman of the Board of Directors. The Board of Directors has performed the duty to supervise the management in accordance with the policies, guidelines, and goals for the best interests of the shareholders under the framework of good ethics and taking into account the interests of the stakeholders. In 2023, the Board of Directors held 4 meetings covering the following matters:

1. Supervise the operations of the Company for the best interest of shareholders by performing duties with the duty of care, duty of loyalty and avoid conflicts of interest with the Company, as well as comply with the law, objectives, regulations and resolutions of the shareholders meeting (Duty of Obedience), and disclose information to shareholders in a correct, complete, and transparent manner (Duty of Disclosure).
2. Supervise the management to operate in accordance with the established policies, strategies and plans with efficiency and effectiveness, as well as regularly monitor and evaluate the performance of the management.
3. Establish clear and appropriate operating procedures and implement a transparent and efficient internal control system.
4. To supervise the operation to conduct business ethically, respecting rights, and be responsible for shareholders, and stakeholders, conduct business that are beneficial to society and the environment, including being able to adapt under factors of change according to good corporate governance principles.
5. To continuously monitor the performance of the Company to be in accordance with the operating plan.
6. Consider setting up a risk management policy to cover the entire organization and supervise the establishment of a risk management system or process with appropriate measures to support and control methods in order to reduce the impact on the Company's business.
7. To determine the management structure, appoint sub-committees, Chief Executive Officer, including the determination of the scope of authority of such persons.
8. Consider and approve the budget according to the credit limit as specified in the Company's authority manual.
9. Provide reliable accounting, financial reporting, and auditing systems, ensuring that there is a process for assessing the suitability of internal controls and internal audits, risk management, financial reporting and internal audit.
10. Responsible for establishing a governance policy that has a system which supports effective anti-corruption and is a good role model in order to ensure that the executive committee is aware of and prioritizes anti-corruption and fostering it as a corporate culture.

8.1.1 Nomination, Development and Evaluation of the Board's Performance

The Company's director structure consists of The Board of Directors and Sub-Committees, namely the Audit Committee, the Risk Management Committee, the Nomination and Remuneration Committee and the Executive Committee. The Board of Directors and the various committees, including the Company's management, consist of qualified, knowledgeable, experienced and qualified persons in accordance with Section 68 of the Public Company Limited Act 1992 and the relevant Capital Market Supervisory Board announcement. In this regard, the selection process for the Board of Directors must consider qualifications in accordance with the laws and regulations as follows:

(1) Independent Director Selection Criteria

Independent director qualifications

A company director who is an independent director, in addition to having the qualifications prescribed by the company. (Please see details of qualifications of company directors in item 8.1.1 (2) section of director qualifications) must have additional qualifications as follows:

1. Holding shares that are not more than one percent of the total number of voting shares of the Company, parent company, subsidiary, associate, major shareholder, or controlling person of the Company. This shall include the shares held by related persons of that independent director.
2. Not being or having been a director who takes part in management, employee, employee, advisor who receives regular salary, or a person in control of the company, parent company, subsidiary, associated company, same-level subsidiary, shareholder, major shareholder or of the Company's controlling person, unless the person has retired from having such nature for at least two years before the appointment. Such prohibited characteristics exclude cases where an independent director used to be a government officer or advisor to a government agency who is a major shareholder or a controlling person of the Company.
3. Not being a person having a blood relationship or by lawful registration in a manner of father, mother, spouse, sibling or child, including the spouse of children, of other directors, executives, shareholders, major shareholders, person of authority, or persons to be nominated as Directors, Executives or Controllers of a Company or Subsidiary.
4. Does not have or ever had a business relationship with the Company, parent company, subsidiary, affiliate, major shareholder, or controlling person of the Company, in a manner that may obstruct their independent judgment. Including not being or having been a significant shareholder or controlling person of a person having a business relationship with the Company, parent company, subsidiary, associate, major shareholder, or controlling person of the Company, except where the person has been discharged from the aforementioned characteristics for at least two years before the business relationship is appointed under paragraph one. This includes normal commercial transactions, renting or leasing of real estate, transactions relating to assets or services, or giving or receiving financial assistance by accepting or lending, guaranteeing, providing assets as collateral against debts, including other similar circumstances, resulting in the Company or counterparty having an obligation to pay to the other party at least three percent of the net tangible assets of the company or from twenty million baht or more, whichever is lower. Such debt load calculation shall be in accordance with the method of calculating the value of connected transactions in accordance with the Notification of the Capital Market Supervisory Board on Rules on Connected Transactions mutatis mutandis. However, in determining the said debt burden, it shall include the debt burden that occurred during one year prior to 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 controlling person of the Company and is not a significant shareholder, controlling person, or partner of the audit firm in which the auditor of the Company, parent company, subsidiary, affiliate, major shareholder, or controlling person of the Company is affiliated, unless they have been discharged from having such characteristics for at least two years prior to the appointment.

6. Not being or having been a professional service provider of any kind, including legal advisory or financial advisory services receiving a service fee of more than two million baht per year from the Company, parent company, subsidiary, affiliate, major shareholder, or controlling person of the Company, and is neither a significant shareholder, a controlling person, or a partner of that professional service provider, unless they have retired from having such characteristics for at least two years prior to their appointment.
7. Not being a director who has been appointed as a representative of the Company's director, major shareholder or shareholder who is related to a major shareholder.
8. Shall not operate a business that has the same nature and is in significant competition with the business of the Company or its subsidiaries, or not being a significant partner in a partnership or being a managing director, staff, employee, advisor who receives regular salary or holding shares exceeding one percent of the total number of voting shares of another company operating a business of the same nature and in significant competition with the business of the Company or subsidiary.
9. Not having any other characteristics which prevent him/her from expressing independent opinions with regard to the Company's operations.

Nomination and Appointment of Independent Directors

In the selection and appointment of independent directors, the Nomination and Remuneration Committee will jointly consider the qualifications of persons to be appointed as independent directors, considering the qualifications as stipulated by law and regulations, including considering the prohibited characteristics of the directors under the Public Limited Company Act, the Securities and Exchange Law, the relevant announcements, rules, and / or regulations. In addition, the Nomination and Remuneration Committee will select independent directors from experts with work experience and other suitability. It will then be presented to the Board of Directors and / or the shareholders' meeting. In this regard, the Nomination and Remuneration Committee will consider the appropriateness of the number, structure and composition of the Board of Directors. At least one third of the total number of directors of the Company is required to be independent directors to ensure transparency in the corporate governance of the Company and to be able to provide independent opinions on the work of the management.

(2) Criteria for selection of directors and top level management

Company Directors

Qualifications of the Company's Directors

1. Be a qualified person and not have any prohibited characteristics under the Civil and Commercial Code, Public Limited Company Law, the Law on Securities and Exchange, the regulations of the Securities and Exchange Commission, the Stock Exchange of Thailand and other related rules.
2. A person who has knowledge and experience in conducting the business of the Company.
3. Have enough time to be able to perform their duties effectively.
4. Holding director positions in no more than 5 listed companies on the Stock Exchange of Thailand.
5. Directors must notify the company without delay if they have an interest in a contract made by the Company, either directly or indirectly, or hold increasing or decreasing debentures in the Company or subsidiary.

Nomination and Appointment of Company Directors

The appointment of Company directors must be reviewed and selected by the Nomination and Remuneration Committee. The Nomination and Remuneration Committee will make a preliminary consideration from the qualifications in accordance with the laws and regulations, including considering the prohibited characteristics of the directors under the Public Limited Company Act, the Securities and Exchange Law, the relevant announcements, rules and / or regulations. In addition, the Nomination and Remuneration Committee shall consider the knowledge, capability and experience beneficial to the corporate governance of the Company. The candidate must also be able to dedicate

themselves and their time to fully perform their duties and responsibilities in order to present to the Board of Directors and / or the shareholders' meeting (as the case may be) for further appointment as a director of the Company. In voting for the appointment of directors at the shareholders' meeting, a resolution is required by the majority of votes and in accordance with the following rules and procedures.

1. One shareholder has the number of votes equal to one share per one vote.
2. Each shareholder is required to use all the votes according to item 1 to elect one person or several people to be directors, but the votes cannot be divided more or less for any individuals.
3. Persons who receive the highest number of votes in descending order will be elected as directors equal to the number of directors required or to be elected at that time. In the event that persons elected in descending order have equal votes in excess of the number of directors required or to be elected at that time, the chairman of the meeting shall have one additional vote as a deciding vote.

At every annual general meeting of shareholders, Company Directors must retire at least one third of the total number of Directors at that time. If the number of the Company's directors cannot be divided into three equal parts, the number closest to one-third shall retire from office in the first year and for the second year after the registration of the company, a lottery will be drawn on who will retire. In the following years, the directors who are the longest in office shall retire. The retiring company directors may be re-elected to resume the positions.

Executive management

General qualifications

1. Is of Thai nationality.
2. Not over 65 years old on the date of application submission or the date of appointment.
3. Not being the Chief Executive Officer in any other juristic person on the date of application submission or the date of appointment.
4. Able to work for the Company full time.
5. Not an insane person or with a mental infirmity.
6. Not a bankrupt or a dishonest person
7. Never been sentenced to imprisonment as a final sentence, regardless of whether the person actually went to prison or not. Unless it is a penalty for an offense committed by negligence or a petty offense or passing the punishment or expiration of the period of waiting for punishment or waiting for the imposition of the penalty, as the case may be, over five years
8. Never had to be sentenced or ordered by the court to have assets vested in the state due to unusual wealth or an unusual increase in assets.
9. Not a political official, a member of the House of Representatives, a senator, a local councilor, or a local administrator.
10. Not a holder of a position in a political party or an officer of a political party.
11. Has never been fired, laid off or dismissed for malpractice.

Specific qualifications

1. Have completed at least a bachelor's degree.
2. Have knowledge and experience in the management of credit business, leasing business or financial institution business for at least 5 years.
3. Ability to analyze credit business data.
4. Have a vision of organizational management services such as (1) Marketing and sales management (2) Project management (3) Financial management (4) Personnel management (5) Risk management etc.
5. To have initiative skills and a perspective to analyze the overall and direction of the Company's business.
6. Have analytical, planning, management, and evaluation skills.
7. Have morals and ethics in management and corporate governance, with good personality, leadership and interpersonal skills.

Executive management recruitment and appointment

In the selection of executive management personnel, the Nomination and Remuneration Committee will screen and select personnel who are qualified for the performance of their duties, with skills and experience that are beneficial to the Company's operations. The candidate shall also have a good understanding of the Company's business in order to be able to manage the work to achieve the objectives and goals set by the Board of Directors. The person shall be able to communicate well with subordinates and those involved in operations and able to motivate the Company's personnel to drive the organization in accordance with the Company's strategy, goals, and vision.

Executive management's appointment must be nominated and reviewed by the Nomination and Remuneration Committee and approved by the Board of Directors' meeting. A person appointed to the position of the top level executive of the Company must meet the qualifications under Section 68 of the Public Limited Companies Act 1992 (including the additional amendments) and must not have prohibited characteristics according to the notification of the Securities and Exchange Commission at KorJor. 8/2553 Re: Determination of Untrustworthy Characteristics of Company Directors and Executives dated April 23, 2010 (including the amendments), including having knowledge and abilities and working experience suitable for the business operation of the Company as well.

Evaluation of Board of Directors' Performance

The company has created a self-assessment form for directors to ensure that the evaluation is based on appropriate criteria which are in line with best practices and the new Corporate Governance Code (CG Code) issued by the Securities and Exchange Commission.

Self-assessment by Directors

The Board of Directors and the Executive Directors conduct self-assessments (Board Self-Assessment) both as a group and individually on an annual basis. This allows the board to jointly consider their performance and make improvements. The assessments are done both as a group and individually.

The criteria for self-assessment is divided into 5 levels as follows:

- 4 = Strongly agree, or implementation in that area is excellent
- 3 = Quite strongly agree, or implementation in that area is good
- 2 = Agree, or implementation in that area is adequate
- 1 = Disagree, or implementation in that area is minor
- 0 = Strongly disagree, or no implementation in that area

The criteria divide the assessment levels into percentages of the total score for each of the 5 levels as follows:

- Equal to or greater than 90% = Excellent
- Equal to or greater than 80% = Very Good
- Equal to or greater than 70 = Good
- Equal to or greater than 60% = Fair
- Less than 60% = Needs Improvement

Assessment of the Board of Directors' Performance	Average Score	Rating
Board of Directors	94.81%	Excellent
Audit Committee	99.17%	Excellent
Nomination and Remuneration Committee	92.54%	Excellent
Risk Management Committee	90.48%	Excellent
Executive Committee	88.61%	Very Good

In 2023, the Board of Directors and its sub-committees carried out their duties and responsibilities in accordance with the assigned scope of authority and charters, and in line with good practices of regulatory bodies. The secretary summarized the performance assessment results of the Board of Directors and its sub-committees and presented them to the Board of Directors at the 2/2024 Board of Directors' meeting on February 21, 2024.

8.1.2 Meeting attendance and remuneration for individual committees

Details of the meeting attendance are as follows:

Name-Surname	Position	Annual meeting 2023						
		(Attendance / all meetings)						
		Shareholders' Annual General Meeting	Extraordinary Shareholders' meeting	Board of Directors Meeting	Audit Committee Meeting	Risk Management Committee Meeting	Meetings of the Nomination and Remuneration Committee	Executive Committee Meeting
Mr. Chaiwat Utaiwan	Chairman of the Board / Independent Director	1/1	-	4/4	-	-	-	-
Mrs. Ladawan Charoen-rajapark	Independent Director / Chairman of the Audit Committee / Chairman of the Risk Management Committee	1/1	-	4/4	4/4	4/4	-	-
Mr. Amornyt Panich	Independent Director / Chairman of the Nomination and Remuneration Committee / Audit Committee	1/1	-	4/4	4/4	-	2/2	-
Asst Prof Dr. Patipan Sae-Lim	Independent Director / Audit Committee / Risk Management Committee	0/1	-	4/4	4/4	4/4	-	-
Mr. Sura Khanittaweekul	Director / Member of the Nomination and Remuneration Committee	1/1	-	4/4	-	-	2/2	-
Mr. Pruttiaphang Tayarachkul ¹	Director / Member of the Risk Management Committee / Chairman of Executive Committee	1/1	-	4/4	-	4/4	-	1/1
Mrs. Wassana Pongsangluk	Director	1/1	-	4/4	-	-	-	-
Ms. Sutida Mongkolsuthree	Director / Member of the Nomination and Remuneration Committee	1/1	-	4/4	-	-	2/2	-

Name-Surname	Position	Annual meeting 2023						
		(Attendance / all meetings)						
		Shareholders' Annual General Meeting	Extraordinary Shareholders' meeting	Board of Directors Meeting	Audit Committee Meeting	Risk Management Committee Meeting	Meetings of the Nomination and Remuneration Committee	Executive Committee Meeting
Mrs. Haruthaikarn Phansuwan ²	Director	1/1	-	3/3	-	-	-	-
Ms. Kruakao Yerabut	Risk Management Committee / Executive Committee	1/1	-	-	-	4/4	-	15/15
Ms. Ubonwan Piyajinda ³	Member of the Risk Management Committee / Executive Committee	1/1	-	-	-	3/3	-	12/12
Mr. Prapan Rangsiyopas ⁴	Member of the Risk Management Committee / Executive Committee	1/1	-	-	-	3/3	-	11/12
Mr. Wipas Raiyawa	Member of the Risk Management Committee / Executive Committee	1/1	-	-	-	4/4	-	15/15
Directors resigned during the year 2023								
Ms. Amornwan Chantrachaichot	Executive Committee / Member of the Risk Management Committee	-	-	-	-	-	-	2/2
Mr. Punnamas Vichitkulwongsa	Director / Chairman of Executive Committee / Member of the Risk Management Committee	1/1	-	4/4	-	4/4	-	14/14

Note:

1. The Board of Directors' Meeting No. 4/2023 on November 10, 2023 resolved to appoint such person as Chairman of the Executive Committee, replacing the resigned director.
2. The Board of Directors Meeting No. 1/2023 on February 21, 2023 resolved to appoint such person as director to replace the resigned director.
3. The Board of Directors Meeting No. 1/2023 on February 21, 2023 resolved to appoint such person to be a member of the Risk Management Committee and member of Executive Committee.
4. The Board of Directors Meeting No. 1/2023 on February 21, 2023 resolved to appoint such person to be a member of the Risk Management Committee and member of Executive Committee.
5. Ms. Amornwan Chantrachaichot resigned from being Member of the Executive Committee / Member of the Risk Management Committee, effective February 1, 2023.
6. Mr. Punnamas Vichitkulwongsa resigned from being director / Chairman of the Executive Committee / Member of the Risk Management Committee, effective November 28, 2023.

Directors' remuneration

(1) Monetary compensation

In 2023, the Company paid remuneration to 4 committees, namely, the Board of Directors, the Audit Committee, the Risk Management Committee and the Nomination and Remuneration Committee. The remuneration for directors consists of meeting allowances paid according to the number of times attended as follows:

Name-Surname	Directors' remuneration (baht)				Total (baht)
	Board of Directors	Audit Committee	Risk Management Committee	Nomination and Remuneration Committee	
Mr. Chaiwat Utaiwan	120,000	-	-	-	120,000
Mrs. Ladawan Charoen-rajapark	60,000	100,000	80,000	-	240,000
Mr. Amornyot Panich	60,000	60,000	-	40,000	160,000
Asst Prof Dr. Patipan Sae-Lim	60,000	60,000	60,000	-	180,000
Mr. Sura Khanittaweekul	60,000	-	-	30,000	90,000
Mr. Pruttipang Tayarachkul	60,000	-	60,000	-	120,000
Mrs. Wassana Pongsangluk	60,000	-	-	-	60,000
Ms. Sutida Mongkolsuthree	60,000	-	-	30,000	90,000
Mrs. Haruthaikarn Phansuwan ¹	45,000	-	-	-	45,000
Directors resigned during the year 2023					
Mr. Punnamas Vichitkulwongsa ²	-	-	-	-	-
Total	585,000	220,000	200,000	100,000	1,105,000

- Note:**
- The Board of Directors Meeting No. 1/2023 on February 21, 2023 resolved to appoint such person as the company's Director to replace the resigned director.
 - Mr. Punnamas Vichitkulwongsa resigned as Director / Chairman of the Executive Committee / member of the Risk Management Committee, Chief Executive Officer, Effective from November 28, 2023.

The 2023 Annual General Meeting of Shareholders on April 21, 2023 approved the remuneration of the Board of Directors and sub-committees for the year 2023 as follows:

Payment of meeting allowances

	President	Director
Board of Directors¹		
Meeting allowance (baht / person / time)	30,000	15,000
Audit Committee		
Meeting allowance (baht / person / time)	25,000	15,000
Risk Management Committee		
Meeting allowance (baht / person / time)	20,000	15,000
Nomination and Remuneration Committee		
Meeting allowance (baht / person / time)	20,000	15,000
Executive Committee		
Meeting allowance (baht / person / time)	-	-

Note: 1. the directors who hold executive positions will not receive remuneration as directors.

(2) Non-monetary compensation

-None-

8.1.3 Supervision of Subsidiaries and Associated Companies

To be comply with good corporate governance principles regarding the establishment of a framework and mechanism to oversee policies and operations in subsidiaries and other businesses in which the Company invests, the company has prepared and reviewed the policies to supervise the operations of subsidiaries and associated companies for the subsidiaries' management. The company will supervise by appointing the Company's representatives to serve as directors or executives in subsidiaries and associated companies in proportion to their investment to oversee the subsidiaries; management to be in accordance with the Company's policies with efficiency and effectiveness.

Directors and executives appointed by the resolution of the Board of Director's meeting to hold positions in subsidiaries and associated companies must maintain the scope and responsibilities as follows:

1. Determine the scope of authority in the exercise of clear discretion which may result in the consideration of such directors and executives for voting in the Board of Director's meetings of subsidiaries and associated companies in matters of importance prior the approval from the Board of Directors of subsidiaries and associated companies.
2. Monitor for subsidiaries and associated companies in the disclosure of financial status and operating results, related transactions, and acquisition or disposition of significant assets to be complete and correct.
3. Monitor and supervise the directors and executives of subsidiaries and associated companies to comply with duties and responsibilities as required by laws.
4. Monitor the operating results of subsidiaries or associated companies.

If subsidiaries operate businesses which have significant impacts on the company, they must obtain a resolution from the Board of Directors' meeting or the Company's Shareholder's meeting prior to the transactions, with considerations of the said transactions of subsidiaries and associated companies in the same manners as the transactions of the same nature and sizes as the company, which must receive a resolution from the Board of Director's meeting or the Shareholder's meeting of the company. For subsidiaries, the Company stipulates that persons appointed by the Company must supervise subsidiaries to undertake connected transactions, acquisition or disposition of asset transactions, or any other important transactions of such subsidiaries to be complete and correct in accordance with the rules of the Office of the Securities and Exchange Commission and/or the Stock Exchange of Thailand, using the rules related to disclosure of information and the above transactions in the same manners as the Company's rules, including to supervise the collection of data and accounting records of subsidiaries for the Company to be able to examine and collect in preparation of financial statements in time as required by the Stock Exchange of Thailand.

8.1.4 Following up on compliance with corporate governance policies and practices

The Company realizes the importance of good corporate governance by establishing a good corporate governance policy in accordance with the good corporate governance guidelines of the Securities and Exchange Commission (hereinafter referred to as "SEC") and the Stock Exchange of Thailand (hereinafter referred to as the "Stock Exchange") as a practice for directors, executives, and employees of the Company at all levels. This will help promote the operations of the Company to be systematic, orderly and with clear standards that can be examined, which will foster fairness and transparency, and create confidence among shareholders, investors, and other related persons. The Company will supervise and manage in accordance with the objectives and goals of the Company under the strategy, operating policy, and conducting business ethically and in accordance with the relevant laws. The Company shall implement effective monitoring, evaluation and reporting of performance. This includes respecting rights and being responsible for shareholders and stakeholders, taking into account the benefits of society and the environment, as well as adapting to the constant changes that have occurred in order to enable the Company to compete and conduct business in a sustainable manner.

In 2023, the Company has followed up on the following issues to ensure compliance with good corporate governance.

1. Review the roles and duties between the Board of Directors, the sub-committees and the management to ensure consistency in the business operations of the organization and that the Company achieve its objectives.
2. Operations are supervised to ensure that the Company's operations and strategies are in line with the Company's objectives and main goals, as well as proper and safe application of innovation and technology, taking into account all stakeholders of the Company.
3. The board has appropriate balance of power.
4. Support training and education in order to continuously improve the performance of duties.
5. Ensure that information technology is used to increase business opportunities and improve operations.
6. Supervise the risk management system and internal controls to be in an appropriate manner, as well as to supervise the operations in accordance with the relevant laws and standards.
7. Disseminate important information in a correct, adequate and timely manner according to the specified criteria.
8. All shareholders are provided with equal opportunities.

In addition, the company has followed up the operations to achieve the following 4 issues of good corporate governance principles as follows:

(1) Prevention of Conflicts of Interest

The Company realizes the importance of conducting its business with honesty, transparency, and accountability for the best interests of the Company, shareholders, stakeholders and related parties with fairness and caution in the operation to avoid causing a conflict of interest and avoid taking any actions that may cause a conflict of interest according to the principles of good corporate governance. The Board of Directors has established a policy of conflict of interest for directors, executives, and employees to strictly adhere to the guidelines in order to avoid any action that may be contrary to the interests of the Company. If it is necessary, cannot be avoided and must be done, the Company will ensure that such transactions are done with transparency and fairness, the same level as transactions with outsiders, taking into account the best interests of the Company and fairness to all stakeholders. In addition, directors and executives must prepare a report on the disclosure of conflicts of interest every year or when it occurs.

The Results of Monitoring the Prevention of Conflict of Interest

In 2023, it was not found that directors, executives, and employees were acting in a way that would create a conflict of interest.

(2) Using inside information for profit

The Company supervises the use of inside information of the Company to ensure equality and fairness. The directors, executives, and employees involved with inside information are required to acknowledge guidelines and precautions on the use of inside information of the Company in compliance with the regulations of the Stock Exchange of Thailand and the Securities and Exchange Commission by requiring directors, executives, including persons holding executive positions in accounting or finance at the department manager level or above or equivalent, spouse, and underage children to report changes in their securities holding to the Securities and Exchange Commission under Section 59, including the penalties under Section 275 of the Securities and Exchange Act 1992 (including amendments) within 3 business days from the date of purchase, sale, transfer, or accept transfer of securities.

Before the Company will present for approval the statement of financial position and statement of comprehensive income to the Board of Directors, the Company Secretary will notify directors, executives, including those holding executive positions in accounting or finance at the department manager level or above or equivalent, and the relevant practitioners who have received material inside information, to refrain from trading the Company's securities for at least 30 days in advance of the public disclosure and at least 24 hours after the disclosure of information to the public.

The Results of Monitoring the Use of Inside Information for Profit

In 2023, it was not found that directors, executives, and those holding executive-level positions in accounting or finance had traded in securities during the period that the Company required to refrain from trading.

(3) Anti-Corruption

The Company intends to conduct its business with transparency and auditability according to good corporate governance principles by requiring that there be a control and audit that proves to reduce and prevent risks of corruption within the organization as well as all forms of corruption, both directly and indirectly. The Company has demonstrated its commitment to fight against corruption, including announcing its intention to join the Private Sector Collective Action Coalition Against Corruption (CAC) and was certified as a member of the Private Sector Collective Action Coalition against Corruption in Thailand (CAC) on December 31, 2022. The Company realizes the importance of conducting business carefully in the area of corruption by establishing an anti-corruption policy for directors, executives, and employees to abide by the principles of good corporate governance and for the best interests of the shareholders, stakeholders, and related parties. The Company has set up the organizational structure in order to clearly divide the duties, responsibilities, work processes, and lines of command in each department so that there is a balance of power and tightness in the checks between them appropriately. In addition, the Company also provides a communication channel for employees and stakeholders to report clues, complaints, suggestions to the Company in order to investigate the facts according to the process and improve accordingly.

The Results of Anti-Corruption Monitoring

In 2023, the directors, executives and employees were not found to have committed any acts of corruption.

(4) Whistleblowing

The Company has set up a whistleblowing policy and complaints policy to ensure that the anti-corruption participant has a channel and process for whistleblowing reporting complaints that are transparent, safe, and fair to whistleblowers or complainants. The information and details of the whistleblowers or complainants and the respondent notified to the Company will be kept confidential. Any disclosure of information will be considered by the Company by taking into account the safety and damage of the whistleblower, or the complainant, the source of the information, or the person concerned. The channels of contact with the Company are as follows:

1) By mail

Send to Director or Audit Committee
Next Capital Public Company Limited.
No 163, Thai Samut Building, the 15th Floor,
Surawongse Road, Suriyawongse, Bangrak Bangkok 10500

2) By email

Company's directors: Directors@Nextcapital.co.th or
Audit Committee: Auditcommittee@Nextcapital.co.th or
Company's secretary: Comsec@nextcapital.co.th

3) Website: <http://www.nextcapital.co.th/>

The Results of Whistleblowing Monitoring

In 2023, there were no reports of complaints related to fraud and corruption or clues of illegal acts.

8.2 Report of the Audit Committee's performance results

8.2.1 Number of meetings and meeting attendances of the Audit Committee

The Audit Committee's meeting attendances are as follows:

Name – Surname	Meetings of the Audit Committee of 2023
	(No. of meeting attendance/Total no. of meetings)
Mrs. Ladawan Charoen-rajapark	4/4
Mr. Amornyot Panich	4/4
Asst Prof Dr. Patipan Sae-Lim	4/4

8.2.2 Performance results of the Audit Committee

In 2023, the results of the performance of the Audit Committee were as follows:

1. Review the quarterly financial statements and all financial statements of 2023 of the Company both in terms of the accuracy and the sufficiency of the information disclosed. The Audit Committee has had a meeting with the auditor without the presence of a director in order to be confident that the Company's financial reports have been prepared correctly and completely as appropriate in the essence of the report and that they are accountable according to the generally accepted accounting standards, including containing sufficient supporting information for the financial reports, prior to presenting to the Board of Directors for approval.
2. Make a consideration to ensure that there is an effective and efficient internal audit procedure by reviewing the annual internal audit plan and the internal audit report of the internal auditor, including monitoring the results and progress of any corrective actions (if any) with the management closely. In this regard, the independence of the internal audit unit has been considered with the approval of the appointment, transfer, and dismissal of the head of the internal audit unit.
3. Make a consideration regarding the audit results of the Company's operation to be in accordance with the Civil and Commercial Code, Public Limited Company Law, Laws on Securities and Exchange, Stock Exchange's requirements, and laws related to the Company's business.
4. Review the Company's risk management that has been assessed on both internal and external factors, management of risks, and monitoring the progress from related agencies to be confident that the Company is able to operate according to the set goals and to ensure that the Company can manage the risks to be at the acceptable level in a timely manner should any incidents occur that may affect the Company's operation in achieving its objectives.
5. Review and comment on entering into the connected transactions or transactions that may have a conflict of interests on a quarterly and annual basis.
6. Make a consideration regarding the selection and proposal for the appointment of the company's auditor by reviewing the tasks of the accounts auditor and the remuneration of the accounts auditor based on their knowledge of the business, experiences, suitability of the remuneration, and the independency of the auditor and propose to the Board of Directors for consideration on the appointment of the Company's auditor and compensation for the audit, to be further proposed for approval at the shareholders' general meeting.

In conclusion, the Audit Committee has performed their tasks completely as per the requirements on the Charter of the Audit Committee approved by the Board of Directors and sees that the Company has reported its financial information accurately and completely and has a proper operation with internal audit and risks management that are appropriate and effective. The Company complies with the law, regulations and various obligations, as well as having a correct practice regarding connected transactions. The Company's operation is in compliance with the good corporate governance system, which is sufficient and reliable, including having a consideration on the independence of the auditor to appoint and propose the remuneration of the auditing service. The company has a special meeting with the auditor 1 time without management's attendance.

8.3 Summary of the sub-committee performance

8.3.1 No. of meetings and meeting attendances of the sub-committee

The meeting attendance of the risk management committee are as follows:

Name – Surname	Risk Management Committee meeting of 2023
	(Meeting attendances/Total no. of meetings)
Mrs. Ladawan Charoen-rajabark	4/4
Asst Prof Dr. Patipan Sae-Lim	4/4
Mr. Pruttipang Tayarachkul	4/4
Ms. Kruakao Yerabut	4/4
Ms. Ubonwan Piyajinda ¹	3/3
Mr. Wipas Raiyawa	4/4
Mr. Prapas Rangsiyopas ²	3/3
Mr. Ounnamas Vichitkulwongsa	4/4

- Note:**
1. The Board of Directors Meeting No. 1/2023 on February 21, 2023 resolved to appoint such person as the member of the Risk Management Committee and member of the Executive Committee.
 2. The Board of Directors Meeting No. 1/2023 on February 21, 2023 resolved to appoint such person as the member of the Risk Management Committee and member of the Executive Committee.
 3. Mr. Punnamas Vichitkulwongsa resigned as Director / Chairman of the Executive Committee / member of the Risk Management Committee, Chief Executive Officer, Effective from November 28, 2023.

Meeting attendance of Nomination and Remuneration Committee were as follows:

Name—Surname	Nomination and Remuneration Committee meeting of 2023
	(Meeting attendances/Total no. of meetings)
Mr. Amornyot Panich	2/2
Mr. Sura Khanittaweekul	2/2
Ms. Sutida Mongkolsuthree	2/2

The meeting attendance of the Executive Committee were as follows:

Name—Surname	Executive committee meeting of 2023
	(Meeting attendances/Total no. of meetings)
Mr. Puttipan Tayarachkul ¹	1/1
Ms. Kruakao Yerabut	15/15
Ms. Ubonwan Piyajinda ²	12/12
Mr. Wipas Raiyawa	15/15
Mr. Prapan Rangsiyopas ³	11/12
Mr. Punnamas Vichitkulwongsa ⁴	14/14
Ms. Amornwan Chantarchaichot ⁵	2/2

- Note:**
1. The Board of Directors' Meeting No. 4/2023 on November 10, 2023 resolved to appoint such person as Chairman of the Executive Committee and Acting Chief Executive Officer, replacing the resigned director.
 2. The Board of Directors' Meeting No. 1/2023 on February 21, 2023 resolved to appoint such person as Member of the Risk Management Committee and Executive Committee member.
 3. The Board of Directors' Meeting No. 1/2023 on February 21, 2023 resolved to appoint such person as Member of the Risk Management Committee and Member of the Executive Committee member.
 4. Mr. Punnamas Vichitkulwongsa resigned from being director / Chairman of the Executive Committee / Risk Management Committee member / Chief Executive Officer, effective November 28, 2023.
 5. Ms. Amornwan Chantarchaichot resigned from being Member of the Executive Committee / Risk Management Committee member, effective February 1, 2023.

8.3.2 Performance results of the sub-committee

Performance results of the risk management committee

The risk management committee comprises 7 directors, 2 of them are independent directors, and the other 5 are executive directors. The risk management committee has performed their duties in line with the guidelines and the principles of good governance. In 2023, the risk management committee held a total of 4 meetings, covering the following matters.

1. Follow up on the risk management results of 2023 in every quarter and has provided recommendations to the risk management working group in order to improve the Company's risk management of the Company to be appropriate and efficient. Furthermore, the Committee has reviewed the risk management practices to ensure consistency with the risk management policy to present to the audit committee for their acknowledgement.
2. Assess the performance of risk management to ensure consistency with the set policies to achieve efficiency and effectiveness.
3. Improve risk management practices to ensure that there is sufficient and appropriate implementation of risk management with the ability to manage the risk to be at the accepted level and that risk management is being practiced on a regular basis.

Performance of the Nomination and Remuneration Committee

The nomination and remuneration committee comprises 3 directors of which the chair is an independent director and 2 non-executive directors. The nomination and remuneration committee has performed their duties as assigned by the board of directors with prudence, transparency, and fairness, taking into account the best interest of the stakeholders. In 2023, the nomination and remuneration committee held a total of 2 meetings covering issues as follows:

1. Considered the appointment of directors to replace the ones who have completed their terms by considering persons with appropriate qualifications in line with the specified qualifications criteria to propose to the board of directors for their consideration and approval to propose the suitable candidate to the shareholders general meeting to be appointed as directors.
2. Considered the appointment of directors to replace the directors who have resigned. The nomination and remuneration committee has been thorough in the consideration of persons with knowledge, abilities, and suitable qualifications to propose to the board of directors to consider and appoint as a director.
3. Considered and determine the remuneration rate for the board of directors and the sub-committees of the year 2023 by reviewing the ensure that the remuneration is in line with their burden, responsibilities, and work performance to propose to the board of directors and the shareholders general meeting of 2023.
4. Considered to define the KPI to measure the performance results of the chief executive officer and proposed to the board of directors for approval.
5. Consider and evaluate the 2023 performance of the chief executive officer and present to the Board of Directors for approval.
6. Considered to set the criteria for the 2023 bonus and salary payment for the board of directors' approval.
7. Review the completeness of the Nomination and Remuneration Committee Charter to be in compliance with the corporate governance policy.
8. Consider appointing an Acting Chief Executive Officer to replace the resigned person.

In addition, in 2023, the Board of Directors has provided an opportunity for shareholders to nominate persons they deem appropriate to be elected as directors, which appears that no shareholders nominate persons to enter the nomination process at the annual general meeting of 2024.

Performance of the Executive Committee

The Executive Committee consists of 5 Executive whereby the Executive Committee has performed the duty of supervising operations in accordance with the objectives and goals set by the Board of Directors. In the year 2023, the Executive Committee had a total of 15 meetings covering the following matters:

1. Consider setting up policies, strategies, and business plans, including management structure and authorization powers of the company for submission to the Board of Directors.
2. Consider the annual budget to propose to the Board of Directors and control the budget disbursement in accordance with the Board's approval.
3. To control, supervise, and monitor the Company's performance in accordance with the policies, goals, business plans, business strategies, and the specified budget and administrative powers as approved by the board of directors to be efficient and conducive to business conditions and report operations to the board of directors.
4. Consider and approve operations that are normal business transactions of the Company, with the amount for each transaction in accordance with the approval power schedule approved by the board of directors.
5. Consider the organizational structure that is suitable for the Company's operations for approval by the board of directors.



Internal control and related transactions

9.1 Internal control

The Company realizes the importance of managing a good internal control system as it will enhance the efficiency of the Company's operations. The Board of Directors has assigned the Audit Committee to review and assess the internal control system as well as review the policy, risk management guidelines, the annual risk management plan and acknowledge the progress of the operations to ensure they are in accordance with the plans of the risk management working group on a regular basis. The operating plans are reviewed and revised to suit the environment and situation and presented to the Board of Directors every quarter to establish guidelines for corporate governance as well as the administration and control of the management's operations and to assess the sufficiency of the internal control system relevant to the business operations.

9.1.1 Sufficiency and suitability of internal control system

The Audit Committee has reviewed and reported a summary of the internal audit results, recommendations and the results of the remediation follow-up on the audit report and regularly presented to the Board of Directors in order to focus on ensuring the review of the internal audit on corporate governance, operations, compliance with the relevant rules and regulations and corporate risk management are consistently effective and efficient. The Audit Committee has jointly assessed the adequacy of the internal control system during the year 2023 at the Board of Directors meeting No. 2/2024 on February 21, 2024. The Board of Directors considered the adequacy and appropriateness of the internal control system of the Company based on the assessment of the adequacy of the internal control system of the Office of the Securities and Exchange Commission and found that the Company has an adequate internal control system, and there are enough personnel to operate the system effectively. In addition, there is monitoring and supervision of the operations to be able to protect the Company's assets from improper or unauthorized usage by directors or executives. This includes transactions with persons who may have a conflict of interest and sufficiently connected persons.

9.1.2 Defects in the internal control system

In 2023, the Audit Committee has reviewed the internal control system and followed up on the results of correcting the deficiencies on a quarterly basis in order to ensure that the Company has a suitable, sufficient and efficient internal control system. In addition, the Company has hired an internal audit service provider, who is an expert in the audit of internal control systems, to conduct the audit according to the annual internal audit plan, including the critical operating system, considered and approved by the Audit Committee. The committee also assigned a responsible person to follow up on the improvement of deficiencies according to the audit report. The results of the internal audit found that the Company had adequate internal control systems suitable for the nature of the business. The Company has improved work processes in various departments, such as the loan approval process, registration control process, and work procedures of loan service officers. From the audit results, the Company did not find any material deficiencies in the internal control system that may impact on the achievement of the organization's key objectives.

9.1.3 Opinion of the Audit Committee in case it is different from the opinion of the Board of Directors

In 2023, the Company held a total of four Audit Committee meetings. Attendees of the meeting consisted of the Chairman of the Audit Committee, Audit Committee, secretary of the Audit Committee, internal auditors, auditors, and management of the company. Opinions and resolutions of the Audit Committee meeting were presented to the Board of Directors every time. The Chairman of the Audit Committee and all members of the Audit Committee attended every meeting of the Board of Directors. The observations on internal control that have been submitted to the Audit Committee and the Board of Directors for their consideration. However, there were no issues where the Audit Committee's opinions differ from the Board of Director's opinion or the auditor in any way.

Opinions of the Board of Directors on the Company's internal control system

The Company pays attention to a good internal control system and adheres to the principles of good corporate governance. That is to have a system of operations that is transparent, fair, reliable and there is a balance of power that can be verified. This will lead to the best gains for the shareholders, employees, customers, partners and all concerned parties. The Audit Committee has reviewed the adequacy of the Company's internal control system, including reviews to ensure that the Company operates its business in accordance with the rules of the Securities and Exchange Commission, the Stock Exchange of Thailand, Public Company Law, Securities and Exchange Law, or other criteria related to the Company and/or Company business.

In the Board of Directors meeting no. 2/2024 on February 21, 2024, the Board of Directors considered and prepared a form to assess the adequacy of the Company's internal control system based on the assessment of the adequacy of the internal control system of the Securities Commission and Stock Exchange. The meeting agreed that "the Company has an adequate internal control system with sufficient number of personnel to operate according to the system efficiently. There is monitoring and supervising of the operations to ensure that the Company's assets are protected from being misused by directors or executives without proper authorization, including sufficient protection from transactions with persons who may have a conflict of interests or "connected persons." The mentioned internal control system covers all five elements according to the international standards of The Committee of Sponsoring Organizations of the Treadway Commission (COSO) as follows:

1. Control environment

The Company has set clear and measurable business goals including determining the business plan, the annual budget and the key performance indicators (KPI) by considering the reasonable feasibility of the defined goals. There is an organizational structure to support the operations of the Company and it also promotes effective internal control. This is for example, the separation of duties and responsibilities to achieve a check and balance between each other, and supporting the Three Lines of Defense model, consisting of: Group 1. Persons responsible for the operations involving the business and transactions that are the main mission of the Company; Group 2. Persons authorized to oversee and review the authority of persons operating in Group 1, especially before making a decision and during the operations; and Group 3. Persons responsible for internal audits to ensure that the operations are correct, appropriate, adequate, and acceptable. In addition, the Company has established a corporate governance policy, business code of conducts, and code of ethics to be used as a framework for the operations and has been communicated to all employees for their acknowledgment including dissemination to third parties.

2. Risk Assessment

The Company has established a risk management policy to be used as a guideline and framework for the operations of all departments of the Company. The Risk Management Committee has the power and duty to review the risk management report and the operations to assure that the risk management is adequate and appropriate, able to manage risks to an acceptable level and to be carried out on an ongoing basis, including reporting the performance of the Risk Management Committee to the Audit Committee for consideration on a quarterly basis. The Company has also appointed a risk management working group to perform risk management

in accordance with the Company's risk management policy and consider important risks that are consistent with the Company's business such as operation, finance, information technology, legal and regulatory aspects. The working group shall also make suggestions on the preventative measures and ways to reduce risks to be at an acceptable level, as well as monitoring, assessing and improving the operating plan to reduce risks on an ongoing basis to suit the business conditions.

3. Control Activities

The Board of Directors has appointed four sub-committees, consisting of the Audit Committee, Nomination and Remuneration Committee, Risk Management Committee, and the Executive Committee. The four committees performed their duties within the scope and authority assigned to control and supervise the operations of management taking into account the separation of duties and responsibilities in terms of the duties of giving an approval, duties of accounts and information recording, and duties of assets management, which are done in order to have appropriate checks and balances.

The Audit Committee has reviewed and approved an annual audit plan to cover high-risk operational processes. In order to be certain that all operational performances have adequate operational controls in terms of finance, operations and compliance with the laws, rules and regulations, the Company hired an internal audit service provider (Dharmniti Internal Audit Co., Ltd.) to audit, monitor and evaluate the internal control system and assign the internal audit division to follow up on the audit results. The internal auditors report the audit results directly to the Audit Committee, cooperated by the internal audit department, for the Audit Committee to inspect and review the various activities' operating systems, including being able to sufficiently and appropriately supervise transactions with persons who may have a conflict of interest or connected persons. In this regard, the Audit Committee has reviewed important issues detected and reported the results of the corrective actions and measures to prevent possible errors.

In the event of transactions with businesses or persons related to the Company which may create a conflict of interest, the Company requires a transparent approval process where the interest of the Company must be taken into account in the same manner as doing transactions with any other third parties. A monitoring and audit system must be established to ensure that the transactions are done in the correct process.

4. Information and Communication

The Company requires adequate storage for material information for financial reporting. The Company uses accounting policies that are suitable for the nature of the business of the Company and in accordance with the generally accepted accounting principles including the use of Thai Financial Reporting Standards (TFRS) by filing the various accounts supporting documents in a complete manner and separated by category. There have been no reports from the auditors that there was any defect in this matter. Regarding supporting documents for consideration by the Board of Directors, the Company shall deliver proposed information along with factual documents to the Board of Directors to study prior to making the decision 3-7 days in advance. The Company Secretary is the contact person for the Board of Directors to request for any additional information. Furthermore, the Company has established an information system that contains sufficient information for decision making. The Company communicates work-related information, policies, and procedures of the Company for the employee's acknowledgement to ensure that all operations and activities are conducted efficiently.

5. Monitoring Activities

The Company monitors and assess the performance results on an ongoing basis to be confident that the performance achieved is in accordance with the set goals and that the internal control is efficient. The management is required to report the performance results to the Board of Directors meeting every quarter or when an incident occurs. In 2023, there were a total of four Board of Directors meeting held. The Audit Committee is required to conduct a review and provide confidence on the internal control system covering all important systems of the business operation. In addition, it is also assigned to follow up on the improvement of deficiencies according to the audit report. From the audit results, the Company has an adequate internal control system suitable for the nature of the entity and no significant deficiencies or weaknesses in the internal control system were found. There is proper maintenance of assets and complete disclosure of information. Defects in the internal control system have been detected and corrected. These included the improvement for operating procedures of the Credit Approval Support Department, Human Resources Department and Human Resources and Organizational Development Department, which have been corrected.

In conclusion, the Company has implemented management and internal control systems that are sufficient and effective to protect its assets. There is a risk management plan for risks that may occur and has adequate number of personnel to ensure that the Company's internal control system is sufficient and appropriate. The Company is able to improve and tune the internal control system to be in line with the changing situations effectively in order to achieve the Company's objectives in accordance with all applicable laws and regulations and in accordance with good corporate governance principles. For the results of the internal audit in 2023, the Audit Committee made a summary report of the internal control performance, recommendations and remedial results follow-up to the Board of Directors on a regular basis in order to focus on the audit of compliance with relevant rules and regulations and the risk management of the organization to continually be efficient and effective.

There were no issues on the Audit Committee's opinion that were inconsistent or different from the opinion of the Board of Directors or the auditor in any way.

9.1.4 Opinion of the Audit Committee on the person holding the position of Internal Auditor

The Audit Committee has considered the educational qualifications, work experience, and training of the internal auditor and agreed that Miss Wanvimol Jongsureeyapashas has adequate qualifications to audit and assess the Company's internal control system efficiently. Furthermore, Miss Patchira Mingkwan received the Certified Professional Internal Auditor of Thailand (CPIAT) from the Institute of Internal Auditors of Thailand (IIAT) by attending the Internal Audit Training Program to prepare for becoming a Certified Internal Auditor (Pre CIA). She also attended training on international standards for the professional practice of internal auditing, as well as guidelines for internal control of companies preparing for stock exchange listing. She does not have any connections whatsoever to the Company, and therefore she is able to conduct the audit and provide opinions independently and impartially.

In addition, the internal audit department coordinates internal audits with internal audit service providers and performs duties in the internal audit department of the organization. The person must be independent to audit, monitor, and assess the internal control system of the Company prior to hiring a third-party to audit the system. This will allow the Company time to address any problems prior to the audit of an outsourced auditor.

9.1.5 Guidelines on the Appointment, Removal and Transfer of Internal Auditors

The appointment, removal and transfer of internal auditors is under the authority and duty of the Audit Committee to consider as specified in the Audit Committee Charter. The appointment, removal and transfer of internal auditors must take into account the efficiency and effectiveness of the internal audit process, including independence in reviewing and giving opinions to the Audit Committee.

9.2 Related Transactions

9.2.1 A summary of relationship details between individuals and juristic persons that may have a conflict of interest with the Company.

As of 31 December 2023, the Company has significant related transactions with individuals and juristic persons that may have a conflict of interest with the Company as follows:

Person/Juristic person with possible conflict of interest	Nature of business	ลักษณะความสัมพันธ์
Com7 Public Company Limited ("COM7")	Operating a business of selling IT products, mobile phones, accessories, providing repair services, and more.	<ul style="list-style-type: none"> COM7 is a major shareholder of the company. As of December 31, 2023, COM7 held 34.32% of the total issued and sold shares of the company, amounting to 675.00 million baht. There is 1 share-holding director, namely (1) Mr. Sura Khanitaweekul
SYNEX (Thailand) Public Company Limited ("SYNEX")	Operating a business of selling computer technology products, information systems, and various communication devices	<ul style="list-style-type: none"> SYNEX is a major shareholder of the company. As of December 31, 2023, SYNEX held 26.98% of the total issued and sold shares of the company, amounting to 675.00 million baht. There are 2 share-holding directors: (1) Mr. Pruttipang Tayarachkul (2) Miss Sutida Mongkolsuthree.
Service Point Company Limited ("Service Point") (formerly Prism Solutions Company Limited ("PRISM"))	Operating a business in providing services for installing equipment related to network systems, both hardware and software, including providing off-site services, assembly of computers, servers, including providing maintenance services for networks, servers, personal computers, peripherals, and various applications.	<ul style="list-style-type: none"> Service Point has a common major shareholder, SYNEX. As of December 31, 2023, SYNEX held 100% of Service Point's total issued and sold shares, amounting to 115.00 million baht. There is 1 share-holding director, namely (1) Miss Sutida Mongkolsuthree.
T.K.S. Technology Public Company Limited ("TKS")	Operating a business of producing and selling business forms, continuous forms, and office paper.	<ul style="list-style-type: none"> TKS is a major shareholder of SYNEX. As of December 31, 2023, TKS held 38.51% of SYNEX's total issued and sold shares, amounting to 847.36 million baht. There is 1 share-holding director, namely (1) Miss Sutida Mongkolsuthree.

Person/Juristic person with possible conflict of interest	Nature of business	ลักษณะความสัมพันธ์
T.K.S. Siam Press Management Company Limited ("SPM")	Operating a business of providing services for producing counterfeit-free publications and integrated solutions.	<ul style="list-style-type: none"> - TKS Siam Press is a subsidiary of T.K.S. Technology Public Company Limited, holding 100% of the total issued and sold shares of TKS Siam Press, amounting to 560.00 million baht. - There is 1 share-holding director, namely (1) Miss Sutida Mongkolsuthree.
Plus Tech Innovation Public Company Limited ("PTECH") (formerly TBSP Public Company Limited ("TBSP"))	Operating a business of comprehensive card service and payment solutions.	<ul style="list-style-type: none"> - Plus Tech Innovation Public Company Limited ("PTECH") is an associated company of TKS, holding 25.02% of the total issued and sold shares of Plus Tech Innovation Public Company Limited, amounting to 244.87 million baht. - There is 1 share-holding director, namely (1) Miss Sutida Mongkolsuthree.
Thunder FinFin Company Limited ("Thunder FinFin")	Operating a business of telephone distribution and telecommunication devices.	<ul style="list-style-type: none"> - There are 2 share-holding directors: (1) Mr. Sura Khanitaweekul (2) Mrs. Wassana Pongsangluk.
Next Money Company Limited ("Next Money")	Operating a loan business.	<ul style="list-style-type: none"> - Next Money is a subsidiary of the Company, with the Company holding 99.99% of the total issued and sold shares of Next Money, amounting to 50.00 million baht. - There are 3 share-holding directors: (1) Ms. Sutida Mongkolsuthree (2) Mrs. Wassana Pongsangluk (3) Mr. Pruttipang Tayarachkul
iCare Insurance Public Company Limited ("iCare")	Operating a general insurance business.	<ul style="list-style-type: none"> - iCare is a subsidiary of COM7 Holding Company and COM7 Company holding 99.99% of the total number of issued and sold shares of COM7 Holding. As of December 31, 2023, COM7 Holding Company held 86.17% of the total number of issued and sold shares of iCare, amounting to 13,071.36 million baht. - There is 1 share-holding director, namely (1) Mrs. Wassana Pongsangluk.

Summary of details of related party transactions between individuals and juristic persons that may have conflicts of interest with the Company.

Com7 Public Company Limited

Nature of transactions	Transaction value (baht)		Necessity and Rationality	Opinion of the Audit Committee
	2023	2022		
<u>Service fee</u>	641,667	-	The annual fee for using K2 software for information operations for use in normal business operations. The said transaction is based on normal commercial terms and is the same price as with outsiders by comparing prices with 2 or more outsiders and is the market price.	This purchase occurred as a result of the company's need to modernize its information technology operation's equipment. The business of Com7 Public Company Limited is considered to be a normal business partner group of the company. The company has considered selecting vendors by comparing prices with 2 or more third parties and found that the transactions with Com7 Public Company Limited were in accordance with normal trading conditions, with prices comparable to those of external operators and similar payment terms. The Audit Committee is therefore of the opinion that the said transaction occurred as necessary, was reasonable, and included a comparison of prices and trade conditions that did not damage the company's benefit.
<u>Service fee paid in advance</u>	458,333	-		
<u>Purchase of equipment and intangible assets</u>	-	648,877	The purchase of telephones and information technology equipment for normal business operations includes expenses for training employees in information technology to benefit the company in its business operations. The said transaction is based on normal commercial terms and is the same price as with outsiders by comparing prices with 2 or more outsiders and is the market price.	
<u>Other expenses</u>	-	82,967		
<u>Financial cost</u>	-	9,236,032	In 2022, the company borrowed 1.6 billion baht from Com7 Public Company Limited to use as working capital for the company and business expansion with an interest rate of 2.70–3.30 percent per annum. This interest rate is lower than the interest rate for short-term loans from financial institutions, which has a loan interest rate between 2.95–4.00 percent per year and the company repaid the last installment of the loan in June 2022.	The said loan transaction is a transaction that arose from the need for working capital for the company for the purpose of business expansion and has a loan interest rate lower than the interest rate on loans from financial institutions. Therefore, the Audit Committee is of the opinion that the said loan is a normal business transaction for a business that requires working capital, and it has an interest rate that is lower than other financial institutions upon comparison, thus, the transaction is necessary, reasonable, and beneficial to the company. The Audit Committee has considered and is of the opinion that the transactions occurred as necessary for the company's business operations without consideration of compensation between them. Therefore, the said transaction is necessary, reasonable and of the highest benefit to the company.
<u>Loan</u>	-	-		
Opening Balance	-	300,000,000		
Additional loan	-	1,600,000,000		
Amortization	-	(1,900,000,000)		
Remaining balance (as of December 31)	-	-		

SYNEX (Thailand) Public Company Limited

Nature of transactions	Transaction value (baht)		Necessity and Rationality	Opinion of the Audit Committee
	2023	2022		
<u>Service fee</u> <u>Purchase of equipment and intangible assets</u>	8,200 -	- 122,260	<p>The cost of VDO Conference Webex software for use in normal business operations, where such transactions are in accordance with normal commercial terms and is the same price as with outsiders by comparing prices with 2 or more outsiders and is the market price.</p> <p>In 2022, the company required the purchase of computers and information technology equipment to use for normal business operations, which is beneficial for the company and its business. The said transaction is based on normal commercial terms and is the same price as with outsiders by comparing prices with 2 or more outsiders and is the market price.</p>	<p>The purchase of the said item occurred as a result of the company's need to modernize its information technology work equipment. The business operations of SYNEX (Thailand) Public Company Limited are considered a group of normal trading partners of the company and with normal trading conditions. Prices were compared with 2 third parties and it was found that both the prices and payment conditions were similar to those of the third-party operators.</p> <p>The Audit Committee is therefore of the opinion that the said transaction occurred as necessary, was reasonable, and included a comparison of prices and trade conditions that did not damage the company's benefit.</p>
<u>Financial costs</u> <u>Loan</u> Opening Balance Additional loan Amortization Remaining balance (as of December 31)	- - - -	2,237,671 - 500,000,000 (500,000,000) -	<p>In 2022, the company borrowed 500 million baht from SYNEX (Thailand) Public Company Limited to use as working capital for the company and business expansion. The interest rate was 3.30 percent per annum, which was lower than the interest rate on short-term loans from financial institutions, which offered interest rates between 2.95-4.00 percent per annum. The company repaid the loan in full in June 2022.</p>	<p>The said loan transaction is a transaction that arose from the company's working capital needs for business expansion and has an interest rate lower than the interest rate on loans from financial institutions. Therefore, the Audit Committee is of the opinion that the said loan is a normal business transaction for a business that requires working capital and has a lower interest rate when compared with financial institutions, thus, the transaction is necessary, reasonable, and beneficial to the company.</p>
<u>Guarantee of loan</u>	-	-	<p>As of December 31, 2022, the company has no debt obligations guaranteed by SYNEX (Thailand) Public Company Limited because the Company made the last loan repayment on September 9, 2022.</p>	<p>The Audit Committee has considered and is of the opinion that the transactions occurred as necessary for the company's business operations without charges between them, thus, the transaction is necessary, reasonable, and provides a maximum benefit to the company.</p>

T.K.S. Siam Press Management Company Limited

Nature of transactions	Transaction value (baht)		Necessity and Rationality	Opinion of the Audit Committee
	2023	2022		
<u>Service fee</u>	4,423,675	4,149,411	Fees for printing, packing, and sending invoices. T.K.S. Siam Press Management Co., Ltd., has expertise and experience in printing large numbers of documents quickly and at low prices. The said transaction is based on normal commercial conditions, the price is the same as done with third parties by comparing prices with at least 2 third parties and is the market price.	Such procurement transactions occur according to the needs of the company. The business operations of T.K.S. Siam Press Management Co., Ltd., are considered to be a normal trading partner group of the company. The company has considered selecting vendors by comparing prices with 2 or more third parties. From considering the said transaction, it was found that the transaction with T.K.S. Siam Press Management Co., Ltd., has normal trading conditions, with prices comparable to those of outside operators and with similar payment terms.
<u>Service payables (as of December 31)</u>	266,027	295,194		

Plus Tech Innovation Public Company Limited (formerly TBSP Public Company Limited ("TBSP"))

Nature of transactions	Transaction value (baht)		Necessity and Rationality	Opinion of the Audit Committee
	2023	2022		
<u>Service fee</u>	327,500	918,000	The company purchases Next Card for use in normal business operations of the company. Such transactions are based on normal commercial terms and are at market prices.	The purchase of such products occurs according to the needs of the company. The business operations of Plus Tech Innovation Public Company Limited are considered a group of normal business partners of the company. From considering the said transaction, it was found that the transaction with Plus Tech Innovation Public Company Limited had normal trading conditions and was at market prices.

Next Money Company Limited

Nature of transactions	Transaction value (baht)		Necessity and Rationality	Opinion of the Audit Committee
	2023	2022		
<u>Revenue from interest</u>	91,914	-	The contract management fee began on April 1, 2023, and ended on December 31, 2023, in accordance with normal commercial conditions.	The revenue from the service fee represents a management fee for Next Money Company Limited. These transactions are essential for business operations. Upon consideration of this transaction, it was determined that the arrangement with Next Money Co., Ltd., was necessary, reasonable, and highly beneficial to the company.
<u>Revenue from service fee</u>	4,814,659	-		
<u>Service fee debtor</u>	1,280,241	-		

Nature of transactions	Transaction value (baht)		Necessity and Rationality	Opinion of the Audit Committee
	2023	2022		
<u>Loan</u> <u>Opening balance</u> <u>Additional loan</u> <u>Amortization</u> <u>Balance</u>	- 9,000,000 (5,000,000) 4,000,000	- - - -	<p>The Company entered into an agreement with Next Money Co., Ltd., to provide a loan of 500 million baht, of which 9 million baht was disbursed during Q4 for business operations. The interest rate is calculated based on the average loan interest rate that financial institutions charged the company during that period, ranging between 5.12 and 5.48 percent. The company has received repayment of the principal in the amount of 5 million baht. As of December 31, 2023, there remains a loan balance of 4 million baht.</p>	<p>The said loan transaction is a transaction that arose out of necessity, providing financial assistance to the subsidiary for its business operations. The management is confident that the subsidiary will be able to repay the loan. Therefore, the Audit Committee is of the opinion that the loan, calculated at the average interest rate charged by financial institutions to the company, is both reasonable and beneficial to the company, supporting the subsidiary's operations.</p>

iCare Insurance Public Company Limited

Nature of transactions	Transaction value (baht)		Necessity and Rationality	Opinion of the Audit Committee
	2023	2022		
<u>Revenue from service fee</u> <u>Service fee debtors</u> <u>Other creditors</u> <u>Financial costs</u>	38,026,224 14,881,746 26,928,293 204,932	- - - -	<p>Insurance processing service fee, the service contract started on July 1, 2023, and ends on July 1, 2024, in which the said transaction is in accordance with normal commercial conditions. Other creditors refer to insurance premium received from customers that are not yet due for payment.</p>	<p>Revenue from insurance processing service fee for iCare Insurance Public Company Limited, which occurred as necessary for business operations. After considering the said transaction, it was found that the transaction with iCare Insurance Public Company Limited had normal commercial conditions, occurred as necessary, was reasonable, and was of the highest benefit to the company.</p>
<u>Debtenture</u> <u>Opening balance</u> <u>Additional loan</u> <u>Amortization</u> <u>Balance</u> <u>Accrued interest</u>	- 10,000,000 - 10,000,000 66,301	- - - - -	<p>iCare Insurance Public Company Limited purchased 10,000 shares of the company's debentures at a price of 1,000 baht per share, with an interest rate of 5.50 percent, payable every 3 months. The debentures have a maturity of 2 years, with an expiration date of August 18, 2025. The transaction is subject to the same conditions as offering bonds to institutional investors and/or other large investors.</p>	<p>The said debtenture transaction arose from the Company's need for working capital to facilitate business expansion. Therefore, the Audit Committee considers the issuance of these debentures a routine business transaction necessitating the utilization of working capital. As such, the transaction is deemed necessary, reasonable, and beneficial to the company.</p>

03



FINANCIAL STATEMENTS

- Independent Auditor's Report
- Financial Statements

Independent Auditor's Report

To the Shareholders and the Board of Directors of Next Capital 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 Next Capital 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 (TFRSs).

What I have audited

The consolidated financial statements and the 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 the 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. I determine one key audit matter: Allowance for expected credit losses on hire-purchase receivables. The matter was addressed in the context of my audit of the consolidated and separate financial statements as a whole, and informing my opinion thereon, and I do not provide a separate opinion on the matter.

Key audit matter	How my audit addressed the key audit matter
<p><i>Allowance for expected credit losses on hire-purchase receivables</i></p> <p>Refer to Notes to the financial statements which are Note 7: Critical accounting estimates, assumptions and judgments, Note 10: Hire-purchase receivables and Note 12: Allowance for expected credit losses.</p> <p>As at 31 December 2023, hire-purchase receivable and allowance for expected credit loss amounts contributed 96% and 4% of the total assets in the consolidated financial statements, and 97% and 4% of the total assets in the separate financial statements, respectively.</p> <p>I focused on this matter because allowance for expected credit losses is an accounting estimate with significant amount to the financial statements, and the requirements under Thai Financial Reporting Standard No. 9 - Financial Instruments related to impairment require the use of complex models, historical data adjusted by current observable data, and forward-looking information, including significant management's judgments and assumptions as follows:</p> <ul style="list-style-type: none"> • Staging conditions and criteria; • Expected lifetime; • Expected future cash flows; • Forward-looking macroeconomic information, and weighting; and • Management overlay 	<p>I evaluated management's judgments in estimating the allowance for expected credit losses on hire-purchase receivables by inquiries with management about the method used and the assumptions made, and I obtained an understanding of management's process and basis in calculating the allowance for expected credit losses on hire-purchase receivables.</p> <p>I evaluated the appropriateness of the collective approach model calculation whether it is in accordance with Thai Financial Reporting Standard No. 9 by selecting samples and testing the operating effectiveness of related controls as follows:</p> <ul style="list-style-type: none"> • Development, testing, and approval of the model; • Completeness and accuracy of critical input data; • Completeness and accuracy of data transfers from the source system for the calculation in the model, and recording transactions from the model to the general ledger; <p>In addition, I also performed additional procedures as follows:</p> <ul style="list-style-type: none"> • Performed understanding of significant assumptions used in the model and weighting of future economic factors for forward-looking, challenged management, considered the reasonableness of the significant assumptions and assessed the correlation of economics factors based on the results of the model consultant • Tested the accuracy and appropriateness of the staging • Assessed and tested the reasonableness of overlay applied by management by considering the reasonableness of management's judgments and the accuracy of staging • Tested the accuracy of the calculation of the allowance for expected credit losses in the model and reconciled to the general ledger <p>Based on the above procedures, models and assumptions used in the estimation of the allowance of expected credit losses on hire-purchase receivables are appropriate according to 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 directors 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 TFRSs, 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 has 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 judgement 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's 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.

Sakuna Yamsakul

Certified Public Accountant (Thailand) No. 4906

Bangkok

21 February 2024



STATEMENTS OF FINANCIAL POSITION

Next Capital Public Company Limited

As at 31 December 2023

	Notes	Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022
		Baht	Baht	Baht	Baht
Assets					
Current assets					
Cash and cash equivalents	9	340,687,968	525,641,550	339,603,869	475,899,440
Current portion of hire-purchase receivables, net	10	3,822,459,216	3,122,003,753	3,822,459,216	3,122,003,753
Current portion of loan receivables, net	11	9,462,573	-	-	-
Short-term loan to related party		-	-	4,000,000	-
Other receivables	13	39,035,155	58,433,765	40,315,393	58,433,765
Foreclosed assets, net	15	45,968,823	60,310,883	45,968,823	60,310,883
Other current assets	16	200,173,868	177,436,333	200,122,023	177,435,478
Total current assets		4,457,787,603	3,943,826,284	4,452,469,324	3,894,083,319
Non-current assets					
Investment in subsidiary	17	-	-	49,999,800	40,000,000
Hire-purchase receivables, net	10	5,462,961,194	4,305,566,365	5,462,961,194	4,305,566,365
Loan receivables, net	11	37,642,594	-	-	-
Building improvements and equipment		6,554,330	9,731,498	6,462,733	9,731,498
Right-of-use assets	18	69,905,258	42,438,631	69,905,258	42,438,631
Intangible assets	19	35,612,201	29,825,903	35,461,347	29,797,903
Deferred taxes assets	20	4,955,682	24,982,116	4,955,682	24,982,116
Other non-current assets		3,290,420	3,357,600	3,280,420	3,357,600
Total non-current assets		5,620,921,679	4,415,902,113	5,633,026,434	4,455,874,113
Total assets		10,078,709,282	8,359,728,397	10,085,495,758	8,349,957,432

Director _____
(Mr. Pruttipang Tayarachkul)

Director _____
(Mrs. Wassana Pongsangluk)

The accompanying notes are an integral part of this financial statement.



STATEMENTS OF FINANCIAL POSITION (CONT'D)

Next Capital Public Company Limited

As at 31 December 2023

	Notes	Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022
		Baht	Baht	Baht	Baht
Liabilities and equity					
Current liabilities					
Trade and other payables	21	262,556,854	262,239,887	261,820,980	262,086,117
Current portion of long-term borrowings					
from financial institutions	22	2,266,281,711	1,742,333,333	2,266,281,711	1,742,333,333
Current portion of derivative liabilities	5.1 a)	5,993,722	10,030,171	5,993,722	10,030,171
Income tax payable		33,445,072	3,705,790	33,445,072	3,705,790
Current portion of lease liabilities	18	17,752,473	15,063,137	17,752,473	15,063,137
Other current liabilities		9,335,591	8,093,517	9,294,355	8,093,517
Total current liabilities		2,595,365,423	2,041,465,835	2,594,588,313	2,041,312,065
Non-current liabilities					
Long-term borrowings from financial institutions	22	2,484,929,549	2,042,763,889	2,484,929,549	2,042,763,889
Debentures	23	452,363,312	-	452,363,312	-
Lease liabilities	18	50,919,846	27,307,542	50,919,846	27,307,542
Derivatives liabilities	5.1 a)	9,843,313	4,712,737	9,843,313	4,712,737
Employee benefit obligations	24	13,941,066	10,699,195	13,917,789	10,699,195
Provision for decommissioning costs		4,840,000	2,502,000	4,840,000	2,502,000
Total non-current liabilities		3,016,837,086	2,087,985,363	3,016,813,809	2,087,985,363
Total liabilities		5,612,202,509	4,129,451,198	5,611,402,122	4,129,297,428

The accompanying notes are an integral part of this financial statement.



STATEMENTS OF FINANCIAL POSITION (CONT'D)

Next Capital Public Company Limited

As at 31 December 2023

	Notes	Consolidated		Separate	
		financial statements		financial statements	
		2023	2022	2023	2022
		Baht	Baht	Baht	Baht
Liabilities and equity (Cont'd)					
Equity					
Share capital					
Authorised share capital					
Ordinary shares 1,613,000,000 shares					
at par value of Baht 0.50 each	25	806,500,000	806,500,000	806,500,000	806,500,000
Issued and paid-up share capital					
Ordinary shares 1,350,000,052 shares					
(2022: 1,350,000,000 shares)					
paid-up at Baht 0.50 each	25	675,000,026	675,000,000	675,000,026	675,000,000
Share premium	25	2,466,584,698	2,351,384,499	2,466,584,698	2,351,384,499
Warrants	25	-	115,199,861	-	115,199,861
Other reserve - share-based payment		767,001	14,559,416	767,001	14,559,416
Retained earnings					
Appropriated					
Legal reserve	27	68,508,734	55,157,011	68,508,734	55,157,011
Unappropriated		1,268,401,609	1,020,847,301	1,275,902,805	1,021,153,544
Other components of equity		(12,755,466)	(11,794,327)	(12,669,628)	(11,794,327)
Equity attributable to owners of the parent		4,466,506,602	4,220,353,761	4,474,093,636	4,220,660,004
Non-controlling interests		171	9,923,438	-	-
Total equity		4,466,506,773	4,230,277,199	4,474,093,636	4,220,660,004
Total liabilities and equity		10,078,709,282	8,359,728,397	10,085,495,758	8,349,957,432

The accompanying notes are an integral part of this financial statement.



STATEMENTS OF COMPREHENSIVE INCOME

Next Capital Public Company Limited

For the year ended 31 December 2023

	Notes	Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022
		Baht	Baht	Baht	Baht
Revenue					
Interest income from hire-purchase		1,540,627,729	1,510,825,246	1,540,627,729	1,510,825,246
Interest income from loans		2,543,819	-	-	-
Fee and service income		237,486,763	180,108,946	237,326,465	180,108,946
Other income	28	202,770,700	230,922,000	207,661,088	230,836,532
Total revenue		1,983,429,011	1,921,856,192	1,985,615,282	1,921,770,724
Expenses					
Selling and administrative expenses	29	691,928,933	670,802,177	687,179,877	670,398,848
Expected credit loss		736,796,364	875,033,892	736,527,433	875,033,892
Loss on disposals of foreclosed assets		14,598,241	7,838,385	14,598,241	7,838,385
Finance costs	30	216,265,776	158,490,131	216,265,776	158,490,131
Total expenses		1,659,589,314	1,712,164,585	1,654,571,327	1,711,761,256
Profit before income tax expense		323,839,697	209,691,607	331,043,955	210,009,468
Income tax expense	31	(64,009,493)	(44,869,253)	(64,009,493)	(44,869,253)
Profit for the year		259,830,204	164,822,354	267,034,462	165,140,215

The accompanying notes are an integral part of this financial statement.



STATEMENTS OF COMPREHENSIVE INCOME (CONT'D)

Next Capital Public Company Limited

For the year ended 31 December 2023

	Notes	Consolidated financial statements		Separate financial statements	
		2023 Baht	2022 Baht	2023 Baht	2022 Baht
Other comprehensive income:					
<i>Items that will not be reclassified to profit or loss</i>					
Remeasurements of post-employment benefit obligations	32	1,333,152	1,755,787	1,333,152	1,755,787
Income tax on item that will not be reclassified to profit or loss	31	(266,630)	(351,157)	(266,630)	(351,157)
Total items that will not be reclassified to profit or loss		1,066,522	1,404,630	1,066,522	1,404,630
<i>Items that may be reclassified subsequently to profit or loss</i>					
Gains on cash flow hedges	32	(1,094,127)	26,547,230	(1,094,127)	26,547,230
Income tax relating to items that will be reclassified to profit or loss	31	218,826	(5,309,446)	218,826	(5,309,446)
Total items that may be reclassified to profit or loss		(875,301)	21,237,784	(875,301)	21,237,784
Other comprehensive income for the year, net of tax		191,221	22,642,414	191,221	22,642,414
Total comprehensive income for the year		260,021,425	187,464,768	267,225,683	187,782,629
Profit (loss) attributable to:					
Owners of the Company		259,839,509	164,885,927	267,034,462	165,140,215
Non-controlling interests		(9,305)	(63,573)	-	-
		259,830,204	164,822,354	267,034,462	165,140,215
Total comprehensive income (expense) attributable to:					
Owners of the parent		260,030,730	187,528,341	267,225,683	187,782,629
Non-controlling interests		(9,305)	(63,573)	-	-
		260,021,425	187,464,768	267,225,683	187,782,629
Earnings per share					
Basic earnings per share (Baht per share)	33	0.19	0.14	0.20	0.14

The accompanying notes are an integral part of this financial statement.



STATEMENTS OF CHANGES IN EQUITY

Next Capital Public Company Limited
For the year ended 31 December 2023

Consolidated financial statements													
Attributable to owners of the Company													
Notes	Issued and paid-up share capital	Premium on paid-up capital	Warrants	Other reserves		Retained earnings		Other component of equity				Total owners of the Company	Total
				- share-based payment	Appropriated legal reserve	Unappropriated retained earnings	Cash flow hedges	ownership interests in subsidiary	Deficit from changes in	Total other component of equity	Non-controlling interests		
	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht
Operating balance at 1 January 2022	450,000,000	666,980,000	-	4,626,358	46,900,000	862,813,755	(33,032,111)	-	(33,032,111)	1,998,288,002	9,987,011	2,008,275,013	
Ordinary shares issued	25	225,000,000	1,684,404,499	-	-	-	-	-	-	1,909,404,499	-	1,909,404,499	
Warrants issued	25	-	-	-	-	-	-	-	-	115,199,861	-	115,199,861	
Total comprehensive income (expense) for the year		-	-	-	-	166,290,557	21,237,784	-	21,237,784	187,528,341	(63,573)	187,464,768	
Share-based payment	26	-	-	9,933,058	-	-	-	-	-	9,933,058	-	9,933,058	
Distribution to legal reserve	27	-	-	-	8,257,011	(8,257,011)	-	-	-	-	-	-	
Closing balance at 31 December 2022	675,000,000	2,351,384,499	115,199,861	14,559,416	55,157,011	1,020,847,301	(11,794,327)	-	(11,794,327)	4,220,353,761	9,923,438	4,230,277,199	
Operating balance at 1 January 2023	675,000,000	2,351,384,499	115,199,861	14,559,416	55,157,011	1,020,847,301	(11,794,327)	-	(11,794,327)	4,220,353,761	9,923,438	4,230,277,199	
Exercise of warrants	25	26	364	-	-	-	-	-	-	364	-	364	
Reversal of expired warrants	25	-	115,199,835	-	-	-	-	-	-	-	-	-	
Total comprehensive income (expense) for the year		-	-	-	-	260,906,031	(875,301)	-	(875,301)	260,030,730	(9,305)	260,021,425	
Changes in non-controlling interests due to changes in investment in subsidiary	17	-	-	-	-	-	-	(85,838)	(85,838)	(85,838)	(9,913,962)	(9,999,800)	
Share-based payment	26	-	-	(13,792,415)	-	-	-	-	-	(13,792,415)	-	(13,792,415)	
Distribution to legal reserve	27	-	-	-	13,351,723	(13,351,723)	-	-	-	-	-	-	
Closing balance at 31 December 2023	675,000,026	2,466,584,698	-	767,001	68,508,734	1,268,401,609	(12,669,628)	(85,838)	(12,755,466)	4,466,506,602	171	4,466,506,773	

The accompanying notes are an integral part of this financial statement.



STATEMENTS OF CHANGES IN EQUITY (CONT'D)

Next Capital Public Company Limited
For the year ended 31 December 2023

	Notes	Separate financial statements							
		Issued and paid-up share capital	Premium on paid-up capital	Warrants	Other reserves - share-based payment	Retained earnings		Other component of equity - cash flow hedges	Total Baht
		Baht	Baht	Baht	Baht	Appropriated legal reserve	Unappropriated retained earnings		
Opening balance at 1 January 2022		450,000,000	666,980,000	-	4,626,358	46,900,000	862,865,710	(33,032,111)	1,998,339,957
Ordinary shares issued	25	225,000,000	1,684,404,499	-	-	-	-	-	1,909,404,499
Warrants issued	25	-	-	115,199,861	-	-	-	-	115,199,861
Total comprehensive income for the year		-	-	-	-	-	166,544,845	21,237,784	187,782,629
Share-based payment		-	-	-	9,933,058	-	-	-	9,933,058
Distribution to legal reserve	27	-	-	-	-	8,257,011	(8,257,011)	-	-
Closing balance at 31 December 2022		675,000,000	2,351,384,499	115,199,861	14,559,416	55,157,011	1,021,153,544	(11,794,327)	4,220,660,004
Opening balance at 1 January 2023		675,000,000	2,351,384,499	115,199,861	14,559,416	55,157,011	1,021,153,544	(11,794,327)	4,220,660,004
Exercise of warrants	25	26	364	(26)	-	-	-	-	364
Reversal of expired warrants	25	-	115,199,835	(115,199,835)	-	-	-	-	-
Total comprehensive income (expense) for the year		-	-	-	-	-	268,100,984	(875,301)	267,225,683
Share-based payment	26	-	-	-	(13,792,415)	-	-	-	(13,792,415)
Distribution to legal reserve	27	-	-	-	-	13,351,723	(13,351,723)	-	-
Closing balance at 31 December 2023		675,000,026	2,466,584,898	-	767,001	68,508,734	1,275,902,805	(12,669,628)	4,474,093,636

The accompanying notes are an integral part of this financial statement.



STATEMENTS OF CASH FLOWS

Next Capital Public Company Limited

For the year ended 31 December 2023

	Notes	Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022
		Baht	Baht	Baht	Baht
Cash flows from operating activities					
Profit before income tax expense		323,839,697	209,691,607	331,043,955	210,009,468
Adjustments for:					
Depreciation and amortisation	29	33,097,401	28,719,725	33,056,862	28,719,725
Expected credit loss		736,796,364	875,033,892	736,527,433	875,033,892
Losses on diminution in value of foreclosed assets		1,127,794	-	1,127,794	-
Losses on disposals and write-off of equipment		95,331	82,984	95,331	82,984
Losses on write-off of intangible assets		5,789	7,303,366	5,789	7,303,366
Losses (profits) on lease modifications		(42,717)	34,204	(42,717)	34,204
Employee benefit expense		4,951,919	4,240,202	4,928,642	4,240,202
Share-based payment expense (reversal)	26	(13,792,415)	9,933,058	(13,792,415)	9,933,058
Interest income from hire-purchase		(1,540,627,729)	(1,510,825,246)	(1,540,627,729)	(1,510,825,246)
Interest income from loan		(2,543,819)	-	-	-
Finance costs	30	216,265,776	158,490,131	216,265,776	158,490,131
Loss from operating activities before changes in working capital		(240,826,609)	(217,296,077)	(231,411,279)	(216,978,216)
Changes in working capital:					
Hire-purchase receivables		(3,505,334,142)	(3,606,740,204)	(3,505,334,142)	(3,606,740,204)
Loan receivables		(46,968,471)	-	-	-
Foreclosed assets		476,017,746	443,736,135	476,017,746	443,736,135
Other receivables		24,709,918	(3,206,760)	23,429,680	(3,183,146)
Other current assets		(31,666,859)	(83,698,416)	(31,620,039)	(83,697,893)
Other non-current assets		67,180	(326,840)	77,180	(326,840)
Trade and other payables		(2,441,870)	(120,853,018)	(3,023,974)	(120,926,788)
Other current liabilities		1,242,074	670,371	1,200,838	670,761
Employee benefit obligations		(376,896)	(1,655,850)	(376,896)	(1,655,850)
Cash used in operating activities		(3,325,577,929)	(3,589,370,659)	(3,271,040,886)	(3,589,102,041)
Interest received		1,985,607,550	1,802,851,407	1,983,469,358	1,802,851,407
Interest paid		(210,951,376)	(155,362,934)	(210,951,376)	(155,362,934)
Income tax paid		(14,295,750)	(83,394,044)	(14,291,580)	(83,394,044)
Net cash from operating activities		(1,565,217,505)	(2,025,276,230)	(1,512,814,484)	(2,025,007,612)

The accompanying notes are an integral part of this financial statement.



STATEMENTS OF CASH FLOWS (CONT'D)

Next Capital Public Company Limited

For the year ended 31 December 2023

	Notes	Consolidated financial statements		Separate financial statements	
		2023	2022	2023	2022
		Baht	Baht	Baht	Baht
Cash flows from investing activities					
Proceeds from disposals of equipment		58,728	3,981	58,728	3,981
Payments for purchases of equipment		(2,864,395)	(5,484,725)	(2,742,415)	(5,484,725)
Payments for purchases of intangible assets		(10,747,753)	(7,073,460)	(10,614,743)	(7,045,460)
Payments for acquisition of subsidiary	17	-	-	(9,999,800)	-
Net cash in investing activities		(13,553,420)	(12,554,204)	(23,298,230)	(12,526,204)
Cash flows from financing activities					
Proceeds from short-term loan to related party		-	-	5,000,000	-
Payments for short-term loan to related party		-	-	(9,000,000)	-
Proceeds from short-term borrowings from from related companies		-	700,000,000	-	700,000,000
Payments for short-term borrowings from from related companies		-	(1,000,000,000)	-	(1,000,000,000)
Proceeds from short-term borrowing from financial institutions		1,410,000,000	910,000,000	1,410,000,000	910,000,000
Payments for short-term borrowings from financial institutions		(1,410,000,000)	(1,395,000,000)	(1,410,000,000)	(1,395,000,000)
Proceeds from long-term borrowing from financial institutions	22	3,000,000,000	2,280,000,000	3,000,000,000	2,280,000,000
Payments for long-term borrowings from financial institutions	22	(2,030,333,333)	(1,012,958,334)	(2,030,333,333)	(1,012,958,334)
Proceeds from issuance of debentures	23	455,500,000	-	455,500,000	-
Payment for principal elements of lease payments		(21,349,888)	(18,112,790)	(21,349,888)	(18,112,790)
Proceeds from issuance of ordinary shares	25	364	2,025,000,000	364	2,025,000,000
Payment for share issuance cost		-	(494,550)	-	(494,550)
Payments for non-controlling interests in subsidiary	17	(9,999,800)	-	-	-
Net cash from financing activities		1,393,817,343	2,488,434,326	1,399,817,143	2,488,434,326
Net change in cash and cash equivalents		(184,953,582)	450,603,892	(136,295,571)	450,900,510
Cash and cash equivalents at the beginning of the year		525,641,550	75,037,658	475,899,440	24,998,930
Cash and cash equivalents at the end of the year	9	340,687,968	525,641,550	339,603,869	475,899,440
Outstanding balances of non-cash transactions					
Payables from purchases of equipment		-	53,227	-	53,227
Payables from purchases of intangible assets		103,740	361,900	103,740	361,900
Acquisition of right-of-use assets	18	9,666,363	12,411,836	9,666,363	12,411,836

The accompanying notes are an integral part of this financial statement.



NOTES TO THE FINANCIAL STATEMENTS

Next Capital Public Company Limited

For the year ended 31 December 2023

1 General information

Next Capital Public Company Limited ("the Company") is a public limited company and is a listed company in the Stock Exchange of Thailand (SET), which is incorporated and domiciled in Thailand. The address of the Company's registered office is as follows:

163 Thai Samut Building, 15th Floor, Surawong Road, Suriya Wong, Bang Rak, Bangkok 10500.

The Company and its subsidiary ("the Group") are principally engaged in the financial services specifically motorcycle and used truck hire-purchase and loans secured against vehicle registrations. The subsidiary acquired a business license from the Bank of Thailand on 8 September 2022.

As at 31 December 2023, the Company has 19 branches (2022: 27 branches).

These consolidated and separate financial statements are authorised for issue by the Board of Directors on 21 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 except derivative liabilities measured at fair value.

The preparation of financial statements in conformity with TFRS requires management to use certain critical accounting estimates and to exercise its judgement in applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, and areas that are more likely to be materially adjusted due to changes in estimates and assumptions are disclosed in Note 7.

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 Amended financial reporting standards

Amended financial reporting standards that are effective for the accounting period beginning on or after 1 January 2024 and relevant to the Group.

a) Amendment to TAS 1 - Presentation of financial statements

Revision to 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

Revision 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

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.

The amended TFRSs are not mandatory for the current reporting period and the Group has not early adopted them, which management is currently assessing impacts from the standards.

4 Accounting policies

4.1 Principles of consolidation accounting

a) Subsidiary

Subsidiary is all entity 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. Subsidiary is consolidated from the date on which control is transferred to the Group until the date that control ceases.

In the separate financial statements, investment in subsidiary is 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.

When the Group loses 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.

4.2 Cash and cash equivalents

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.

4.3 Financial assets

a) Classification

The Group classifies its debt instrument financial assets in the following measurement categories depending on business model for managing the asset and 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.

b) Recognition and derecognition

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

c) Measurement

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

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

d) Debt instruments

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

- **Amortised cost:** Financial assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in interest income from hire-purchase and other 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.
- **FVOCI:** Financial assets that are held for i) collection of contractual cash flows; and ii) for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through other comprehensive income (OCI), except for the recognition of impairment gains or losses, interest income using the effective interest method, and foreign exchange gains and losses which are recognised in profit or loss. When the financial assets is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income is included in other income. Impairment expenses are presented separately in the statement of comprehensive income.
- **FVPL:** Financial assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in profit or loss and presented net within other gains/(losses) in the period in which it arises.

e) **Impairment**

The Group estimates expected credit loss on a forward looking basis for its financial assets classified as amortised cost and debt instrument carried at FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

The Group applies general approach in measuring the impairment of those financial assets. 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 loss (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 loss, the Group reflects the following:

- probability-weighted estimated uncollectible amounts
- time value of money
- supportable and reasonable information as of the reporting date about past experience, current conditions and forecasts of future situations.

Impairment and reversal of impairment losses are recognised in profit or loss as a separate line item.

f) **Interest income recognition**

The Group recognises interest income using the effective interest rate. By this calculation, the effective interest rate is applied to the book value of financial assets, except for financial assets that are not purchased or originated credit-impaired but later became a credit-impaired which the Group applies the effective interest rate to the amortised cost after deducting allowance for expected credit loss of the financial assets for the subsequent reporting periods.

g) **Offsetting**

Financial assets and financial liabilities will be offsetting one another and will be presented as the net amount in the statement of financial position only when the Group has legal rights to offset the amount to recognise and the Group has intention to settle with net amount or has intention to recognise both assets and liabilities together. In some situation, although the Group has an agreement to offset, if the management does not have an intention to settle both assets and liabilities together, the financial assets and financial liabilities will be presented as gross balance in the statement of financial position.

4.4 **Hire-purchase receivables**

Hire-purchase receivables are initially recognised at the contract value and subsequently measured at net realisable value at the amount of receivables under the contract less deferred interest income, plus deferred commission and deducted by allowance for expected credit loss.

Commission expense, which is the initial direct costs incurred together with the hire-purchase contracts, is deferred and amortised as expenses over the period of the hire-purchase contract in proportion to the recognition of interest income in each period of the contract. In the event that the contract is terminated before the due date of the contract, the remaining deferred commission will be recognised as expense in full amount, and the remaining deferred interest income before a deduction of discount from early termination will be recognized as fee and service income.

Subsequent recoveries of amounts previously written off are recognised in other income.

4.5 Loan receivables

Loan receivables are initially recognised at an amount equal to the fair value of loan receivables at the date of the transactions, and subsequently measured at net realisable value at the amount of receivables under the contract, plus accrued interest, accrued fees and deferred commission, and deducted by allowance for expected credit loss.

Subsequent recoveries of amounts previously written off are recognised in other income.

4.6 Foreclosed assets

Foreclosed assets are properties seized from default receivables. They are initially recognised at the lower of cost or net realisable value, and subsequently recognised the allowance for diminution in value at the rate determined by the Group based on expected selling price net of cost of selling the properties at the end of the reporting period.

Gains or losses from disposals of foreclosed assets are recognised in profit or loss when a sale is made. Losses on impairment are recognised as expenses in profit or loss.

4.7 Building improvements and equipment

All building improvements 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. The carrying amount of the replaced part is derecognised.

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

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

Building improvements	2-5 years
Fixture and equipment	5 years
Computers	3 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, by the Group 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 other gains or losses.

4.8 Intangible assets

Acquired intangible assets

Separately acquired intangible assets such as computer software and golf membership right is measured at historical cost.

The assets with limited life are subsequently carried and cost less accumulated amortisation and impairment losses. The amortisation is calculated using the straight-line method over their estimated useful lives, as follows:

Computer software	5 - 10 years
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Cost associated with maintaining computer software are recognised as an expense as incurred.

4.9 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.

4.10 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.

Contracts may contain both lease and non-lease components. The Group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. However, for leases of real estate for which the Group is a lessee, it has elected not to separate lease and non-lease components and instead accounts for these as a single lease component.

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
- 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 office equipment.

Leases - where the Group is the lessor

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

4.11 Financial liabilities

a) Classification

Financial instruments issued by the Group are classified as either financial liabilities or equity 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.

4.12 Current and deferred income taxes

The tax expense for the year 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 year 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.

4.13 Employee benefits

Short-term employee benefits

Liabilities for short-term employee benefits such as salaries, paid annual leave and paid sick leave, bonuses, and medical care 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.

Defined contribution plan

The Group pays contributions to a separate fund on a contractual 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.

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 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 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.

4.14 Share-based payment

Employee options

The Group receives services from employees as consideration for equity instruments (options) of the Group. The fair value of the options is recognised as an expense over the vesting period, with a corresponding increase in equity. The fair value of the options is determined by:

- including any market performance conditions (e.g. the entity's share price);
- including the impact of any non-vesting conditions (for example, the requirement for employees to save or holdings shares for a specific period of time); and
- excluding the impact of any service and non-market performance vesting conditions (e.g. profitability, sales growth targets and remaining an employee of the entity over a specified time period).

Non-market performance and service conditions are included in assumptions about the number of options that are expected to vest.

At the end of each reporting period, the Group reviews the number of options that are expected to vest. It recognises the impact of the revision, if any, in profit or loss with a corresponding adjustment to equity.

When the options are exercised, the Group issues new shares. The proceeds received net of any directly attributable transaction costs are credited to share capital and share premium.

The option granted by the Group to the employees of subsidiary is treated as a capital contribution.

4.15 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.

4.16 Share capital

Ordinary shares are classified as equity.

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

4.17 Revenue and expense recognition

a) Interest income from hire-purchase and loans

The interest recognition will be changed to recognise based on the effective interest rate as mentioned in Note 4.3 f).

b) Fee and service income

Fee and service income consists of income from vehicle registration services and income from vehicle insurance services, which are recognised at a point in time when the performance obligation is satisfied and it is probable to collect the consideration.

c) Other income

Other income consists of penalty on late instalments, bad debt returns and other income, which are recognised at a point in time when the performance obligation is satisfied and it is probable to collect the consideration.

d) Expenses

Expenses are recognised on accrual basis.

4.18 Dividend distribution

Dividend distributed to the Group'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.

4.19 Hedge accounting

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at the end of each reporting period. The Group designates certain derivatives as:

- hedges of a particular risk associated with the cash flows of recognised assets and liabilities and highly probable forecast transactions (cash flow hedges)

At inception of the hedge relationship, the Group documents the economic relationship between hedging instruments and hedged items including whether changes in the cash flows of the hedging instruments are expected to offset changes in the cash flows of hedged items and its risk management objective and strategy for undertaking its hedge transactions.

The full fair value of a hedging derivative is classified as a current or non-current asset or liability following the maturity of related hedged item.

The fair values of derivative financial instruments designated in hedge relationships and movements in the hedging reserve in shareholders' equity are shown in Note 5.1 a).

Hedge effectiveness

Hedge effectiveness is determined at the inception of the hedge relationship, and through periodic prospective effectiveness assessments, to ensure that an economic relationship exists between the hedged item and hedging instrument.

The Group enters into hedge relationships where the critical terms of the hedging instrument match exactly with the terms of the hedged item. The Group therefore performs a qualitative assessment of effectiveness. If changes in circumstances affect the terms of the hedged item such that the critical terms no longer match exactly with the critical terms of the hedging instrument, the Group uses the hypothetical derivative method to assess effectiveness.

The Group enters into interest rate swaps that have similar critical terms as the hedged item, such as reference rate, reset dates, payment dates, maturities and notional amount. The Group does not hedge all of its borrowings, therefore the hedged item is identified as a proportion of the outstanding loans up to the notional amount of the swaps. As all critical terms matched during the year, there is an economic relationship.

Hedge ineffectiveness for interest rate swaps is assessed using the principles as follows;

- the credit value/debit value adjustment on the interest rate swaps which is not matched by the loan, and
- differences in critical terms between the interest rate swaps and loans.

Cash flow hedges that qualify for hedge accounting

The effective portion of changes in the fair value of derivatives that are designated and qualified as cash flow hedges is recognised in the cash flow hedge reserve within equity. Gains or losses relating to the ineffective portion is recognised immediately in profit or loss within other gains or losses.

The Group uses interest rate swaps to hedge cash flow risk as the hedging instrument. Gains or losses relating to the effective portion of the change in fair value of the interest rate swap contract are recognised in the cash flow hedge reserve within equity.

Amounts accumulated in equity are reclassified in the periods when the hedged item affects profit or loss, as follows:

- The gain or loss relating to the effective portion of the interest rate swaps hedging variable rates borrowings is recognised in profit or loss within finance costs at the same time as the interest expense on the hedged borrowings.

5 Financial risk management

The group's exposure to financial risks and how these risks could affect the future financial performance are as follows:

Risk	Exposure arising from	Measurement	Management
Market risk - interest rate	Long-term borrowings at variable rates	Sensitivity analysis	Interest rate swaps
Credit risk	Cash and cash equivalents, hire-purchase receivables, loan receivables and other receivables	Aging analysis and credit ratings	Diversification of bank deposits and holding security in the form of assets under hire-purchase contracts and registration loan contracts, which can be called upon if the counterparty is in default under the terms of the agreement, and has a policy for some credit applicants to place a down payment deducted from the collateral value for credit consideration
Liquidity risk	Borrowings and other liabilities	Cash flow forecasts	Availability of committed credit lines and borrowing facilities

5.1 Market risk

a) Cash flow and fair value interest rate risk

The Group's main interest rate risk arises from long-term borrowings with variable rates, which expose the Group to cash flow interest rate risk. The Group uses floating-to-fixed interest rate swaps. Generally, the Group enters into long-term borrowings at floating rates and swaps them into fixed rates that are lower than those available if the Group borrows at fixed rates directly. The Group's borrowings at variable rate are denominated in Baht.

The exposure of the Group's borrowings to interest rate changes and the contractual re-pricing rate of the borrowings at the end of the reporting period are as follows:

	Consolidated and separate financial statements			
	2023		2022	
	Baht	% of borrowings	Baht	% of borrowings
Variable rate borrowings	4,676,211,260	98.42%	3,543,430,555	93.62%
Fixed rate borrowings				
- repricing or maturity dates:				
Less than 1 year	75,000,000	1.58%	166,666,667	4.40%
1 - 5 years	-	-	75,000,000	1.98%
Total	4,751,211,260	100%	3,785,097,222	100.00%

The percentage of total loans shows the proportion of loans that are currently at variable rates in relation to the total amount of borrowings. An analysis by maturities is provided in note 5.3 b).

The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance. The Group therefore uses derivatives to hedge certain risks that will occur.

Where all relevant criteria are met, hedge accounting is applied to remove the accounting mismatch between the hedging instrument and the hedged item. This will effectively result in recognising interest expense at a fixed interest rate for the hedged floating rate loans.

Instruments used by the Group

As at 31 December 2023, interest rate swaps currently in place cover approximately 30.54% (2022: 43.83%) of the Group's variable loan principal outstanding. The fixed interest rates of the swaps range between 3.75% and 4.80% (2022: 3.75% and 4.35%) and the variable rates of the loans are between 1.20% and 1.65% (2022: 1.20% and 1.41%) above the Thai Overnight Repurchase Rate (THOR) which at the end of the reporting period floating interest rates of the swaps range between 3.70% and 4.15% (2022: 2.27% and 2.96%). Interest rate swaps, which variable interest rates refer to the Thai Overnight Repurchase Rate (THOR), will mature in August 2026. The swap contracts require settlement of net interest receivable or payable every 3 months or 6 months. The settlement dates coincide with the dates on which interest is payable on the underlying debt.

The Group applies hedge accounting.

Effect of hedge accounting on the financial position and performance

The effects of the interest rate swaps on the financial position and performance are as follows;

	Consolidated and separate financial statements	
	2023 Baht	2022 Baht
Interest rate swaps		
Carrying amount		
(current and non-current liabilities)	15,837,035	14,742,908
Notional amount	1,428,125,000	1,553,125,000
Maturity date	July 2024 - August 2026	April 2023 - August 2026
Hedge ratio	1:1	1:1
Change in fair value of outstanding hedge instruments since 1 January	(13,170,529)	(1,183,337)
Change in value of hedged item used to determine hedge effectiveness	13,170,529	1,183,337
Weighted average strike rate for outstanding hedging instruments	4.14%	4.07%

Hedging reserve

The Group's and the Company's hedging reserve comprise to the following hedging instruments;

	Cash flow hedge reserve - Interest rate swaps	
	2023 Baht	2022 Baht
Opening balance	(11,794,327)	(33,032,111)
<u>Add:</u> Change in fair value of hedging instrument recognised in other comprehensive income	(13,170,529)	(1,183,337)
<u>Less:</u> Reclassification from other comprehensive income to profit or loss	12,076,402	27,730,567
<u>Less:</u> Deferred tax	218,826	(5,309,446)
Closing balance	(12,669,628)	(11,794,327)

Sensitivity analysis

Profit or loss is sensitive to higher or lower interest income from cash and cash equivalents, and interest expenses from borrowings as a result of changes in interest rates. Other components of equity changes as a result of an increase or decrease in the fair value of the cash flow hedges of borrowings and the fair value of debt investments at fair value through other comprehensive income.

	Consolidate financial statement			
	Interest rate - increase 25 basis points		Interest rate - decrease 25 basis points	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
Impact to net profit	(369,618)	(151,094)	369,618	151,094
Impact to other component of equity	5,500,186	4,140,447	(5,543,979)	(4,188,228)
	Separate financial statement			
	Interest rate - increase 25 basis points		Interest rate - decrease 25 basis points	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
Impact to net profit	(369,629)	(152,104)	369,629	152,104
Impact to other component of equity	5,500,186	4,140,447	(5,543,979)	(4,188,228)

5.2 Credit risk

Credit risk arises deposits with banks and financial institutions, hire-purchase receivables, loan receivables and other receivables.

a) Risk management

Credit risk is managed on a group basis. For banks and financial institutions, only independently rated parties with a minimum rating of investment grade are accepted.

There are no significant concentrations of credit risk, whether through exposure to individual customers, specific industry sectors and/or regions.

b) Security

The Group establishes policies and practices to reduce credit risk. The group obtains security in the form of hire-purchase and registration loan assets, which can be called upon if the counterparty is in default under the terms of the agreement, and has a policy for some credit applicants to place a down payment deducted from the collateral value for credit consideration.

There is no material change in the collateral placement policy for the Group during the current reporting period and there is no material change in quality of the security from the prior reporting period.

c) Impairment of financial assets

The Group has 3 types of financial assets that are subject to the expected credit loss model which are hire-purchase receivables, loan receivables and other receivables.

While cash and cash equivalents are also subject to the impairment requirements of TFRS 9, the identified impairment loss was immaterial.

Hire-purchase receivables, loan receivables and other receivables

The Group applies general approach to measure expected credit loss on financial assets which are debt instruments carried at amortised cost. The Group considers changes in credit risk separating into three stages which each stage has different methods for measuring allowance expected for credit loss and interest income recognition as follows:

- 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 loss expected 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 loss expected over the lifetime of the asset
- Stage 3: when a financial asset is considered to be credit-impaired, a loss allowance is recognised equal to the credit loss expected over the lifetime of the asset

Consideration of significant increase in credit risk

The Group has a criteria for which a financial asset has a significant increase in credit risk when an installment is overdue for more than one installment since the due date. When an asset meets the criteria, it changes from stage 1 to stage 2, and the asset changes back to stage 1 when the asset no longer meets the criteria.

Default definition and credit-impaired financial assets

The Group defines a financial asset as credit-impaired when there is an indicator of a deterioration in the debt serviceability of a debtor. The asset is classified as credit-impaired financial asset when more than 3 installments are overdue since the due date. The definition of credit impairment is consistent with the Group's internal risk management. When the asset is classified as a credit-impaired financial asset, it will be classified as stage 3. If the debtor has the ability to pay and no longer meets the criteria to be classified as credit-impaired, it can be classified as stage 2. If the asset no longer meets the criteria to be classified as significant increase in credit risk, it can be classified as stage 1.

Under the three-stage model, the expected credit loss is calculated using collective approach based on historical data adjusted by current observable data and forward-looking information including significant management's judgements and assumptions as described in Note 7.

The expected credit loss (ECL) is measured on either a 12-month (12M) 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), exposure at default (EAD), and loss given default (LGD), defined as follows:

- Probability of default (PD) represents the likelihood of a borrower defaulting on its financial obligation (asper 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.
- 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, where 12-month LGD is the percentage of loss expected to be made if the default occurs over the remaining expected lifetime 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).

The expected credit loss is determined by projecting the PD, LGD, and EAD for each future month and for each collective segment. These three components are multiplied together. This effectively calculates an ECL for each future month, 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 below:

- For amortising financial assets, it is based on the contractual repayments owed by the debtors over a 12-month or lifetime basis.

Forward-looking economic information is also included in determining the 12-month and lifetime.

Financial assets are written off where there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include, amongst others, a failure to make contractual payments or cannot be contacted for a period greater than 7 installment periods.

Impairment losses on financial assets are presented as expected credit loss statement of comprehensive income. Subsequent recoveries of amounts previously written off are present as other income.

5.3 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 cash and deposits at call of Baht 340.69 million (2022: Baht 150.64 million) that are expected to readily generate cash inflows for managing liquidity risk.

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

a) Financing arrangements

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

	Consolidated and separate financial statements	
	2023 Baht	2022 Baht
Bank overdraft	30,000,000	30,000,000
Borrowing facilities from financial institutions	800,000,000	800,000,000
Letter of guarantee	5,000,000	5,000,000
	835,000,000	835,000,000

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; and
- net and gross settled derivative financial instruments for which the contractual maturities are essential for an understanding of the timing of the cash flows.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant. For interest rate swaps, the cash flows have been estimated using forward interest rates applicable at the end of the reporting period.

Consolidated financial statements						
As at 31 December 2023						
Maturity of financial liabilities	On demand Baht	Within 1 year Baht	1 - 5 years Baht	Over 5 years Baht	Total Baht	Carrying amount Baht
Non-derivatives						
Trade and other payables	-	262,556,854	-	-	262,556,854	262,556,854
Long-term borrowings from financial institutions	-	2,266,281,711	2,606,817,087	-	4,873,098,798	4,751,211,260
Debentures	-	-	482,194,005	-	482,194,005	452,363,312
Lease liabilities	-	17,752,473	55,893,409	-	73,645,882	68,672,319
Total financial liabilities that are not derivatives	-	2,546,591,038	3,144,904,501	-	5,691,495,539	5,534,803,745
Derivatives						
Interest rate swaps	-	5,993,722	10,296,186	-	16,289,908	15,837,035
Total derivatives	-	5,993,722	10,296,186	-	16,289,908	15,837,035
Total	-	2,552,584,760	3,155,200,687	-	5,707,785,447	5,550,640,780
Consolidated financial statements						
As at 31 December 2022						
Maturity of financial liabilities	On demand Baht	Within 1 year Baht	1 - 5 years Baht	Over 5 years Baht	Total Baht	Carrying amount Baht
Non-derivatives						
Trade and other payables	-	262,239,887	-	-	262,239,887	262,239,887
Long-term borrowings from financial institutions	-	1,742,333,333	2,175,840,662	-	3,918,173,995	3,785,097,222
Lease liabilities	-	15,063,137	27,753,967	-	42,817,104	42,370,679
Total financial liabilities that are not derivatives	-	2,019,636,357	2,203,594,629	-	4,223,230,986	4,089,707,788
Derivatives						
Interest rate swaps	-	10,030,171	4,871,049	-	14,901,220	14,742,908
Total derivatives	-	10,030,171	4,871,049	-	14,901,220	14,742,908
Total	-	2,029,666,528	2,208,465,678	-	4,238,132,206	4,104,450,696

Separate financial statements						
As at 31 December 2023						
Maturity of financial liabilities	On demand Baht	Within 1 year Baht	1 - 5 years Baht	Over 5 years Baht	Total Baht	Carrying amount Baht
Non-derivatives						
Trade and other payables	-	261,820,980	-	-	261,820,980	261,820,980
Long-term borrowings from financial institutions	-	2,266,281,711	2,606,817,087	-	4,873,098,798	4,751,211,260
Debentures	-	-	482,194,005	-	482,194,005	452,363,312
Lease liabilities	-	17,752,473	55,893,409	-	73,645,882	68,672,319
Total financial liabilities that are not derivatives	-	2,545,855,164	3,144,904,501	-	5,690,759,665	5,534,067,871
Derivatives						
Interest rate swaps	-	5,993,722	10,296,186	-	16,289,908	15,837,035
Total derivatives	-	5,993,722	10,296,186	-	16,289,908	15,837,035
Total	-	2,551,848,886	3,155,200,687	-	5,707,049,573	5,549,904,906
Separate financial statements						
As at 31 December 2022						
Maturity of financial liabilities	On demand Baht	Within 1 year Baht	1 - 5 years Baht	Over 5 years Baht	Total Baht	Carrying amount Baht
Non-derivatives						
Trade and other payables	-	262,086,117	-	-	262,086,117	262,086,117
Long-term borrowings from financial institutions	-	1,742,333,333	2,175,840,662	-	3,918,173,995	3,785,097,222
Lease liabilities	-	15,063,137	27,753,967	-	42,817,104	42,370,679
Total financial liabilities that are not derivatives	-	2,019,482,587	2,203,594,629	-	4,223,077,216	4,089,554,018
Derivatives						
Interest rate swaps	-	10,030,171	4,871,049	-	14,901,220	14,742,908
Total derivatives	-	10,030,171	4,871,049	-	14,901,220	14,742,908
Total	-	2,029,512,758	2,208,465,678	-	4,237,978,436	4,104,296,926

5.4 Capital management

The objectives when managing capital are to:

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

In order to maintain or adjust the capital structure, the Group may adjust the 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 gearing ratio which is determined by dividing net debt with equity.

During the year 2023, the Group's strategy, which remains unchanged, was to maintain key financial ratios to comply with conditions of borrowing agreements. The Group was able to maintain debt to equity ratio, debt service coverage ratio, account receivable to debt ratio, interest-bearing debt to total portfolio ratio, doubtful account receivable ratio and interest coverage ratio according to the conditions in the agreements.

6 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 Market Association.
- 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 of financial assets and liabilities recognised according to the accounting policies which disclosed in Note 4.3 and Note 4.11.

As at 31 December 2023 and 2022, the financial assets or liabilities of the Group measured at fair value are derivative liabilities from interest rate swap agreements. The fair value is in level 2 of fair value hierarchy.

a) *Financial instruments in level 2*

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available 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.

The fair value of borrowings from financial institutions is the carrying amount at the statement of financial position. Management believes that the fair value of these liabilities does not significantly differ from book value because they have floating interest rates which the effective interest rates are similar to the market rates. The fair value of debentures is the carrying amount at the statement of financial position because the effective interest rates are similar to the market rates and observable. The fair value of interest rate swaps is calculated from future net cash flows between interest expenses which are discounted using fixed rates according to interest rate swap agreements and interest income which is discounted using interest rates of borrowings being reference to interest rates of commercial banks with similar critical terms as the hedged item, such as reference rate, payment dates, maturities and notional amount.

b) *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 fair value of hire-purchase receivables and loan receivables is the carrying amount. The majority of outstanding receivables are fixed rate which management assesses that the effective interest rate of the outstanding receivables is similar to the market effective interest rate. The fair value of other receivables, and trade and other payables is the carrying amount at the statement of financial position. Management believes that the fair value does not significantly differ from book value because they are short-term.

Transfer between fair value hierarchy

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

There were no transfers between fair value hierarchy and no changes in the valuation techniques during the year.

7 Critical accounting estimates, assumptions and judgements

Estimates, assumptions 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.

7.1 Fair value of certain financial instruments and derivatives

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The Group uses judgement to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period. Details of key assumptions used are disclosed in Note 6.

7.2 Impairment of financial assets

The loss allowances for financial assets measured at the amortised cost and FVOCI are based on the forward-looking information as mentioned in Note 4.3 e) and Note 5.2 c). Moreover, management also applied judgements and significant assumptions in the estimation which are staging conditions and criteria, expected lifetime, expected future cash flows, forward-looking macroeconomic information, weighting, and management overlay.

7.3 Allowance for diminution in value of foreclosed assets

The Group sets up allowance for diminution in value of foreclosed assets in order to reflect the decrease in value of foreclosed assets, which are related to estimated losses as a result of the foreclosed assets being valued in the future decreased from the current book value. The allowance for diminution in value of foreclosed assets is the result of the Group assessing future cash flows which the assessment is based on expected selling price and cost of selling the properties.

7.4 Deferred tax assets

The Group recognises deferred tax assets when it is highly probable that the Group will have sufficient future taxable profits to utilise the income tax assets. In this regard, the management is required to estimate the amount of deferred tax assets to be recognised by considering the amount of taxable profit that will be expected in the future in each period.

7.5 Determination of lease terms

Critical judgement in determining the lease term, the Groups considers 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.

The lease term is reassessed if an option is actually exercised (or not exercised) or the Group becomes 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.

7.6 Determination of discount rate applied to leases

The Group determines the incremental borrowing rate as follows:

- Where possible, use recent third-party financing 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.

7.7 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 24.

8 Segment information

The Group's chief operating decision makers, consisting of the Chief Executive Officer, the Chief Operational Officer, the Chief Financial Officer, the Chief Marketing Officer, and the Chief Collection Officer examines the Group's performance from a product perspective and has identified 3 segments which are motorcycle hire-purchase, used truck hire-purchase and registration loan.

The chief operating decision makers primarily uses a measure of segments' revenue and net profit to assess the performance of the operating segments.

Since the used truck hire-purchase and registration loan segments were established in the 3rd quarter of 2022 and the 2nd quarter of 2023 respectively, income and expenses of these segments are immaterial (3.66% and 0.16% of total revenue respectively). Therefore, income and expenses of these segments are not separately presented.

9 Cash and cash equivalents

	Consolidated financial statements		Separate financial statements	
	31 December 2023 Baht	31 December 2022 Baht	31 December 2023 Baht	31 December 2022 Baht
Cash	120,852	181,688	120,852	181,688
Current account and saving account deposits	340,567,116	150,459,862	339,483,017	100,717,752
Fixed account deposits	-	375,000,000	-	375,000,000
Total cash and cash equivalents	340,687,968	525,641,550	339,603,869	475,899,440

10 Hire-purchase receivables

	Consolidated and separate financial statements 31 December 2023		
	Current portion due within one year Baht	Portion due later than one year Baht	Total Baht
Hire-purchase receivables	5,266,259,047	6,616,107,786	11,882,366,833
<u>Less</u> Deferred interest income	(1,519,890,136)	(1,153,927,980)	(2,673,818,116)
<u>Add</u> Deferred commission expense	297,494,888	225,863,480	523,358,368
Total hire-purchase receivables, net from deferred interest income and commission expense	4,043,863,799	5,688,043,286	9,731,907,085
<u>Less</u> Allowance for expected credit loss	(221,404,583)	(225,082,092)	(446,486,675)
Total hire-purchase receivables, net	3,822,459,216	5,462,961,194	9,285,420,410

Consolidated and separate financial statements			
31 December 2022			
	Current portion due within one year Baht	Portion due later than one year Baht	Total Baht
Hire-purchase receivables	4,644,353,949	5,468,745,210	10,113,099,159
<u>Less</u> Deferred interest income	(1,551,673,366)	(1,123,230,897)	(2,674,904,263)
<u>Add</u> Deferred commission expense	309,448,791	224,004,905	533,453,696
Total hire-purchase receivables, net from deferred interest income and commission expense	3,402,129,374	4,569,519,218	7,971,648,592
<u>Less</u> Allowance for expected credit loss	(280,125,621)	(263,952,853)	(544,078,474)
Total hire-purchase receivables, net	3,122,003,753	4,305,566,365	7,427,570,118

Staging and allowance for expected credit loss of hire-purchase receivables as at 31 December 2023 and 2022 are classified as follows:

Consolidated and separate financial statements		
31 December 2023		
	Hire-purchase receivables, net from deferred interest income Baht	Allowance for expected credit loss Baht
Staging		
Performing	8,613,639,685	199,502,699
Under-performing	373,044,241	102,682,316
Non-performing	221,864,791	137,301,660
	9,208,548,717	439,486,675
Management overlay	-	7,000,000
Total	9,208,548,717	446,486,675
Consolidated and separate financial statements		
31 December 2022		
	Hire-purchase receivables, net from deferred interest income Baht	Allowance for expected credit loss Baht
Staging		
Performing	6,870,684,851	205,001,287
Under-performing	340,621,559	134,397,140
Non-performing	226,888,486	204,680,047
Total	7,438,194,896	544,078,474

11 Loan receivables

Consolidated financial statements			
31 December 2023			
	Current portion due within one year Baht	Portion due later than one year Baht	Total Baht
Loan receivables	8,859,970	37,437,211	46,297,181
<u>Add</u> Accrued interest	405,627	-	405,627
Total loan receivables and accrued interest	9,265,597	37,437,211	46,702,808
<u>Add</u> Deferred commission expense	249,658	421,632	671,290
<u>Less</u> Allowance for expected credit loss	(52,682)	(216,249)	(268,931)
Total loan receivables, net	9,462,573	37,642,594	47,105,167

Staging and allowance for expected credit loss of loan receivables as at 31 December 2023 are classified as follows:

Consolidated financial statements		
31 December 2023		
	Loan receivables and accrued interest Baht	Allowance for expected credit loss Baht
Staging		
Performing	46,702,808	268,931
Under-performing	-	-
Non-performing	-	-
Total	46,702,808	268,931

12 Allowance for expected credit loss

Consolidated financial statements					
31 December 2023					
	Performing financial assets Baht	Under- performing financial assets Baht	Non- performing financial assets Baht	Management overlay Baht	Total Baht
As at 1 January 2023	205,001,287	134,397,140	204,680,047	-	544,078,474
Changes due to staging:					
Performing financial assets	209,987,477	(191,664,372)	(18,323,105)	-	-
Under-performing financial assets	(207,184,938)	225,003,132	(17,818,194)	-	-
Non-performing financial assets	(40,233)	(296,339,262)	296,379,495	-	-
Changes due to new estimation of credit loss	(115,826,137)	377,172,059	189,200,878	-	450,546,800
Newly acquired financial assets	122,251,606	14,698	53,114	-	122,319,418
Transfers to foreclosed assets	(9,072,643)	(137,185,909)	(101,343,105)	-	(247,601,657)
Write-off	(250,398)	(903,984)	(411,324,705)	-	(412,479,087)
Others	(5,094,391)	(7,811,186)	(4,202,765)	-	(17,108,342)
Change in management overlay	-	-	-	7,000,000	7,000,000
As at 31 December 2023	199,771,630	102,682,316	137,301,660	7,000,000	446,755,606
Separate financial statements					
31 December 2023					
	Performing financial assets Baht	Under- performing financial assets Baht	Non- performing financial assets Baht	Management overlay Baht	Total Baht
As at 1 January 2023	205,001,287	134,397,140	204,680,047	-	544,078,474
Changes due to staging:					
Performing financial assets	209,987,477	(191,664,372)	(18,323,105)	-	-
Under-performing financial assets	(207,184,938)	225,003,132	(17,818,194)	-	-
Non-performing financial assets	(40,233)	(296,339,262)	296,379,495	-	-
Changes due to new estimation of credit loss	(115,826,137)	377,172,059	189,200,878	-	450,546,800
Newly acquired financial assets	121,982,675	14,698	53,114	-	122,050,487
Transfers to foreclosed assets	(9,072,643)	(137,185,909)	(101,343,105)	-	(247,601,657)
Write-off	(250,398)	(903,984)	(411,324,705)	-	(412,479,087)
Others	(5,094,391)	(7,811,186)	(4,202,765)	-	(17,108,342)
Change in management overlay	-	-	-	7,000,000	7,000,000
As at 31 December 2023	199,502,699	102,682,316	137,301,660	7,000,000	446,486,675

Consolidated and separate financial statements					
31 December 2022					
	Performing financial assets Baht	Under- performing financial assets Baht	Non- performing financial assets Baht	Management overlay Baht	Total Baht
As at 1 January 2022	153,175,552	80,273,432	74,058,777	6,070,000	313,577,761
Changes due to staging:					
Performing financial assets	244,841,242	(229,062,299)	(15,778,943)	-	-
Under-performing financial assets	(287,298,705)	307,867,220	(20,568,515)	-	-
Non-performing financial assets	-	(374,006,594)	374,006,594	-	-
Changes due to new estimation of credit loss	(23,761,007)	566,759,566	306,533,320	-	849,531,879
Newly acquired financial assets	136,546,242	-	-	-	136,546,242
Transfers to foreclosed assets	(13,301,960)	(175,655,977)	(133,102,064)	-	(322,060,001)
Write-off	(237,501)	(930,997)	(375,997,795)	-	(377,166,293)
Others	(4,962,576)	(40,847,211)	(4,471,327)	-	(50,281,114)
Change in management overlay	-	-	-	(6,070,000)	(6,070,000)
As at 31 December 2022	205,001,287	134,397,140	204,680,047	-	544,078,474

The allowance for expected credit loss does not include allowance for other type of receivables which are presented as other receivables.

13 Other receivables

	Consolidated financial statements		Separate financial statements	
	31 December 2023 Baht	31 December 2022 Baht	31 December 2023 Baht	31 December 2022 Baht
Other receivables - third parties	27,725,400	49,279,842	27,725,397	49,279,842
Other receivables - subsidiary	-	-	1,280,241	-
Prepaid expenses	11,309,755	9,153,923	11,309,755	9,153,923
Total other receivables	39,035,155	58,433,765	40,315,393	58,433,765

14 Financial assets and financial liabilities

The classification of the Group's financial assets and financial liabilities are as follows:

	Consolidated financial statements		Separate financial statements	
	31 December 2023 Baht	31 December 2022 Baht	31 December 2023 Baht	31 December 2022 Baht
Financial assets				
Financial assets at amortised cost				
- Cash and cash equivalents	340,687,968	525,641,550	339,603,869	475,899,440
- Hire-purchase receivables, net	9,285,420,410	7,427,570,118	9,285,420,410	7,427,570,118
- Loan receivables, net	47,105,167	-	-	-
- Short-term loan to related party	-	-	4,000,000	-
- Other receivables	39,035,155	58,433,765	40,315,393	58,433,765
	9,712,248,700	8,011,645,433	9,669,339,672	7,961,903,323
Financial liabilities				
Liabilities at amortised cost				
- Trade and other payables	262,556,854	262,239,887	261,820,980	262,086,117
- Long-term borrowings from financial institutions	4,751,211,260	3,785,097,222	4,751,211,260	3,785,097,222
- Debentures	452,363,312	-	452,363,312	-
- Lease liabilities	68,672,319	42,370,679	68,672,319	42,370,679
Derivative liabilities under hedge accounting	15,837,035	14,742,908	15,837,035	14,742,908
	5,550,640,780	4,104,450,696	5,549,904,906	4,104,296,926

15 Foreclosed assets

	Consolidated and separate financial statements	
	31 December 2023 Baht	31 December 2022 Baht
Foreclosed assets	47,096,617	60,310,883
<u>Less</u> Allowance for diminution in value of foreclosed assets	(1,127,794)	-
Total foreclosed assets	45,968,823	60,310,883

As at 31 December 2023, foreclosed assets with net book value of Baht 1.67 million (2022: Baht 2.21 million) are assets in the process of redemption from debtors of hire-purchase contracts. However, from the past experience, the Group expects that the possibility of redeeming assets from these debtors is low.

16 Other current assets

	Consolidated financial statements		Separate financial statements	
	31 December 2023 Baht	31 December 2022 Baht	31 December 2023 Baht	31 December 2022 Baht
Value added tax	199,701,914	176,831,982	199,676,924	176,831,127
Deposits	330,000	320,000	330,000	320,000
Others	141,954	284,351	115,099	284,351
Total other current assets	200,173,868	177,436,333	200,122,023	177,435,478

17 Investment in subsidiary

The subsidiary included in consolidated financial statement is listed below. The subsidiary 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 subsidiary held by the Group.

Subsidiary	Nature of business	Country of incorporation	Ownership interest held by Company		Ownership interests held by non- controlling interests		Investment at cost	
			2023	2022	2023	2022	2023	2022
			%	%	%	%	Baht	Baht
Next Money Co., Ltd.	Loans secured against vehicle registrations	Thailand	99.99	80.00	0.01	20.00	49,999,800	40,000,000

The Board of Directors' Meeting No. 1/2023 approved to purchase 99,998 shares of Next Money Company Limited at 100 Baht per share totalling to 9,999,800 Baht. Therefore, the Company's ownership interests increased from 80% to 99.99%. The Company made payment for the shares on 15 March 2023.

18 Right-of-use assets and lease liabilities

Movements of right-of-use assets are as follows:

	Consolidated and separate financial statements		
	Properties Baht	Motor vehicles Baht	Total Baht
Balance as at 1 January 2022	18,157,362	16,462,368	34,619,730
Additions	3,005,018	9,406,818	12,411,836
Lease modifications and reassessments	13,286,178	2,334	13,288,512
<u>Less</u> Depreciation	(8,373,690)	(9,507,757)	(17,881,447)
Balance as at 31 December 2022	26,074,868	16,363,763	42,438,631
Additions	137,380	9,528,983	9,666,363
Terminations	(1,463,163)	-	(1,463,163)
Lease modifications and reassessments	41,749,776	79,269	41,829,045
<u>Less</u> Depreciation	(12,245,844)	(10,319,774)	(22,565,618)
Balance as at 31 December 2023	54,253,017	15,652,241	69,905,258

Movements of lease liabilities are as follows:

	Consolidated and separate financial statements	
	2023 Baht	2022 Baht
Opening net book amount	42,370,679	34,748,917
Increase during the year	9,666,363	12,411,836
Repayment of leases	(23,518,760)	(19,707,755)
Amortisation of interest expense	2,168,872	1,594,965
Remeasurement of leases	37,985,165	13,322,716
Closing net book amount	68,672,319	42,370,679

Expenses relating to leases not included in the measurement of lease liabilities and right-of-use assets for the years ended 31 December 2023 and 2022 are as follows:

	Consolidated and separate financial statements	
	2023 Baht	2022 Baht
Expense relating to short-term leases	443,790	480,000
Expense relating to leases of low-value assets	366,450	385,200

19 Intangible assets

	Consolidated financial statements		
	Computer software Baht	Computer software in progress Baht	Total Baht
As at 1 January 2022			
Cost	54,583,923	5,594,500	60,178,423
<u>Less</u> Accumulated amortisation	(25,404,982)	-	(25,404,982)
Net book amount	29,178,941	5,594,500	34,773,441
For the year ended 31 December 2022			
Opening net book amount	29,178,941	5,594,500	34,773,441
Additions	596,100	6,454,260	7,050,360
Transfer in (out)	3,447,960	(3,447,960)	-
Write off	(104,466)	(7,198,900)	(7,303,366)
<u>Less</u> Amortisation charge	(4,694,532)	-	(4,694,532)
Closing net book value	28,424,003	1,401,900	29,825,903
As at 31 December 2022			
Cost	55,545,376	1,401,900	56,947,276
<u>Less</u> Accumulated amortisation	(27,121,373)	-	(27,121,373)
Net book amount	28,424,003	1,401,900	29,825,903
For the year ended 31 December 2023			
Opening net book amount	28,424,003	1,401,900	29,825,903
Additions	4,873,783	5,615,810	10,489,593
Transfer in (out)	6,749,860	(6,749,860)	-
Write off	(5,789)	-	(5,789)
<u>Less</u> Amortisation charge	(4,697,506)	-	(4,697,506)
Closing net book value	35,344,351	267,850	35,612,201
As at 31 December 2023			
Cost	67,139,619	267,850	67,407,469
<u>Less</u> Accumulated amortisation	(31,795,268)	-	(31,795,268)
Net book amount	35,344,351	267,850	35,612,201

	Separate financial statements		
	Computer software Baht	Computer software in progress Baht	Total Baht
As at 1 January 2022			
Cost	54,583,923	5,594,500	60,178,423
<u>Less</u> Accumulated amortisation	(25,404,982)	-	(25,404,982)
Net book amount	29,178,941	5,594,500	34,773,441
For the year ended 31 December 2022			
Opening net book amount	29,178,941	5,594,500	34,773,441
Additions	596,100	6,426,260	7,022,360
Transfer in (out)	3,447,960	(3,447,960)	-
Write off	(104,466)	(7,198,900)	(7,303,366)
<u>Less</u> Amortisation charge	(4,694,532)	-	(4,694,532)
Closing net book value	28,424,003	1,373,900	29,797,903
As at 31 December 2022			
Cost	55,545,376	1,373,900	56,919,276
<u>Less</u> Accumulated amortisation	(27,121,373)	-	(27,121,373)
Net book amount	28,424,003	1,373,900	29,797,903
For the year ended 31 December 2023			
Opening net book amount	28,424,003	1,373,900	29,797,903
Additions	4,843,783	5,512,800	10,356,583
Transfer in (out)	6,618,850	(6,618,850)	-
Write off	(5,789)	-	(5,789)
<u>Less</u> Amortisation charge	(4,687,350)	-	(4,687,350)
Closing net book value	35,193,497	267,850	35,461,347
As at 31 December 2023			
Cost	66,978,609	267,850	67,246,459
<u>Less</u> Accumulated amortisation	(31,785,112)	-	(31,785,112)
Net book amount	35,193,497	267,850	35,461,347

20 Deferred income taxes

Analysis of deferred tax assets and liabilities is as follows:

	Consolidated and separate financial statements	
	2023 Baht	2022 Baht
Deferred tax assets	111,126,153	131,672,855
Deferred tax liabilities	106,170,471	106,690,739
Total deferred tax assets, net	4,955,682	24,982,116

Movements of deferred income taxes are as follows:

	Consolidated and separate financial statements	
	2023 Baht	2022 Baht
Opening balance	24,982,116	32,334,958
Changes in profit or loss (Note 31)	(19,978,630)	(1,692,239)
Changes in other comprehensive income (Note 32)	(47,804)	(5,660,603)
Closing balance	4,955,682	24,982,116

	Consolidated and separate financial statements					
	Allowance for expected credit loss Baht	Employee benefit obligations Baht	Cash flow hedges Baht	Accrued personnel expenses Baht	Others Baht	Total Baht
Deferred tax assets						
At 1 January 2022	62,715,552	1,974,126	8,258,027	10,534,971	5,878,760	89,361,436
Changes in profit or loss	46,100,143	516,870	-	(4,893,753)	6,248,762	47,972,022
Changes in other comprehensive income	-	(351,157)	(5,309,446)	-	-	(5,660,603)
At 31 December 2022	108,815,695	2,139,839	2,948,581	5,641,218	12,127,522	131,672,855
Changes in profit or loss	(19,518,360)	910,349	-	698,782	(2,589,669)	(20,498,898)
Changes in other comprehensive income	-	(266,630)	218,826	-	-	(47,804)
At 31 December 2023	89,297,335	2,783,558	3,167,407	6,340,000	9,537,853	111,126,153

	Consolidated and separate financial statements		
	Deferred commission expense Baht	Others Baht	Total Baht
Deferred tax liabilities			
At 1 January 2022	57,026,478	-	57,026,478
Changes in profit or loss	49,664,261	-	49,664,261
At 31 December 2022	106,690,739	-	106,690,739
Changes in profit or loss	(2,019,065)	1,498,797	(520,268)
At 31 December 2023	104,671,674	1,498,797	106,170,471

Deferred income tax assets are recognised for tax losses and carried forward 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 assets of Baht 1,440,426 (2022: Baht 76,413), from tax losses of subsidiary of Baht 7,202,130 (2022: Baht 382,065), to carry forward against future taxable income. These tax losses of Baht 7,202,130 (2022: Baht 382,065) will expire during 2026 - 2028 (2022: 2026 - 2027).

21 Trade and other payables

	Consolidated financial statements		Separate financial statements	
	31 December 2023 Baht	31 December 2022 Baht	31 December 2023 Baht	31 December 2022 Baht
Trade payables	129,809,021	102,363,651	129,809,021	102,363,651
Accrued interest expense	16,316,735	13,246,511	16,316,735	13,246,511
Other payables	23,474,125	22,169,036	23,447,436	22,169,036
Accrued expenses	92,956,973	124,460,689	92,247,788	124,306,919
Total trade and other payables	262,556,854	262,239,887	261,820,980	262,086,117

22 Borrowings

	Consolidated and separate financial statements	
	31 December 2023 Baht	31 December 2022 Baht
Current		
Current portion of long-term borrowings from financial institutions	2,266,281,711	1,742,333,333
Total current borrowings	2,266,281,711	1,742,333,333
Non-current		
Long-term borrowings from financial institutions	2,484,929,549	2,042,763,889
Total non-current borrowings	2,484,929,549	2,042,763,889
Total borrowings	4,751,211,260	3,785,097,222

Movements of long-term borrowings from financial institutions are as follows:

	Consolidated and separate financial statements	
	2023 Baht	2022 Baht
Opening balance	3,785,097,222	2,518,055,556
Additions	3,000,000,000	2,280,000,000
Adjustment on effective interest rate	(3,552,629)	-
Repayments	(2,030,333,333)	(1,012,958,334)
Total long-term borrowings	4,751,211,260	3,785,097,222
Current portion	(2,266,281,711)	(1,742,333,333)
Closing balance	2,484,929,549	2,042,763,889

As at 31 December 2023, long-term borrowings from financial institutions bear interest rates at 3.75%, THB-THOR-OIS Compound + 1.20%, THB-THOR-OIS Compound +1.65%, MLR - 1.50%, MLR - 1.805%, MLR - 1.95%, and MLR - 2.90% per annum (31 December 2022: 3.75% - 4.00%, 6MTHBFI + 1.41%, THB-THOR-OIS Compound +1.20%, MLR - 1.50% and MLR - 1.805% per annum), and are due in 2024 to 2026.

23 Debentures

	Consolidated and separate financial statements	
	31 December 2023 Baht	31 December 2022 Baht
Non-current portion of debentures	452,363,312	-
Total debentures	452,363,312	-

Movements of debentures are as follows:

	Consolidated and separate financial statements	
	2023 Baht	2022 Baht
At 1 January	-	-
Issuance of debentures	455,500,000	-
<u>Less</u> Deferred debenture issuance expenses	(3,136,688)	-
At 31 December	452,363,312	-

As at 31 December 2023, the debentures are registered, unsubordinated and unsecured, which bear interest rates at 5.50% to 5.85% per annum, and are due during 2025 to 2026.

The Company, as debentures issuer, has a condition to maintain a debt to equity ratio at end of each fiscal year, which the Company is able to maintain the financial ratio according to the condition.

24 Employee benefit obligations

The amounts recognised in the statement of financial position are as follows:

	Consolidated financial statements		Separate financial statements	
	31 December 2023 Baht	31 December 2022 Baht	31 December 2023 Baht	31 December 2022 Baht
Retirement benefits	13,941,066	10,699,195	13,917,789	10,699,195

Retirement benefits

The plans are final salary retirement plans. The level of benefits provided depends on members' length of service and their salary in the final years leading up to retirement.

Movements of the defined benefit obligation for the years are as follows:

	Consolidated financial statements		Separate financial statements	
	31 December 2023 Baht	31 December 2022 Baht	31 December 2023 Baht	31 December 2022 Baht
At 1 January	10,699,195	9,870,630	10,699,195	9,870,630
Current service cost	4,648,595	4,068,219	4,625,402	4,068,219
Interest cost	303,324	171,983	303,240	171,983
Benefits paid	(376,896)	(1,655,850)	(376,896)	(1,655,850)
Remeasurements:				
Loss from change in demographic assumptions	760,371	1,142,264	760,371	1,142,264
Gain from change in financial assumptions	(442,130)	(2,620,285)	(442,130)	(2,620,285)
Experience gain	(1,651,393)	(277,766)	(1,651,393)	(277,766)
At 31 December	13,941,066	10,699,195	13,917,789	10,699,195

The principal actuarial assumptions used were as follows:

	Consolidated financial statements		Separate financial statements	
	31 December 2023 Baht	31 December 2022 Baht	31 December 2023 Baht	31 December 2022 Baht
Discount rate	3.24 - 3.66%	2.93%	3.24%	2.93%
Salary increase rate	4%	4%	4%	4%
Turnover rates	0 - 21%	0% - 22%	0 - 21%	0% - 22%
Mortality rate	TMO 2017	TMO 2017	TMO 2017	TMO 2017

Sensitivity analysis of each significant assumption used is as follows:

		Increase (decrease) in employee benefit obligations			
		Consolidated financial statements		Separate financial statements	
		31 December 2023 Baht	31 December 2022 Baht	31 December 2023 Baht	31 December 2022 Baht
Discount rate	Increase by 1%	(1,354,882)	(1,051,166)	(1,350,612)	(1,051,166)
Discount rate	Decrease by 1%	1,565,843	1,218,388	1,560,700	1,218,388
Salary increase rate	Increase by 1%	1,609,091	1,246,786	1,603,940	1,246,786
Salary increase rate	Decrease by 1%	(1,416,798)	(1,095,172)	(1,412,448)	(1,095,172)
Turnover rate	Increase by 1%	(1,512,289)	(1,179,570)	(1,507,368)	(1,179,570)
Turnover rate	Decrease by 1%	921,680	736,819	917,607	736,819

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 has been applied as when calculating the retirement benefits recognised within the statement of financial position.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous period.

The average remaining years to retire of the defined benefit obligation is 22.23 years (2022: 22.53 years).

Expected maturity analysis of undiscounted benefits are as follows:

	Consolidated financial statements		Separate financial statements	
	31 December 2023	31 December 2022	31 December 2023	31 December 2022
Maturity analysis of benefits expected to be paid:				
Within 1 year	745,680	376,896	745,680	376,896
Between 1 - 2 years	915,120	1,106,001	915,120	1,106,001
Between 2 - 5 years	5,691,356	5,280,775	5,691,356	5,280,775
Over 5 years	520,487,448	469,871,797	511,758,926	469,871,797
Total	527,839,604	476,635,469	519,111,082	476,635,469

25 Share capital, share premium and warrants

	Authorised share capital		Issued and paid-up share capital				Total Baht
	Number of Shares	Ordinary Shares Baht	Number of Shares	Ordinary Shares Baht	Share Premium Baht	Warrants Baht	
At 1 January 2022	938,000,000	469,000,000	900,000,000	450,000,000	666,980,000	-	1,116,980,000
Issue of shares and warrants	675,000,000	337,500,000	450,000,000	225,000,000	1,684,800,139	115,199,861	2,025,000,000
Less: Shares and warrants issuance expense - net of tax benefit	-	-	-	-	(395,640)	-	(395,640)
At 31 December 2022	1,613,000,000	806,500,000	1,350,000,000	675,000,000	2,351,384,499	115,199,861	3,141,584,360
Exercise of warrants	-	-	52	26	364	(26)	364
Reversal of expired warrants	-	-	-	-	115,199,835	(115,199,835)	-
At 31 December 2023	1,613,000,000	806,500,000	1,350,000,052	675,000,026	2,466,584,698	-	3,141,584,724

The Annual General Meeting of Shareholders on 21 April 2022 resolved to approve the followings:

- 1) Offering of 450,000,000 newly issued ordinary shares with a par value of Baht 0.50 per share to existing shareholders excluding the shareholders whose holdings of such share would subject the Company to any obligations under the law of other jurisdiction at the ratio of 2 existing ordinary shares per 1 newly issued ordinary share.
- 2) Issuance of warrants to purchase ordinary shares not exceeding 225,000,000 units to be allocated to existing shareholders who have subscribed and have been allocated newly issued ordinary shares, free of charge, at the ratio of 2 newly issued ordinary shares per 1 unit of warrant. Exercise price of these warrants is Baht 7 per share and warrants will be expired in 1 year and 6 months after issuance date.
- 3) Increasing the registered capital of the Company from 938,000,000 ordinary shares with a par value of Baht 0.50 per share to 1,613,000,000 shares with a par value of Baht 0.50 per share. The Company registered with the Ministry of Commerce on 5 May 2022.

On 14 June 2022, the Company received the share price for the newly-issued ordinary shares of 450,000,000 shares (including newly-issued warrants of 225,000,000 units) at the price of Baht 4.50 per share totalling to Baht 2,025,000,000. The Company recognised the cost of distribution of shares of Baht 395,640 (net of tax benefit) as a deduction item of the premium on ordinary shares.

26 Share-based payment

During 2021, the Group granted share options to executives and/or employees of the Company and/or its subsidiary ("NCAP-ESOP W1") under the conditions that they must satisfy performance conditions and are still employees of the Group at the time of exercising the options. Such options can be exercised after 4 years from the date they are issued.

The scheme is an equity-settled scheme which the Group has no legal obligation to purchase the options back or settle in cash.

The weighted average fair value of share options granted is Baht 1.281 per option which is calculated using the Binomial Option Pricing Model.

The significant inputs used in the calculation are as follows:

	NCAP-ESOP W1
Weighted average fair value of underlying stock at the valuation date (Baht per share)	10.90
Exercise price (Baht per share)	16.00
Volatility of underlying stock's price (%)	32.14
Dividend yield (%)	1.98
Expected warrant exercise life (years)	5
Risk free rate (%)	0.80

The fair value measurement of share options uses 90-day historical volatility data to determine the volatility value in the model, and the Group does not include other characteristics of share options in the fair value measurement.

On 28 April 2022, the Group adjusted the exercise price of warrants granted to executives and/or employees of the Company and/or its subsidiary ("NCAP-ESOP W1") from Baht 16 per share to Baht 12.281 per share and adjusted exercise ratio from 1 share per warrant to 1.3028 shares per warrant. The reasons for adjustment are the Group offering for sale of newly issued shares at a price less than the market price.

Movements of the number of outstanding share options and the relevant weighted average exercise prices are as follows:

	Consolidated and separate financial statements	
	Average exercising price Baht per share	Number of options Units
At 1 January 2022	12.281	38,000,000
Share options granted during the year	-	-
At 31 December 2022	12.281	38,000,000
Share options forfeited during the year	-	(36,810,000)
At 31 December 2023	12.281	1,190,000

Share options outstanding at the end of the year have the expiry date and exercise price as follows:

	Consolidated and separate financial statements		
	Exercise price Baht per share	2023 shares	2022 shares
Expiry date for exercising options 31 March: 2027	12.281	1,550,332	49,506,400
		1,550,332	49,506,400

During 2023, 36.81 million share options were forfeited. For the year ended 31 December 2023, expense of Baht 13.79 million was reversed in the statement of comprehensive income (2022: Baht 9.93 million was recognised as expense in the statement of comprehensive income). They were recognised along with other reserves - share-based payment in equity.

27 Legal reserve

	Consolidated and separate financial statements	
	31 December 2023 Baht	31 December 2022 Baht
At 1 January	55,157,011	46,900,000
Appropriation during the year	13,351,723	8,257,011
At 31 December	68,508,734	55,157,011

The Group is under the Public Companies Act., B.E. 2535. The Group is required to set aside as statutory reserve at least 5% of its net profit after accumulated deficit brought forward (if any) until the reserve is not less than 10% of the registered capital. This reserve is not available for dividend distribution.

28 Other income

	Consolidated financial statements		Separate financial statements	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
Bad debt recovery	189,457,580	217,562,713	189,457,580	217,562,713
Penalty on late installments	11,516,622	10,928,250	11,516,622	10,928,250
Others	1,796,498	2,431,037	6,686,886	2,345,569
Total other income	202,770,700	230,922,000	207,661,088	230,836,532

29 Expenses by nature

	Consolidated financial statements		Separate financial statements	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
Personnel expense	402,822,023	351,880,868	399,032,489	351,880,868
Marketing expense	31,759,367	24,873,436	31,749,367	24,873,436
Depreciation and amortisation	33,097,401	28,719,725	33,056,862	28,719,725
Utility expense	9,516,932	10,531,039	9,516,932	10,531,039
Professional fee	9,755,439	10,249,534	9,578,939	10,097,534
Rental expense	1,290,293	1,911,913	1,290,293	1,911,913
Collection fee	99,985,561	106,814,443	99,985,547	106,814,443
Travelling expense	37,117,783	37,068,139	37,117,783	37,068,139
Loss on write-off of intangible assets	-	7,198,900	-	7,198,900
Others	66,584,134	91,554,180	65,851,665	91,302,851
Total selling and administrative expenses	691,928,933	670,802,177	687,179,877	670,398,848

30 Finance costs

	Consolidated and separate financial statements	
	2023 Baht	2022 Baht
Borrowings from financial institutions and related companies	191,687,323	129,164,599
Lease liabilities	2,168,872	1,594,965
Fair value loss (gain) from of financial instruments - interest rate swaps	12,076,402	27,730,567
Debentures	10,333,179	-
Total finance costs	216,265,776	158,490,131

31 Income tax expense

Income tax expense for the year are as follows:

	Consolidated financial statements		Separate financial statements	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
Current tax:				
Current tax on profits for the year	44,030,863	43,177,014	44,030,863	43,177,014
Total current tax	44,030,863	43,177,014	44,030,863	43,177,014
Deferred tax:				
Changes in deferred tax assets	20,498,898	(47,972,022)	20,498,898	(47,972,022)
Changes in deferred tax liabilities	(520,268)	49,664,261	(520,268)	49,664,261
Total deferred tax	19,978,630	1,692,239	19,978,630	1,692,239
Total income tax expense	64,009,493	44,869,253	64,009,493	44,869,253

The tax on the Group's profit before tax differs from the theoretical amount that would arise using the basic tax rate of the Group as follows:

	Consolidated financial statements		Separate financial statements	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
Profit before tax:	323,839,697	209,691,607	331,043,955	210,009,468
Tax calculated at a tax rate of 20%	64,767,939	41,938,322	66,208,791	42,001,894
Tax effect of:				
Additional tax deductible expenses	(990,166)	(561,657)	(990,166)	(561,657)
Expenses not deductible for tax purpose	(1,677,868)	3,429,164	(1,677,868)	3,429,016
Tax losses for which no deferred income tax asset was recognised	1,440,852	63,424	-	-
Adjustment in respect of prior year	468,736	-	468,736	-
Income tax expense	64,009,493	44,869,253	64,009,493	44,869,253

Tax relating to component of other comprehensive income is as follow:

	Consolidated and separate financial statements					
	2023			2022		
	Before tax Baht	Tax Baht	After tax Baht	Before tax Baht	Tax Baht	After tax Baht
Remeasurement on retirement benefit obligations	1,333,152	(266,630)	1,066,522	1,755,787	(351,157)	1,404,630
Gains on cash flow hedges	(1,094,127)	218,826	(875,301)	26,547,230	(5,309,446)	21,237,784
Total	239,025	(47,804)	191,221	28,303,017	(5,660,603)	22,642,414

Tax recognised directly to equity is as follows:

	Consolidated and separate financial statements					
	2023			2022		
	Before tax Baht	Tax Baht	After tax Baht	Before tax Baht	Tax Baht	After tax Baht
Share and warrant issuance expenses	-	-	-	494,550	(98,910)	395,640
Total	-	-	-	494,550	(98,910)	395,640

32 Components of other comprehensive income

	Consolidated and separate financial statements			
	2023		2022	
	Baht		Baht	
Cash flow hedges:				
- Gains from changes in value of derivatives	(13,170,529)		(1,183,337)	
- Reclassifications to profit or loss for interest expense	12,076,402	(1,094,127)	27,730,567	26,547,230
Remeasurements of defined benefit plans		1,333,152		1,755,787
Other comprehensive income		239,025		28,303,017
Income tax relating to components of other comprehensive income		(47,804)		(5,660,603)
Other comprehensive income for the year, net of tax		191,221		22,642,414

33 Basic earnings per share

Basic earnings per share is calculated by dividing the net profit for the year attributable to ordinary shareholders by the weighted average number of ordinary shares in issue during the year.

	Consolidated financial statements		Separate financial statements	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
Net profit attributable to ordinary shareholders (Baht)	259,839,509	164,885,927	267,034,462	165,140,215
Weighted average number of ordinary shares outstanding (Shares)	1,350,000,002	1,146,575,342	1,350,000,002	1,146,575,342
Basic earnings per share (Baht per share)	0.19	0.14	0.20	0.14

For year ended 31 December 2023 and 2022, the Group did not calculate diluted earnings per share from the warrants as their exercise prices were in excess of the weighted average fair value of the Company's ordinary shares.

34 Related party transactions

Individuals and entities that directly or indirectly control or are controlled by or are under common control with the Group, including investment entities, associates, joint venture and individuals or entities having significant influence over the Group, key management personnel, including directors and officers of the Group and close members of the family of these individuals and entities 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 Group's significantly influence shareholders are Com7 Public Company Limited and Synnex (Thailand) Public Company Limited which own 34.32% and 26.98% of the Group's shares, respectively.

Relationships with related parties are as follows:

Related party	Country/Nationality	Relationship
Com7 Public Company Limited	Thailand	Shareholder
Synnex (Thailand) Public Company Limited	Thailand	Shareholder
Service Point Co., Ltd.	Thailand	Common shareholder
T.K.S. Siam Press Management Co., Ltd.	Thailand	Common shareholder
T.K.S. Technologies Public Company Limited	Thailand	Common shareholder
Plus Tech Innovation Public Company Limited (Formerly "TBSP Public Company Limited")	Thailand	Common shareholder
Thunder Finfin Company Limited	Thailand	Common director
Next Money Company Limited	Thailand	Subsidiary
iCare Insurance Public Company Limited	Thailand	Common shareholder

The Group has significant business transactions with related parties. Such transactions, which are summarised below, arose in the ordinary course of businesses and were concluded on commercial terms and bases agreed upon between the Company and those related parties.

a) Transactions with related parties

	Consolidated financial statements		Separate financial statements		Pricing policy
	2023 Baht	2022 Baht	2023 Baht	2022 Baht	
Interest income					
Next Money Company Limited	-	-	91,914	-	Agreed rate
Service income					
Next Money Company Limited	-	-	4,814,659	-	Agreed rate
iCare Insurance Public Company Limited	38,026,224	-	38,026,224	-	Agreed rate
Purchases of equipment and intangible assets					
Com7 Public Company Limited	-	648,877	-	648,877	Agreed rate
Synnex (Thailand) Public Company Limited	-	122,260	-	122,260	Agreed rate
Service fees					
Com7 Public Company Limited	641,667	-	641,667	-	Agreed rate
Synnex (Thailand) Public Company Limited	8,200	-	8,200	-	Agreed rate
T.K.S. Siam Press Management Co., Ltd.	4,423,675	4,149,411	4,423,675	4,149,411	Agreed rate
Plus Tech Innovation Public Company Limited (Formerly "TBSP Public Company Limited")	327,500	918,000	327,500	918,000	Agreed rate
Other expense					
Com7 Public Company Limited	-	82,967	-	82,967	Agreed rate
Finance cost					
Com7 Public Company Limited	-	9,236,032	-	9,236,032	Agreed rate
Synnex (Thailand) Public Company Limited	-	2,237,671	-	2,237,671	Agreed rate
iCare Insurance Public Company Limited	204,932	-	204,932	-	Agreed rate

b) Outstanding balances with related parties

	Consolidated financial statements		Separate financial statements	
	31 December 2023 Baht	31 December 2022 Baht	31 December 2023 Baht	31 December 2022 Baht
Receivables for services				
Next Money Co., Ltd.	-	-	1,280,241	-
iCare Insurance Public Company Limited	14,881,746	-	14,881,746	-
Prepaid expenses				
Com7 Public Company Limited	458,333	-	458,333	-
Payables for services				
T.K.S. Siam Press Management Co., Ltd.	266,027	295,194	266,027	295,194
iCare Insurance Public Company Limited	26,928,293	-	26,928,293	-
Loan to				
Next Money Co., Ltd.	-	-	4,000,000	-
Debentures				
iCare Insurance Public Company Limited	10,000,000	-	10,000,000	-
Accrued interest income				
Next Money Co., Ltd.	-	-	2,336	-
Accrued interest expense				
iCare Insurance Public Company Limited	66,301	-	66,301	-

As at 31 December 2023, short-term loan to related party bear an interest rate at 5.12% - 5.48% per annum and is due in 2024.

c) Key management's benefits

Key management includes directors (executive and non-executive). The compensation paid or payable to key management are as follows:

	Consolidated and separate financial statements	
	2023 Baht	2022 Baht
Short-term benefits	27,452,840	21,049,500
Post-employment benefits	1,689,717	1,295,670
Share-based payment (reversal)	(13,792,415)	9,933,058
Total key management's benefits	15,350,142	32,278,228

35 Commitments

Capital expenditure commitments

Capital expenditure contracted as at the statement of financial position date but not recognised as liabilities is as follows:

	Consolidated and separate financial statements	
	2023 Baht	2022 Baht
Intangible assets	-	295,240
Total	-	295,240

1 General information

Next Capital Public Company Limited (“the Company”) is a public limited company and is a listed company in the Stock Exchange of Thailand (SET), which is incorporated and domiciled in Thailand. The address of the Company’s registered office is as follows:

163 Thai Samut Building, 15th Floor, Surawong Road, Suriya Wong, Bang Rak, Bangkok 10500.

The Company and its subsidiary (“the Group”) are principally engaged in the financial services specifically motorcycle and used truck hire-purchase and loans secured against vehicle registrations. The subsidiary acquired a business license from the Bank of Thailand on 8 September 2022.

As at 31 December 2023, the Company has 19 branches (2022: 27 branches).

These consolidated and separate financial statements are authorised for issue by the Board of Directors on 21 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 except derivative liabilities measured at fair value.

The preparation of financial statements in conformity with TFRS requires management to use certain critical accounting estimates and to exercise its judgement in applying the Group’s accounting policies. The areas involving a higher degree of judgement or complexity, and areas that are more likely to be materially adjusted due to changes in estimates and assumptions are disclosed in Note 7.

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 Amended financial reporting standards

Amended financial reporting standards that are effective for the accounting period beginning on or after 1 January 2024 and relevant to the Group.

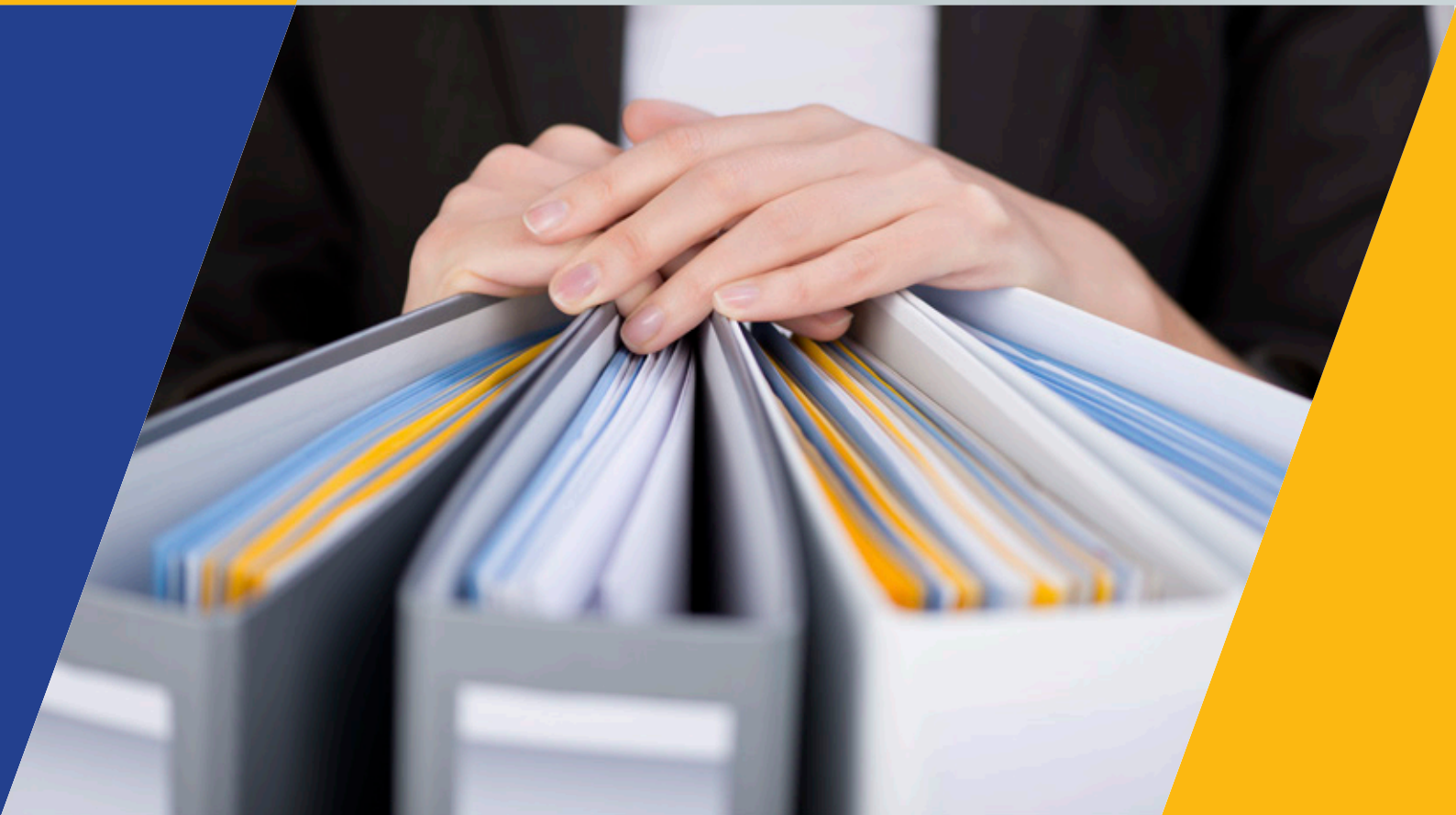
a) Amendment to TAS 1 - Presentation of financial statements

Revision to 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

Revision 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.

04



ATTACHMENT

- Attachment 1 Details of Directors, Executives and Company Secretary
- Attachment 2 Details of the directors of subsidiaries
- Attachment 3 Details of internal auditors
- Attachment 4 Details of Assets for Business Operations
- Attachment 5 Corporate governance policies and operation guideline
- Attachment 6 Audit Committee Report



ATTACHMENT 1

DETAILS OF DIRECTORS, EXECUTIVES AND COMPANY SECRETARY

1

Mr. Chaiwat Utaiwan

Age (Years) 70

Chairman of the Board

Appointed on June 21, 2019

Educational Qualifications

- Master in Business Administration
Sasin Graduate Institute of Business
Administration, Chulalongkorn University
- Master of Science, University of Louisville
- Bachelor of Science in Statistics,
Chulalongkorn University

Training History

- Director Certification Program Class #
22/2002
- Role of Chairman Program Class # 29/2012
- Board Nomination and Compensation
Program Class # 5/2018
- Board that Make a Difference Class #
7/2018
- Advance Audit Committee Program #
40/2021
- Director Leadership Certification Program #
1/2021

Shareholding Proportion in the Company as of 31 December 2023

- None -

Family Relationship with Executives

- None -

Work Experience in the Last 5 Years

- 2021 - Present Chairman of the Board
MDCUS Co., Ltd.
Be a consultant and give an advice
on problems in public health administration.
- 2020 - Present Chairman of the Board
Thanasiri Group Public Company Limited
Real estate and construction
- 2020 - Present Chairman of the Executive Committee
Anabuki Thanasiri (Thailand) Co., Ltd.
Real estate and construction
- 2020 - Present Chairman of the Board
Civil Engineering Public Company Limited
Construction contractor
- 2019 - Present Independent Director /
Chairman of the Board
Next Capital Public Company Limited
Loan service for motorcycles
- 2019 - 2021 Independent Director /
Chairman of the board
TBSP PUBLIC COMPANY LIMITED.
Media and printing media
- 2019 - Present Director
Advance Power Conversion Co., Ltd.
Electrical equipment
- 2018 - Present Independent Director
Grande Asset Hotels and Property Public
Company Limited
Tourism and leisure
- 2015 - Present Director/Executive Director
CK Power Public Company Limited
Energy and infrastructure

2

Mrs. Ladawan Charoen-rajapark

Age (Years) 59

- Independent Director
- Chairman of the Audit Committee
- Chairman of the Risk Management Committee

Appointed on May 3, 2022

Educational Qualifications

- Master of Business Administration, National Institute of Development Administration

Training History

- National Defense Course for the Joint Public-Private Sectors (Class 2012), National Defense College, National Defense Institute
- Financial Planning Program, Professional Qualification, CFP, Thai Financial Planners Association, Year 2007
- Executive Program, Capital Market Academy (CMA), Class 3/2011

Shareholding Proportion in the Company as of 31 December 2023

- None -

Family Relationship with Executives

- None -

Work Experience in the Last 5 Years

Present	Independent Director/Chairman of Audit Committee/Chairman of Risk Management Committee Next Capital Public Company Limited Loan service for motorcycles
2022 - 2023	Independent Director/ Member of the Audit Committee T.K.S. Technology Public Company Limited Production and distribution of business forms, security template, digital printing service, continuous printing paper for computer, and warehouse service for printing forms

Work Experience in the Last 5 Years (continue)

2021	Director/Chairman of the Audit Committee Synnex (Thailand) Public Company Limited Distribution of computer technology and IT products
2021 - Present	Director Treasury Committee of the Federation of Thai Industries
2020 - Present	Director School Lunch Project Fund Bureau Office of the Basic Education Commission (OBEC), Ministry of Education
2020 - Present	Advisor Committee of the Institute of Small and Medium Enterprises Manufacturing Industry (SMI)
2020 - Present	Advisor Subcommittee on Promotion and Support of FTI Members and SMEs, The Federation of Thai Industries
2020 - Present	Advisor Subcommittee for Providing Recommendations and Policies on SMEs, the Federation of Thai Industries
2017 - Present	Honorary Finance Committee Board of Directors for the Student Loan Fund (Kor Yor Sor.)
2017 - Present	Chairman of the Audit Sub-Committee Student Loan Fund (Kor Yor Sor.)

3

Mr. Amornyot Panich

Age (Years) 49

- Independent Director
- Member of the Audit Committee
- Chairman of the Nomination and Remuneration Committee

Appointed on June 21, 2019

Educational Qualifications

- Master of Law, University of Cambridge
- Bachelor of Laws, Chulalongkorn University

Training History

- Director Accreditation Program Class # 165/2019
- Independent Observer Program Class # 3/2016

Shareholding Proportion in the Company as of 31 December 2023

- 0.01%

Family Relationship with Executives

- None -

Work Experience in the Last 5 Years

2023 - Present	Independent Director/ Member of the Audit Committee/ Member of the Nomination and Remuneration Committee Boon Rawd Supply Chain Company Limited
2020 - Present	Director S.A.F. Special Steels Company Limited Steel distribution
2020 - Present	Director Grand Cos Group Company Limited Beauty products
2019 - Present	Independent Director / Member of the Audit Committee / Chairman of the Nomination and Remuneration Committee Next Capital Public Company Limited Loan service for motorcycles
2016 - Present	Director Better Life Solutions Company Limited Building materials retail

4

Asst. Prof. Dr. Patipan Sae-Lim

Age (Years) 38

Independent Director / Member of the Audit Committee /
Member of the Risk Management Committee

Appointed on January 7, 2020

Educational Qualifications

- Doctor of Philosophy in Development Administration,
National Institute of Development Administration (NIDA)
- Master of Science in Applied Statistics and Information
Technology, National Institute of Development
Administration (NIDA)
- Bachelor of Science in Statistics, Thammasat University

Training History

- Director Accreditation Program Class # 170/2020

Shareholding Proportion in the Company as of 31 December 2023

- None -

Family Relationship with Executives

- None -

Work Experience in the Last 5 Years

2023 - Present	Member of the Risk Management Committee Office of the welfare Promotion Commission for Teacher and Educational Personnel
2023 - Present	Risk Management and Internal Control Office of Nation Education Standards and Quality Assessment
2021 - Present	Advisor to the Risk Management Committee King Mongkut's University of Technology Thonburi Higher education institution
2021 - Present	Qualified Member of the Risk Management Committee Phetchaburi Rajabhat University Higher education institution
2020 - Present	Independent Director / Member of the Audit Committee / Member of the Risk Management Committee Next Capital Public Company Limited Loan service for motorcycles
2019 - Present	Associate Dean for Planning and Quality Assurance, Graduate School of Management and Innovations King Mongkut's University of Technology Thonburi Higher education institution
2018 - 2019	Full-time Faculty Member of Graduate School of Management and Innovations King Mongkut's University of Technology Thonburi Higher education institution

5 Mr. Sura Khanittaweekul

Age (Years) 54

Director / Member of the Nomination and Remuneration Committee

Appointed on June 26, 2017

Educational Qualifications

- Master in Business Administration (Finance), Indiana University
- Bachelor of Business Administration (Marketing), Assumption University

Training History

- Director Certification Program Class # 176/2013
- Director Accreditation Program Class # 103/2013

Shareholding Proportion in the Company as of 31 December 2023

- None -

Family Relationship with Executives

- None -

Work Experience in the Last 5 Years

Present	Director MARITIMUS Company Limited Rental and leasing of water transportation equipment
2021 - Present	Director Brax & Ben Company Limited wholesale liquid fuel
2021 - Present	Director Boko & Brother Frog Company Limited General Merchandise distribution
Present	Director Inter Vision Business Group Company Limited Ready-made programming service, including program development, installation, and maintenance
Present	Director L & T Corporation Company Limited Real estate and shopping center development

Work Experience in the Last 5 Years (continue)

Present	Director L & T Asset Company Limited Real estate and shopping center development
Present	Director Prime Solution and Service Company Limited Computer and programs distribution and computer program installation
2020	Director Yogamatter Company Limited Fitness center
2019 - Present	Member of the Nomination and Remuneration Committee Next Capital Public Company Limited Loan service for motorcycles
2017 - Present	Director Next Capital Public Company Limited Loan service for motorcycles
Present	Director Thunder Finfin Company Limited Sale of all kinds of telecommunication devices
Present	Director King Yummy Company Limited Food court operating service
2017 - Present	Director Bakery Treasury Company Limited Food and beverage restaurant
2017 - Present	Chairman of the Board Organic Zone Company Limited Sales of computers and equipment as well as IT programs
2016 - 2021	Director ITEC Software Company Limited Ready-made commercial programming service
2016 - Present	Director Double7 Company Limited Business management service
2016 - Present	Director NOVUS Integration Company Limited Sale of computers and equipment as well as IT systems related to corporate customers
2016 - 2021	Director 7 AM Company Limited Convenience store
2014 - Present	Director A DEV Development Company Limited Sale of computers and equipment as well as IT programs
2014 - 2021	Director F&B Commercial Company Limited Food and beverage restaurant
2013 - Present	Director Com7 Public Company Limited Sale and repair services for information technology products
2012 - Present	Director Double Value Company Limited Real estate lease, purchase, sale services

6 Mr.Pruttipang Tayarachkul

Age (Years) 65

Director / Member of the Risk Management Committee

Appointed on October 5, 2018

Acting Chief Executive Officer

Appointed on November 28, 2023

Educational Qualifications

- BA in International Trade, National Chengchi University

Training History

- Director Accreditation Program Class # 61/2007
- Corporate Governance and Social Responsibility Class # 1/2007
- TLCA Executive Development Program, Class 1/2008
- Corporate Secretary Development Program in 2008

Shareholding Proportion in the Company as of 31 December 2023

- 0.02%

Family Relationship with Executives

- None -

Work Experience in the Last 5 Years

2023	Acting Chief Executive Officer Next Capital Public Company Limited Loan service for motorcycles
2019 - Present	Director / Member of the Risk Management Committee Next Capital Public Company Limited Loan service for motorcycles
2019 - 2021	Member of the Nomination and Remuneration Committee Next Capital Public Company Limited Loan service for motorcycles

Work Experience in the Last 5 Years (continue)

2018 - 2021	Executive Director / Chief Executive Officer for Management Next Capital Public Company Limited Loan service for motorcycles
2017 - 2018	Acting Chief Executive Officer Next Capital Public Company Limited Loan service for motorcycles
2008 - Present	Director Synnex (Thailand) Public Company Limited Distribution of technology, computers and IT products
1994 - 2021	Director Service Point Company Limited Computer network design service

7 Mrs. Wassana Pongsangluk

Age (Years) 53

Director

Appointed on March 26, 2019

Educational Qualifications

- Master in Business Administration, University of Wales in Cardiff
- Bachelor of Business Administration (Accounting), Assumption University

Training History

- Director Accreditation Program Class # 164/2019

Shareholding Proportion in the Company as of 31 December 2023

- None -

Family Relationship with Executives

- None -

Work Experience in the Last 5 Years

2021 - Present Director
4PAWS Company Limited
Retail sale of pet animals and related equipment in Specialized Stores

2021 - Present Director
Chayo JV Asset Management Company Limited
Purchase or acceptance of transfer of non-performing assets of financial institutions and financial business operators

2021 - Present Director
Next Money Company Limited
Loan services

2020 - Present Director
See Know How Company Limited
Education and employee training services

Work Experience in the Last 5 Years (continue)

2020 - Present Director
Prime Solution and Services Company Limited
Sale of computers and programs and installation of computer systems

2019 - Present Director
Next Capital Public Company Limited
Loan service for motorcycles

2018 - Present Director
A Dev Development Company Limited
Computer and equipment distribution

2018 - Present Director
Thunder Finfin Company Limited
Sale of all kinds of telecommunication devices

2016 - Present Director
Double7 Company Limited
Business management service

2016 - Present Director
Novus Integration Company Limited
Sale of computers and equipment as well as IT systems related to corporate customers

2016 - 2021 Director
ITEC Software Company Limited
Ready-made Commercial Programming Service

2014 - Present Chief Executive Officer for Accounting and Finance
Com7 Public Company Limited
Distribution and repair services of information technology products

2007 - Present Director
Thaweechai Wassana Dee Company Limited
Food services

8 Ms. Sutida Mongkolsuthree

Age (Years) 42

Director / Member of the Nomination and Remuneration Committee

Appointed on August 14, 2020

Educational Qualifications

- Master of Science in International Management, Queen Mary University of London, UK
- Bachelor of Business, Faculty of Commerce and Accountancy, Chulalongkorn University

Training History

- Director Certification Program in 2016

Shareholding Proportion in the Company as of 31 December 2023

- None -

Family Relationship with Executives

- None -

Work Experience in the Last 5 Years

2021 - Present	Member of the Nomination and Remuneration Committee Next Capital Public Company Limited Loan service for motorcycles
2021 - 2022	Director SPM Capital Company Limited Investments in stocks, equities and bonds
2021 - Present	Director SWOPMART Company Limited E-commerce business
2021 - Present	Director Synnex Incubation Company Limited Joint ventures through shares with other juristic persons or private entities in the country and abroad
2021 - Present	Director Next Money Company Limited Loan service
2020 - Present	Director Next Capital Public Company Limited Loan service for motorcycles

Work Experience in the Last 5 Years (continue)

2019 - 2021	Director Thai British Dpost Company Limited Printed material service
2019 - Present	Director T.K.S. Siam Press Management Company Limited Printed material production
2019 - Present	Director Gofive Company Limited Consulting service and IT and software service
2019 - 2020	Director Service Hall Company Limited Limited liability partnership business
2012 - 2021	Director PT Automation (Thailand) Company Limited Sale of computer equipment and radiocommunication devices
2007 - Present	Director / Chairman of the Board Synnex (Thailand) Public Company Limited Distribution of technology, computer and IT products
2007 - Present	Director Plus Tech Innovation Public Company Limited Other printing not elsewhere classified
2003 - Present	Director Teckwah Value Chain (Thailand) Company Limited Computer checking service
1997 - Present	Director T.K.S. Technologies Public Company Limited Printing services
1996 - Present	Director Mongkolsuthree Holding Company Limited Holding business
1996 - Present	Director Service Point Company Limited Computer network design service

9 Mrs. Haruthaikarn Phansuwan

Age (Years) 62

Director

Appointed on February 21, 2023

Educational Qualifications

- Master's degree in Marketing, Dhurakij Pundit University
- Bachelor's degree in Banking and Finance, Ramkhamhaeng University

Training History

- Mini MBA Course: Fostering IT Entrepreneurs in the New Era, Faculty of Commerce and Accountancy, Chulalongkorn University
- TLCA Executive Development Program (EDP), Thai Listed Companies Association, Class 18

Work Experience in the Last 5 Years (continue)

- 2018 - Present Credit Control Director
Synnex (Thailand) Public Company Limited
Distribution of technology, computer and IT products
- 2008 - 2018 Credit Control Manager
Synnex (Thailand) Public Company Limited
Distribution of technology, computer and IT products

Shareholding Proportion in the Company as of 31 December 2023

- None -

Family Relationship with Executives

- None -

Work Experience in the Last 5 Years

- 2023 - Present Director
Nex Capital Public Company Limited
Loan service for motorcycles
- 2020 - Present Purchasing Director
Synnex (Thailand) Public Company Limited
Distribution of technology, computer and IT products

10 Ms. Kruakaew Yerabutra

Age (Years) 47

Member of the Risk Management Committee / Member of the Executive Committee / Chief Financial Officer / Assigned to have the highest responsibility in accounting and fianc'

Appointed on February 1, 2018

Educational Qualifications

- Master of Science in Applied Statistics and Information Technology, National Institute of Development Administration (NIDA)
- Bachelor of Accountancy, University of the Thai Chamber of Commerce

Training History

- Strategic CFO in Capital Markets Program Class # 6/2018
- Company Secretary Program Class # 124/2021

Shareholding Proportion in the Company as of 31 December 2023

- 0.03%

Family Relationship with Executives

- None -

Work Experience in the Last 5 Years

2021 - 2022	Company Secretary Next Capital Public Company Limited Loan service for motorcycles
2019 - Present	Member of the Risk Management Committee / Member of the Executive Committee Next Capital Public Company Limited Loan service for motorcycles
2018 - Present	Chief Financial Officer Next Capital Public Company Limited Loan service for motorcycles
2017 - 2018	Deputy Chief Financial Officer Mizuho Corporate Bank Ltd. Financial Institution

11 Mr. Wiphas Raiyawa

Age (Years) 51

Member of the Risk Management Committee / Member of the Executive Committee / Chief Operating Officer
Appointed on April 1, 2022

Educational Qualifications

- Bachelor of Business Administration, Bangkok University
- Mini MBA Certificate, Eastern Asia University

Training History

- None -

Shareholding Proportion in the Company as of 31 December 2023

- None -

Family Relationship with Executives

- None -

Work Experience in the Last 5 Years

2022 - Present	Chief Operating Officer Next Capital Public Company Limited Loan service for motorcycles
2020 - 2022	Director of Operations PBA Robotics (Thailand) Co., Ltd. A full range of automated operating system services
2019 - 2020	Chief Operating Officer Neo Money Company Limited Information and communication, Computer facilities management activity services
2019	Director of Operations Turtle Twenty-Three Company Limited Food and beverage
2018 - 2020	Director of Operations Pantawanich Company Limited Wholesale and retail sale of motor vehicles and motorcycles by providing retail services via the Internet
2017 - 2018	Senior Director of Management Eastern Economic Corridor Ministry of Industry

12 Mr. Prapan Rangsiyopas

Age (Years) 45

Member of the Risk Management Committee / Member of the Executive Committee / Chief Marketing Officer

Appointed on February 1, 2023

Educational Qualifications

- Master's degree, Faculty of Business Administration, Khon Kaen University
- Bachelor's degree, Faculty of Communication Arts, Assumption University

Training History

- None -

Shareholding Proportion in the Company as of 31 December 2023

- None -

Family Relationship with Executives

- None -

Work Experience in the Last 5 Years

Present	Member of the Executive Committee/ Member of the Risk Management Committee Next Capital Public Company Limited Loan service for motorcycles
Present	Chief Marketing Officer Next Capital Public Company Limited Loan service for motorcycles
2010-2022	Executive Vice President Aeon Thana Sinsap (Thailand) Public Company Limited Personal loans and credit cards

13 Ms. Ubolwan Piyajinda

Age (Years) 52

Member of the Executive Committee / Member of the Risk Management Committee / Chief Credit and Collection Officer

Appointed on April 1, 2022

Educational Qualifications

- Bachelor's degree, Faculty of Business Administration, Rajamangala University of Technology

Training History

- None -

Shareholding Proportion in the Company as of 31 December 2023

- 0.0002%

Family Relationship with Executives

- None -

Work Experience in the Last 5 Years

Present	Member of the Executive Committee/ Member of the Risk Management Committee Next Capital Public Company Limited Loan service for motorcycles
2021-2023	Acting Chief Credit and Collection Officer Next Capital Public Company Limited Loan service for motorcycles
2009-2019	Senior Vice President Summit Capital Leasing Company Limited Auto hire purchase, leasing, asset disposal and services

14 Mr. Yuttapol Mungseejan

Age (Years) 32

Accounting Manager / The person assigned to be directly responsible for supervising accounting operations

Appointed on April 10, 2023

Educational Qualifications

- Bachelor's degree in Accounting, University of the Thai Chamber of Commerce (UTCC)

Training History**Shareholding Proportion in the Company as of 31 December 2023**

- None -

Family Relationship with Executives

- None -

Work Experience in the Last 5 Years

Present	Accounting Manager
	Next Capital Public Company Limited
	Loan service for motorcycles
2022	Accounting Officer
	Honda Leasing (Thailand) Company Limited
	Loan service for motorcycles
2018 - 2021	Accounting Supervisor
	Next Capital Public Company Limited
	Loan service for motorcycles

15 Ms. Kwanchanok Tansopaluck

Age (Years) 30

Company Secretary

Appointed on February 21, 2023

Educational Qualifications

- Bachelor's degree in Tourism and Hospitality Management, Kasetsart University

Training History

- Company Secretary Program # 124/2021
- Effective Minutes Taking # 54/2023

Shareholding Proportion in the Company as of 31 December 2023

- None -

Family Relationship with Executives

- None -

Work Experience in the Last 5 Years

Present	Company Secretary
	Next Capital Public Company Limited
	Loan service for motorcycles
2020 – Present	Executive Secretary
	Next Capital Public Company Limited
	Loan service for motorcycles
2016 – 2020	Purchasing Officer
	Next Capital Public Company Limited
	Loan service for motorcycles



ATTACHMENT 2

Details of the directors of subsidiaries

Information as of December 31, 2023

Name	Next Capital Public Company Limited	Next Money Company Limited (Subsidiary)
Mr. Chaiwat Utaiwan	X	-
Mrs. Ladawan Charoen-rajapark	O	-
Mr. Amornyot Panich	/	-
Asst Prof Dr. Patipan Sae-Lim	/	-
Mr. Sura Khanittaweekul	/	-
Mr. Pruttipang Tayarachkul	/, //, ///	X, ///
Mrs. Wassana Pongsangluk	/	/
Ms. Sutida Mongkolsuthree	/	/
Mrs. Haruthaikarn Phansuwan	/	-
Ms. Kruakao Yerabut	//, ///	-
Mr. Prapan Rangsiyopas	//, ///	-
Mr. Wipas Raiyawa	//, ///	-

Note:

X = Chairman of the Board

/ = Director

// = Executive Director

/// = Executive

V = Audit Committee

O = Chairman of the Audit Committee



ATTACHMENT 3

Details of internal auditors

internal auditors

The Company hires Dharmniti internal audit Co., Ltd. to perform internal audit services in 2023. Dharmniti has assigned Miss Patchira Mingkwan to be the head of the internal auditors. Details are as follows:

Miss Patchira Mingkwan

Age 38

The head of the internal auditors

Education

- Bachelor's degree in accounting, Accounting Information Systems, Prince of Songkla University

Certificate

- Certified Professional Internal Auditor of Thailand (CPIAT)

Training History

- Internal Audit Training Program to Prepare for Certified Internal Auditor (Pre CIA)
- CIA Part II Training Program
- COSO 2013 Theory and Practice
- Internal Control Guidelines for Companies Preparing for Stock Exchange Listing
- International Standards for the Professional Practice of Internal Auditing
- IT Audit
- Fraud Investigation Guidelines
- Thailand's Private Sector Collective Action Coalition Against Corruption
- Maintaining and Improving the Quality of Internal Audit Operations
- Asian Confederation of Institutes of Internal Auditors conference 2018
- Internal Audit Comprehensive (IAC)
- Quality Assurance Reviews (QAR)

Shareholding in the Company As of December 31, 2021

- None -

Family relationship with management

- None -

Five-year work experience

- | | |
|--------------------|---|
| Jun 2016 – Present | Deputy Director
Dharmniti internal audit Co., Ltd. |
| | <ul style="list-style-type: none"> - Determine policies, goals, strategies, planning, monitoring, and controlling the quality of internal audit operations to comply with set policies. - Approve internal audit plans before proposing to the Audit Committee for approval and sign the audit reports. - Provide knowledge and understanding of internal control, risk and internal audit to team members and auditees. |
| 2011 – 2016 | Manager
Dharmniti Auditing Co., Ltd. |
| | <ul style="list-style-type: none"> - Plan and control the internal audit operations to comply with the set plans. - Plan and control the internal audit operations to comply with the set plans. - Supervise internal auditors and perform audits according to the set plans |
| 2009 – 2010 | Senior Internal Auditor
Dharmniti Auditing Co., Ltd |
| | <ul style="list-style-type: none"> - Prepare internal audit plans to propose to management and board of directors. - Supervise internal auditors and perform audits according to the set plans. |
| 2007 – 2008 | Internal Auditor
Dharmniti Auditing Co., Ltd. |
| | <ul style="list-style-type: none"> - Perform internal audits as assigned. |



ATTACHMENT 4

Details of Assets for Business Operations

Debtors from Hire Purchase Contract

The company has the debtors from the hire purchase contract as of 31 December 2023, 2022 and 2021 for 9,285.42 million baht, 7,427.57 million baht and 5,463.60 million baht, respectively. The debt amount, classification and allowance for credit loss that are expected to happen of the debtors from the hire purchase contract are as follows:

Classification	As of 31 December 2023		As of 31 December 2022		As of 31 December 2021	
	million baht	%	million baht	%	million baht	%
No significant increase of credit risk	8,613.65	93.54	6,870.68	92.37	5,206.91	94.81
With significant increase of credit risk	373.04	4.05	340.62	4.58	207.16	3.77
With credit loss	221.86	2.41	226.89	3.05	77.97	1.42
Total amount of debtors from hire purchase contract from deferred hire purchase interests	9,208.55	100.00	7,438.19	100.00	5,492.04	100.00
<u>Add</u> the deferred commission fee	523.36		533.46		285.14	
<u>Subtract</u> the allowance for credit loss expecting to happen	(446.49)		(544.08)		(313.58)	
Total amount of debtors from hire purchase contract	9,285.42		7,427.57		5,463.60	

Loan Debtor

The Company has loan receivables as of December 31, 2023 in the amount of 47.10 million baht from providing car registration pawn loans since April 2023. The amount of debt can be shown, with classification and allowance for expected credit losses of loan debtors as follows:

Classification	As of 31 December 2023	
	Million baht	%
No significant increase of credit risk	46.70	100.00
With significant increase of credit risk	-	-
With credit loss	-	-
Total loan receivables and accrued interest receivables.	46.70	100.00
<u>Add</u> the deferred commission fee	0.67	
<u>Subtract</u> the allowance for credit loss expecting to happen	(0.27)	
Net loan receivables	47.10	

Property Foreclosed

The property foreclosed of the company includes motorcycles confiscated from defaulting debtors. As of 31 December 2023, 2022 and 2021, the property foreclosed of the company equaled 45.97, 60.31 and 26.81 million baht, respectively.

Motorcycles	As of 31 Dec 23	As of 31 Dec 22	As of 31 Dec 21
The number of property foreclosed for confiscation during the year	13,586	13,605	8,587
The number of property foreclosed for confiscation at the end of the period	1,494	1,755	869
Net amount of property foreclosed (million baht)	45.97	60.31	26.81

Building and Equipment Improvement

As of 31 December 2023, 2022 and 2021, the company improved the buildings and equipment used in the business operations of the company. The net amounts, based on the account after deducting the accumulated depreciation that appeared in the financial statements of the company are as follows:

Asset	Ownership Type	Net Amount Based on the Account (million baht)			Obligation
		As of 31 Dec 23	As of 31 Dec 22	As of 31 Dec 21	
Building improvement	Owner	0.20	0.40	0.64	None
Equipment and office stationery	Owner	1.69	2.22	2.33	None
Computer	Owner	4.66	7.11	7.45	None
Work in progress		-	-	0.05	Not yet delivered
Net amount		6.55	9.73	10.47	

Note: The mentioned building improvement is in the rental place for business operations.

Right-of-Use Assets

As of 31 December 2023, 2022 and 2021, the total value of right-of-use asset after deducting the accumulated depreciation appearing in the financial statement of the company equaled 69.91, 42.44 and 34.62 million baht, respectively. The details are as follows:

Asset	Ownership Type	Net Amount Based on the Account (million baht)			Obligation
		As of 31 Dec 23	As of 31 Dec 22	As of 31 Dec 21	
Real Estate	Tenant	54.26	26.08	18.16	None
Vehicles	Tenant	15.65	16.36	16.46	None
Net amount		69.91	42.44	34.62	

Intangible Assets


The total value of the intangible assets of the company as of 31 December 2023, 2022 and 2021 equaled 35.61, 29.83 and 34.77 million baht, respectively, which included computer program packages, such as hire purchase management system program, credit loans, accounting system program and other office programs. Moreover, during 2021, the company sold the right to use the golf field. As of 31 December 2020, the company had the right to use that golf field for 0.76. The company has a policy to sell any intangible assets along the lifetime for computer programs for 5-10 years and for the right to use the golf field for 10 years.

Commercial Trademark

As of 31 December 2023, the company had 8 significant trademarks, which were not presently used in business operations, but the right is still not expired. The details are as follows:

Trademark	Type	Purpose	Status	Expiring Date
	Service	Vehicle rental service	Approved	11 October 2025
	Service	Car parts and motorcycles distribution business, vehicle dealer business	Approved	11 October 2025
	Service	Vehicle rental service	Approved	11 October 2025
	Service	Car parts and motorcycles distribution business, vehicle dealer business	Approved	11 October 2025
	Commerce	Payment Card Product	Approved	11 October 2025
	Service	Vehicle rental service	Approved	11 October 2025
	Service	Car parts and motorcycles distribution business, vehicle dealer business	Approved	11 October 2025
	Commerce and Service	Advertising and marketing publication, news publication, informative publication and magazine	Approved	3 September 2025

However, after changing the name from “BAF Thailand Company Limited” to “Next Capital Public Company Limited,” the company had changed the current trademarks for business operations, which are registered with the Department of Intellectual Property. The details are as follows:

Trademark	Status
	<p>Registered on 28 February 2020 and will expire on 27 February 2030</p>
	<p>Registered on 28 February 2020 and will expire on 27 February 2030</p>



ATTACHMENT 5



- Complete policies and corporate governance guidelines
- Code of Conducts
- Charter of Board of Directors
- Charter of CEO
- Charter of Audit Committee
- Charter of Risk Management Committee
- Charter of Nomination and Remuneration Committee
- Charter of Executive Committee

Corporate governance policies and operation guideline

Next Capital Plc. recognizes the significance of the corporate governance principles, which are key principles to ensure fairness to all stakeholders, enabling the Company's business operation to achieve strategies and objectives, and creating values to shareholders. This will ultimately lead the Company to sustainable growth. The Company's corporate governance principles are as follows.

Principle 1 Establish Clear Leadership Role and Responsibilities of the Board

- 1.1 Board of Directors understand their role and responsibilities as leadership that will ensure good corporate governance in the organization.
 - 1.1.1 Determine strategies, objectives and goals.
 - 1.1.2 Determine operation policies; allocate resources to achieve strategies, objectives and goals.
 - 1.1.3 Monitor and evaluate and oversea outcome
- 1.2 Ensure that corporate governance operation will achieve governance outcome in terms of creating of sustainable corporate value:
 - 1.2.1 Ensure competitiveness and performance with long-term perspective
 - 1.2.2 Perform ethical and responsible business
 - 1.2.3 Promote good corporate citizenship
 - 1.2.4 Remain corporate resilience
- 1.3 Board of Directors ensures that all directors and management perform duties based on duty of care and duty of loyalty and in compliance with laws, regulations and shareholders' meeting resolutions
- 1.4 The Board of Directors is aware of the roles, duties and responsibilities and assign clearly separated duties and responsibilities between the CEO and the management department and overseas that the CEO and the management complete their assigned duties.

Operation Guideline 1

- 1) In determining success, the Board of Directors shall take account of primarily ethics as well as social and environmental impact, in addition to just financial performance.
- 2) Board of Directors is committed to driving ethics-oriented organizational culture, with directors acting as good models as they take leadership roles in corporate governance.
- 3) Board of Directors arranges written policies for directors, management, and employees, which show principles and operation guidelines, such as policies about conflicts of interest, connected transactions, the Company's code of conduct, the code of conduct and ethical operation guidelines for directors, management and employees and etc.
- 4) Board of Directors arranges communication channels to ensure sufficient communication mechanism for all directors, management and employees to understand principles and operation guidelines and there is sufficient mechanism, which is favorable to actual practice, operation monitoring, policy review and regular operation.
- 5) In order to review whether directors and management perform duties with responsibilities, caution and loyalty to the organization, they shall follow related laws, rules and regulations, such as Securities and Securities Market Act (B.E. 2535). Sections 89/7, 89/8, 89/9, 89/10 (attachments) and etc.
- 6) Board of Directors shall arrange sufficient systems or mechanism to ensure that the Company's operation is carried out in compliance with related laws, rules, regulation, shareholders' meeting resolutions or the set operation guidelines. Key operation approval process must conform to related laws, such as approval for investment, transactions that have significant impact on the Company's operation, connected transactions, acquisition/deposition of assets, dividend payment and etc.

- 7) Board of Directors arranges board charter, indicating roles and responsibilities of directors for all directors to use as reference. Such board charter shall be reviewed at least once a year. In addition, roles and responsibilities of directors, CEO and the management department shall be regularly reviewed to match the organization's direction.
- 8) Board of Directors understand their role and responsibilities and authorize the management department in a written form but this authorization shall not act as a means to eliminate the responsibilities of the Board of Directors. Board of Directors oversees the management department's assigned operation, with the following issues:

Issues arranges by Board of Directors

- 1) Determine strategies, objectives and goals.
- 2) Create ethic-oriented organizational culture, with directors acting as good models
- 3) Oversee structure and operation of the Board of Directors to effectively reach business strategies, objectives and goals.
- 4) Recruit and develop CEO and determine rewards as well as evaluate CEO's performance.
- 5) Determine the structure of rewards that is an incentive for personnel to perform their work in accordance with the strategies, objectives and main goals of the organization.

Issues for Board of Directors to work with the management

- 1) Determine and review strategies, goals and annual plans.
- 2) Arrange sufficient and appropriate risk management and internal control systems.
- 3) Determine appropriate operation in accordance with scope of responsibilities of the management.
- 4) Outline framework for resource allocation, development and budging, such as HR policies and plans, IT policies and etc.
- 5) Monitor and evaluate performance.
- 6) Ensure reliable disclosure of financial and non-financial information.

Issues not involved by the Board of Director

- 1) Ensure that the business execution goes in line with the strategies, policies, and plans, which have been approved by Board of Directors. In other word, the Board of Director allows the management department to freely make decision, such as decision about purchasing plans, recruitment and etc. based on the scope of responsibilities, without any interventions.
- 2) Restricted matters such as approval of connected transactions and etc.

Principle 2 Define Objectives that Promote Sustainable Value Creation)

- 2.1 Board of Directors ensures the operation following key objectives that can lead to sustainable value. The objectives must be in line with the value creation for the corporate, clients, and all stakeholders well as the overall society.
- 2.2 Board of Directors ensures that the medium-term objectives and annual objectives are in line with the key corporate objectives and goal, supported by appropriate and safe use of innovations and technologies.

Operation Guideline 2

- 1) Board of Directors arranges the corporate to define clear and appropriate objectives, which can be referred to when determining the business model and such objectives shall be conveyed to all parties in order to ensure that everyone in the organization goes in the same direction. In light of this, vision, mission, values, principles and purposes or equivalent are set.
- 2) Board of Directors designs a business model that can create value to the corporate as well as stakeholders and the society, with the following aspects being taken into account:
 - (1) Environment and changing factors; appropriate use of innovations and technologies
 - (2) Demand from clients and stakeholders
 - (3) Availability, expertise, competitiveness of the corporate
- 3) Corporate core value can reflect the characteristics of corporate governance, such as in terms of accountability, integrity, transparency, and due consideration of social and environmental responsibilities and etc.
- 4) Board of Directors promotes communication encourage all personnel to make any decisions and perform duties in the way that reflect the corporate objectives and this practice shall be consistently conducted until it has become the organization.
- 5) tBoard of Directors ensures that annual strategies and operation plans match the corporate objectives, taking into account the corporate environment as well as acceptable risks. In addition, the Board of Directors also supports the review of medium-term objectives and strategies for 3 – 5 years to make sure that the annual strategies and operation plans are outlined to somewhat reflect expected long-term impacts.
- 6) Board of Directors oversees that the determination of annual strategies and operation plans takes into account the analysis of environment, relating factors, related risks that may impact related stakeholders in the value chain as well as other factors that may impact the achievement of the objectives. There is a mechanism that can create understanding about actual demand from stakeholders.
- 7) Board of Directors supervises that objectives are determined in a way to create innovations, which will be applied, together with technologies, to create competitiveness and support demand from stakeholders, under the basis of social and environmental responsibilities
- 8) Board of Directors determines objectives, either monetary or non-monetary objectives in accordance with the business environment and corporate potential. In addition, the Board of Directors is aware of risks arising from objective determining, which may lead to illegal or unethical conduct.
- 9) Board of Directors arranges communication of objectives through strategies and operation plans throughout the organization.
- 10) Board of Directors arranges appropriate resource allocation and operation control and also follows whether the operation is carried out based on the set strategies and annual plans. Board of Directors may assigns particular bodies to be in charge of monitoring operation performance.

Principle 3 Strengthen Board Effectiveness

- 3.1 Board of Directors is in charge of outlining and reviewing director structure, e.g., size, components, portion of independent directors, which is appropriate and necessary to drive the organization to reach the set objectives.
- 3.2 Board of Directors selects a qualified candidate to be a chairman and ensures that the component and operation of Board of Directors are favorable to independent decision making.
- 3.3 Board of Directors ensures transparent process of direction selection to select qualified directors in accordance with the set components.
- 3.4 Board of Directors considers appropriate board of director structure and remuneration, based on the scope of responsibilities, to motivate directors to be committed to driving business to achieve both short-term and long-term targets, before proposing such determined structure and remuneration packages to the shareholders' approval.
- 3.5 Board of Directors sees that all directors be responsible for their duties and allocate adequate time for their duties.

- 3.6 Board of Directors arranges framework and mechanism to oversee corporate governance and policies operation at subsidiaries and other businesses in which the Company puts significant investment, ensuring that the corporate governance policies operation are appropriate to the nature of their businesses. In addition, the Board of Directors shall ensure that the subsidiaries and other businesses in which the Company puts significant investment have the same understanding.
- 3.7 Board of Directors arranges annual performance appraisal for Board of Directors, members of sub-committees and individual directors, the appraisal results to be used for further performance enhancement.
- 3.8 Board of Directors ensures that each director clearly understand their roles and responsibilities, nature of business, as well as related law. In addition, Board of Directors also supports all directors to regularly enhance their knowledge to boost their performance.
- 3.9 Board of Directors ensures that the directors' operation goes flawlessly and they are able to access necessary information and that directors have qualified secretaries to support them.

Guideline 3

- 1) Board of Directors sees that directors are qualified, with extensive skills, experience, capabilities, and specialized skills and that they hold gender and age appropriate to drive the Company's operation to achieve the set objectives. The Board of Directors completes skills matrix to ensure that directors possess appropriate qualifications and competency, able to understand and meet demand from stakeholders. There must be at least one-management director, who possesses direct experience and background in the Company's business.
- 2) Board of Directors determines the appropriate number of directors, which can effectively perform duties. Board of Directors shall comprise not less than five directors and not exceeding 12, depending on the size, profile and complication of the business.
- 3) There must be certain portion of management and non-management directors for appropriate power balancing.
 - (1) Most non-management directors can freely express opinions about performance of the management.
 - (2) The number and qualifications of independent directors are based on the rules and regulations of the SEC and the SET. Board of Directors shall see that independent directors can work effectively well with other directors and can express opinions independently.
- 4) Board of Directors discloses policies about varieties of components of Board of Directors and information of directors, such as age, gender, education background, experience, shareholding, number of years they are holding the director position and the director position in other SET0-listed companies, on the One Report and the Company's website.
- 5) The chairman of Board of Directors is an independent director.
- 6) The chairman of Board of Directors and the CEO take different responsibilities. The Board of Directors clearly indicates separate scope of responsibilities of the chairman of Board of Directors and the CEO in order to limit power of each position. Hence, the chairman of Board of Directors is not allowed to be the same person as the CEO.
- 7) The chairman of Board of Directors takes leadership roles in the Board of Directors, with the following scope of responsibilities:
 - (1) Ensure effective performance of directors, to reach the set objectives
 - (2) Ensure that all directors help promote ethical organizational culture with good corporate governance
 - (3) Determine meeting agendas, in discussion with the CEO, and ensure that key issues are included to the meeting agenda.
 - (4) Allocate sufficient time for the management to propose issues and enough time for directors to thoroughly discuss the issues; encourage directors to consider the issues carefully and freely express their opinions.
 - (5) Create good relation between management directors and non-management directors and between directors and the management department.

- 8) In case the duty of the chairman of Board of Directors and the CEO is not clearly separated. E.g., the chairman of Board of Directors is the same person as the CEO; the chairman of Board of Directors is not an independent director; the chairman of Board of Directors and the CEO are from the same family; or the chairman of Board of Directors is a member in the Executive Committee or a working panel or is assigned to perform management functions, the Board of Directors shall promote power balancing between the directors and the management by:
 - (1) The Board of Directors consists of independent directors at more than half; or
 - (2) An independent director is appointed to consider the meeting agenda of Board of Directors' meeting.
- 9) The chairman of Board of Directors has a policy to allow an independent director to be in the position at over nine years from the first appointment date. In case such independent director is about to be reappointed, this will depend on the judgment from the Board of Directors.
- 10) To ensure that all key matters are thoroughly reviewed, the Board of Directors appoints sub-committees to consider particular issues; they should screen information and propose solutions first before submitting for approval from Board of Directors.
- 11) Board of Directors discloses the role and responsibilities of directors and sub-committees, number of meetings and number of director attendance in the past year and reports operation performance of the sub-committees.
- 12) Board of Directors appoints Nomination and Remuneration Committee, which consists of at least one independent director and is chaired by a director.
- 13) Meetings should be arranged consider criteria to select persons as directors in order to make sure that Board of Directors consist of qualified directors, with expertise and knowledge, and examine background of such persons. Nominated persons shall be proposed to the Board of Directors' meeting and the AGM for further appointment procedure. Shareholders shall receive adequate information about the nominated persons.
- 14) Nomination and Remuneration Committee reviews the criteria and process to appoint a director before proposing it to the Board of Directors prior to the time when a director is about the complete the terms. In case a current director is about to be nominated, this will depend on the performance of such director.
- 15) In case Board of Directors appoints a person to be an advisor to Nomination and Remuneration Committee, the information of such advisor is disclosed in the One Report, with the details about being independence and the absence of conflicts of interest being included.
- 16) Board of Directors appoints Nomination and Remuneration Committee, with least one director being an independent director and the chairman being an independent director, to consider policies and criteria for remuneration determination.
- 17) Remuneration for directors accords with the Company's long-term objectives, accountability and responsibility as well as expected benefits to gain from each director. Some directors with more duties, e.g., being a member of a sub-committee, will receive larger remuneration as appropriate and comparable to the standard scales in the same industry.
- 18) Shareholders shall approve remuneration structure for directors, both monetary and non-monetary forms. The remuneration is determined as appropriate, both in flat rates (e.g., regular income and meeting allowance) and in the rates in accordance with the Company's performance (e.g., bonuses and gratuity). The amount shall relate to the value the Company creates for shareholders but it shall not be too high that it may lead to profit-oriented operation in the short term.
- 19) Board of Directors discloses policies and criteria for determination of remuneration for directors, which reflect responsibilities of each director, as well as remuneration payment method amount. Note disclosed remuneration amount also include the amount each director receives from his or her duty as a director for the Company's subsidiaries.
- 20) In case Board of Directors appoints a person to be an advisor to Nomination and Remuneration Committee, the information of such advisor is disclosed in the One Report, with the details about being independence and the absence of conflicts of interest being included.

- 21) Board of Directors ensures a supporting mechanism to enable directors to understand their roles and responsibilities.
- 22) Board of Directors sets criteria about the Company's directors also holding the director position in other companies. This shall be based on the effectiveness and performance of a director who also holds the director position in other companies. The criteria shall help ensure that directors can dedicate sufficient time to perform duties in the Company. One director is allowed to be a director for SET-listed companies at not exceeding five firms because if a director works for too many firms, his or her performance may deteriorate. Details about criteria and requirement regarding directors' work in other firms are also disclosed.
- 23) Board of Directors arranges the disclosure of details of other positions held by directors.
- 24) In case a director or an executive seems to involve in some conflicts of interest, either directly or indirectly, or have a change to use the Company's information for his or her own benefit, the Board of Directors has to make sure that the Company has sufficient measure to prevent any improper actions and inform the shareholders of related matters as appropriate.
- 25) Each director must attend meetings at not less than 75% of the total Board of Directors' meetings convened each year.
- 26) In case there is a subsidiary, Board of Directors shall also determines policies to oversees the subsidiary, as follows:
 - (1) Arrange written appointment of directors, management or person with controlling power in the subsidiary. Board of Directors shall be in charge of appointment; except for the case that such subsidiary as smaller operation and act as an operating arm of the Company, the CEO shall be in charge of the appointment.
 - (2) Determine scope of duties and responsibilities for the aforementioned person on (1) and the Company's representative shall ensure that all operation shall go in line with the policies of the subsidiary. In case the subsidiary jointly invests with other firms, Board of Directors shall ensure that the Company's representative perform his or her duty as best as possible to maintain benefits of the subsidiary in and accord to the policies of the parent company.
 - (3) Arrange appropriate and comprehensive internal control systems of the subsidiary and ensure that all transactions are carried out in compliance with related laws and regulations.
 - (4) Disclose financial information, business operation, connected transactions, acquisition and disposition of assets, other key transactions, capital increase, capital decrease, the company dissolution and etc.
- 27) In case of significant investment partnership deals or joint venture deals, such as holding shares with voting right from 20% but not exceeding 50% or significant capital increases, if necessary, the Board of Directors shall arrange shareholders' agreements or other agreements, to clarify the scope of power in management and participation in decision making on major issues as well as operation monitoring in order to be able to use the data for completion of standard financial statement on a timely manner.
- 28) Board of Directors and sub-committees appraise performance at least once a year in order to allow the directors to consider performance and problems together before seeking further solutions. Some criterion and standard shall be clearly defined as principle reference for performance comparison.
- 29) Performance valuations shall be conducted both for the entire committees and individual directors. At least there must either be self-evaluation or cross evaluation. In addition, details about evaluation principles, criteria and procedure as well as overall performance shall be disclosed in the One Report.
- 30) Board of Directors arranges external advisor to provide guidelines and suggestions concerning the performance appraisal for directors at least once in three years and details of such practice shall be disclosed in One Report.
- 31) Performance of Board of Directors shall be used as a reference to review the appropriateness of the components of the Board of Directors.
- 32) Board of Directors ensures that a newly-appointed director receives suggestions and useful information to support business operation and that he or she understand the Company's objectives, vision, mission, corporate value, business overview and business direction.

- 33) Board of Directors arranges regular trainings for directors and sees that directors' knowledge is developed as necessary and on regular basis.
- 34) Board of Directors understands laws, regulations, standards, risks, and environment related to the Company's business and receives updated information on a regular basis. Details about trainings and knowledge development are disclosed in One Report.
- 35) Board of Directors schedule meetings and complete meeting agenda in advance so that directors can allocate time to attend the meetings.
- 36) The Board of Directors shall arrange meeting schedules and agenda in advance so that directors can manage their time and attend meetings.
- 37) The Board of Directors shall consider the number of meetings of the Board of Directors to be appropriate with the duties and responsibilities of the Board of Directors and the nature of business operations of the Company, which shall not be less than 4 times per year. In the event that the Board of Directors does not meet on a monthly basis, the Board of Directors requires the management to report the operating performance results to the Board for the month when no meeting took place so that the Board can supervise and oversee the operations of the management department in a continuous and timely manner.
- 38) Board of Directors arranges a mechanism that allow each director as well as the management department to propose useful matters to be included in the meeting agenda.
- 39) Meeting documents shall be sent to directors at least three days prior to the meeting date.
- 40) Board of Directors encourages the CEO to invite top executive to the Board of Directors' meetings so that they can provide additional information as they may be persons directly in charge of or involve in particular problems and this practice can be an opportunity for Board of Directors to know top executives, which can be useful for future succession plans.
- 41) Board of Directors may access additional information from the CEO, secretary, the Company or other executives in charge under the determined scope of responsibilities. If necessary, Board of Directors may arrange independent opinions from external professional advisor, the service fee from whom is considered as the Company's expenses.
- 42) The Board of Directors has a policy to allow separate meetings among non-management directors, as necessary, so that they can discuss the problems related to the management that interest them, without the presence of the management directors. The results of such non-management directors' meetings shall be reported to CEO.
- 43) Board of Directors determines the qualifications and experience of the Secretary, who will be in charge of providing suggestions in legal and regulation matters, which should be well aware by directors. The Secretary shall also oversees documents relating to Board of Directors' s meetings, major documents and coordinates with related parties to ensure that they follow the Board of Directors' meeting resolutions. Moreover, Board of Directors also discloses the qualification and experience of the Company's secretary in One Report and on the Company's website.
- 44) The Company's secretary shall attend meetings to enhance knowledge on a regular basis, which will be beneficial to his or her operation. In case of there are some certified programs, the secretary shall be considered to attend such programs.๕

Principle 4 Ensure Effective CEO and People Management

- 4.1 Board of Directors ensures that there are procedure to select the CEO and other top executive levels. Their knowledge, skills and experience are enhanced and they shall possess qualifications which are necessary to drive the organization to reach objectives.
- 4.2 Board of Directors ensures suitable remuneration structure and evaluation procedure.
- 4.3 Board of Directors understands structure and relations of shareholders, which may impact the management and business operation.
- 4.4 Board of Directors oversees the management and develop personnel's experience and appropriately motivated them.

Operation guideline 4

- 1) Board of Directors assigns the Nomination and Remuneration Committee defines criteria and selection process to recruit a qualified person to be a CEO.
- 2) Board of Directors assigns the CEO to consider qualified too executives. At least Board of Directors or Nomination and Remuneration Committee works with the CEO to consider selection and appointment criteria to appoint a person nominated by the CEO to be in the position of top executive.
- 3) To ensure business continuity, the Company arranges the establishment of a succession plan to ensure succession process to recruit the new CEO or top executives. The CEO shall report the succession operation result to the Board of Directors at least once a year.
- 4) Board of Directors supports the CEO and top executives to continue receiving training and knowledge development, which will benefit their operation.
- 5) Board of Directors determines clear policies and operation procedure for the CEO or top executives who may also act as directors in other companies, both in terms of eligible positions and number limit which they can be directors.
- 6) Board of Directors determines remuneration packages to motivate the CEO, the top executives and other personnel at all operation levels to accord the Company's objectives and maximize benefits to the Company in the long term, including the following:
 - (1) Consider appropriate portion of short-term operation-based packages, such as salaries and bonus and long-term operation based benefits, such as Employee Stock Ownership Plan.
 - (2) The remuneration policies shall take into account the comparison to the industry, based on the projected earnings performance.
 - (3) Policies and criteria about evaluation shall be communicated to all related parties.
- 7) Non-management directors may take part in determining remuneration policies and evaluation of the CEO's performance at least on the following matters:
 - (1) Approve the principles to evaluate the CEO, with the criteria motivating the CEO to work to achieve objectives and relate to corporate long-term benefits. The principles shall be communicated to the CEO in advance.
 - (2) Appraise CEO's performance annually or assign the Nomination and Remuneration Committee who considers the remuneration packages to do so. The chairman of the Board of Directors shall inform the appraisal result as well as points for further development to the CEO.
 - (3) Approve annual remuneration for the CEO and appraise the performance of the CEO, taking into account other related factors.
- 8) Board of Directors approves the principles and factors for appraisal and approves the remuneration package structure for top executives and assigns the CEO to evaluate the performance of top executives.
- 9) Board of Directors arranges the principles and factors for performance appraisal for the entire organization.
- 10) Board of Directors understands the structure and relation of the shareholders ,which may in the form of internal agreement within facilities either in a written from or a non-written form, shareholders' agreements or policies in the parent companies, which may have an impact on the management and administration control.

- 11) Board of Directors ensure that the agreements in (10) will not hinder the operation of the Board of Directors, such as about seeking qualified persons to be successors and etc.
- 12) Board of Directors ensures the disclosure of information about various agreements, which may have an impact on corporate control.
- 13) Board of Directors arranges the human resource management that accords to the direction and strategies of the organization. All employees shall possess knowledge and competency and be appropriately motivated. The organization shall treat personnel fairly so as to maintain competent personnel.
- 14) Board of Directors arranges the establishment of a provident fund or other mechanism to promote sufficient saving for employees' retirement and encourages employees to understand money management, investment plans to suit their ages and risk levels. Board of Directors shall also arranges for some life- path investment.

Principle 5 Nurture Innovation and Responsible Business

- 5.1 Board of Directors is aware of the importance and support of creation of innovations to create business value and value to clients or related parties and take responsibility to the society and environment.
- 5.2 Board of Directors arranges the management department to work with responsibilities to society and environment, which is reflected in operational plan, so as to ensure that all parties in the organization perform duties in accordance with corporate objectives and strategies.
- 5.3 Board of Directors arranges the management department to allocate and manages resources effectively and efficiently, taking into account the development of value chain resources so as to achieve objectives in sustainable ways.
- 5.4 Board of Directors arranges the establishment of operation control and information technology management in the organizational level, in accordance with corporate demand. In addition, the Board of Directors shall support the use of technologies to add business value, enhance operation, and manage risks in order to achieve the corporate objectives.

Operation Guideline 5

- 1) Board of Directors emphasizes the creation of organizational culture that promotes innovations and arranges the management department to use these as reference to review strategies, plan operation enhancement and monitor operation performance.
- 2) Board of Directors promotes creation of innovations to add corporate values in accordance with dynamic factors and environment. These include the establishment of business model, conceptual framework for product design and development, resources, production and operation process enhancement and collaboration with partners.
- 3) Board of Directors arranges the mechanism that ensures that the business operation is conducted ethically and morally, taking into account the responsibilities for the society and environment and not infringing the right of stakeholders. This mechanism shall act as a guideline for all parts in the organization to achieve objectives in sustainable ways. Policies or operation guidelines may cover the following matters.
 - (1) Responsibility for employees and workers: These people shall be treated as stated in related laws and under employee and worker-related standards. They should be treated fairly, with the human right being respected. For example, rewards or related benefits should be fairly offered. Welfares shall be arranges at not less than what specified by laws or higher, as appropriate. Sanitary and safe workplace shall also be provided. Trainings for knowledge and potential enhancement shall also be organized so that employees' progress can be advanced. In addition, employees shall be given opportunities to enhance their skills in other aspects.

- (2) Responsibility for clients: Clients shall be treated well, based on related laws and standards, taking into account the awareness of healthcare, safety, fairness, confidential information, after-sales service throughout product life, satisfaction monitor and survey for further product improvement. Advertising, public relation and sales conducts shall be carried out with responsibility, not misleading clients or take advantages from clients' misunderstanding.
- (3) Responsibility for business partners: Procurement and purchasing process is fairly carried out. Contract terms and conditions are fair. Enhance knowledge of partners and lift service standards. Explain and take care partners and encourage them to respect human right and treat their workers fairly, with responsibility for society and environment. Monitor and evaluate business operation of partners so as to sustain business partnership.
- (4) Responsibility for communities: Apply business knowledge and experience to development of projects that may bring concrete benefits to the communities; there is monitor and evaluation procedure to assess the success in the long term.
- (5) Responsibility for environment: Ensure that the Company does not do anything to create negative impact on the environment, including energy use, water user, alternative energy use, recovery of biological verities, which have been impacted by business operation and etc.
- (6) There shall be fair competitions, with transparent business operation and without any unfair competitive advantages on others.
- (7) Anti-corruptions: Follow related laws and standards. The Company shall determine anti-corruption policies and announce such policies to public. The Company may join anti-corruption partnership networks and support other companies including trade partners to announce anti-corruption policies and join anti-corruption partnership networks.
- 4) Board of Director is aware of necessity of resources and realizes that use of one resource may impact others.
- 5) Board of Director is aware that different business models lead to different impact on the resources. Hence, in choosing a business model, impacts on and value of resources shall be taken into account, based on ethics, responsibility and creation of corporate value in sustainable ways.
- 6) Board of Director ensures that in order to achieve objectives, the management reviews and develops use of resources and make sure that resources are used effectively and efficiently, with external and internal changes being regularly taken into account.
- 7) Board of Directors arranges policies about allocation and management of IT resources, covering the resource allocation to suffice business operation, and prepares some ways to support in case the resources cannot be sufficiently allocated as planned.
- 8) Board of Directors arranges the risk management to cover management, operation and IT risks.
- 9) Board of Directors arranges determines policies and measures to ensure the safety of the information system security

Principle 6 Strengthen Effective Risk Management and Internal Control

- 6.1 Board of Directors ensures that the Company as risk management and internal control systems, which will enable the Company to achieve objectives effectively and that business operation conform to related laws and regulations
- 6.2 Board of Directors establish Audit Committee to performance duties effectively and independently.
- 6.3 Board of Directors monitors and management possible conflicts of interest that may occur among the Company, the management department, Board of Directors or shareholders; Board of Director also prevents improper uses of assets, information and transaction with persons with some improper involvement with the Company.
- 6.4 Board of Director arranges the establishment of clear anti-corruption policies and operation procedure and communicate these policies and procedures to all people in all levels in the organization and external bodies to encourage these people to really put these principles to actual practice.

Operation Guideline 6

- 1) Board of Directors understand major operation risks and approve acceptable risks.
- 2) Board of Directors considers and approves risk management policies, which accord to key objectives, strategies and acceptable corporate risks. These risk management policies shall be referred to as operation framework for risk management operation for all people in the organization to move in the same direction. Board of Directors realizes the importance of advance warnings and arranges regular review of risk management policies at least once a year.
- 3) Board of Directors sees that the Company identifies risks, taking into account both external and internal factors that may prevent the Company from achieving the set objectives.
- 4) Board of Directors ensures that the Company assesses the impacts and chance of identified risks so as to prioritize risk management steps and appropriately manage risks.
- 5) Board of Directors assigns Risk Management Committee or Audit Committee to review Items 1) – 4) before proposing them to the Board of Directors as appropriate with the nature of business.
- 6) Board of Directors monitors and assesses the effectiveness of risk management on a regular basis.
- 7) Board of Directors has a duty to oversee the business operation to comply with related laws and standards, both internally and internationally.
- 8) In case the Company as a subsidiary or other companies in which the Company put significant investment (such as holding shares with voting right from 20% but not exceeding 50%), the Company will consider results of internal control and risk management evaluation as parts to determine the procedure as mentioned in No. 1) -7) above.
- 9) Board of Directors arranges Audit Committee, which consists of at least three members, and all of them must be independent and qualified to perform duties as stated in the regulations of the SEC and the SET.
- 10) Board of Directors defines scope of responsibilities of Audit Committee to cover at least the following duties.
 - (1) Review the accuracy and completeness of financial reports.
 - (2) Review and ensure appropriate and effective internal control and internal audit systems.
 - (3) Review and ensure that Company's operations conform to the related laws and standards.
 - (4) Review the independence of the internal control unit and approve appointment, transfer and employment termination for the head of the internal control unit or any unit that is in charge of internal control operation.
 - (5) Consider, select and nominate an independent individual as the Company's auditor as well as propose the audit fee. Attend the meetings with the auditor, without the presence of the management, at least once a year.
 - (6) Review connected transactions and/or some transactions that may lead to conflicts of interests to ensure that ensure that such transactions are in compliance with the related laws and that they are they are justified, with expected maximum benefits to the Company.
 - (7) Review the accuracy of reference documents and the self-evaluation about anti-corruption measures of the corporate, based on the project under collaboration of the Thai private sector against corruptions.
- 11) Board of Directors arranges a mechanism or a tool for the Audit Committee to access information necessary to their assigned duties, such as a mechanism to support Audit Committee, making it easy for them to call particular persons to provide information or to discuss with the auditor or seek independent opinion from professional advisors to support their consideration or decision making on particular matters.
- 12) Board of Directors arranges independent internal control unit to develop and review the effectiveness of risk management and internal control systems. This unit shall report to the Audit Committee and disclose the audit report in the annual report.
- 13) Board of Directors Committee shall provide opinions concerning the adequacy of risk management and internal control systems and disclose the opinions in the annual report.

- 14) Board of Directors Committee arranges information security and determine policies and operation guidelines in terms of confidentiality, integrity, availability and market sensitive information. In addition, the Committee ensures that directors, top executives, employees and related external parties, such as legal advisors and financial advisor, to follow operation guidelines about information security.
- 15) Board of Directors manages and monitors transactions that may lead to conflicts of interest and outlines operation guidelines to ensure such transactions are carried out based on the set procedure. Also, the Committee shall also ensure that information is disclosed, according to related laws and bringing highest benefits to the Company and overall shareholders. Persons with some interest in particular transactions shall not take part in decision making.
- 16) Board of Directors sets a rule that directors report their interest in some transactions at least before considering the agenda of such transactions in the directors' meetings and the details shall be recorded the minutes of the directors' meetings. The Committee ensure that any directors, who have significant interest that may prevent such directors from expressing opinions independently, do not participate in the meeting when considering such agenda.
- 17) Board of Directors arranges anti-corruption projects or guidelines, including campaign to urge all employees to obey laws and follow related regulations.
- 18) Board of Directors arranges a mechanism and operation process (record of progress on solutions); allows complaints by stakeholders; and arranges more than one convenient channels to receive complaints. The channels shall be disclosed in the Company's website or One Report.
- 19) Board of Directors determines clear policies and directions regarding whistleblowing, which can be done through the Company's website or assigned independent directors/ Audit Committee. In addition, there should be procedure to examine information, operation procedure, and reports to the Board of Directors.
- 20) Board of Directors ensures appropriate measures to provide securities or protect informants.

Principle 7 Ensure Disclosure and Financial Integrity

- 7.1 Board of Directors is in charge of the Company's financial report system and ensure that that the Company's information is accurately, adequately and timely disclosed in accordance with relevant regulations, standard and operation guideline.
- 7.2 Board of Directors monitors the adequacy of the financial liquidity and debt repayment ability.
- 7.3 In case of some financial problems or outlook for financial problems, Board of Directors shall ensure that the Company has solution plans or any mechanism to solve the financial problems, taking into account the right of stakeholders.
- 7.4 Board of Directors arranges business sustainability reports as appropriate.
- 7.5 Board of Directors arranges that the management provides a unit or a person to be in charge of investor relation and communication with shareholders, stakeholders, such as investors and analysts in appropriate, equal and timely manners.
- 7.6 Board of Directors promotes uses of information technology for information disclosure.

Operation Guideline 7

- 1) Board of Directors arranges sufficient personnel to be in charge of information disclosure; they should possess knowledge, skills and experience appropriate with their duties and responsibilities. These personnel may include CFO, accountants, internal auditors, secretaries, and investor relations officers.
- 2) To provide approval to information disclosure, Board of Directors shall consider all relevant factors. For the case of financial reports, the following factors shall be taken into consideration:
 - (1) Evaluation results on the adequacy of the internal control system.
 - (2) Opinions of the auditor in the financial report and comments from the auditor regarding the internal control system as well as comments from the auditor from other channels (if any).

- (3) Opinions of the Audit Committee
- (4) Consistency with the Company's objectives, strategies and policies
- 3) Board of Directors arranges disclosure of information, including financial statement and 56-1 One Report, to adequately reflect actual financial position; and supports the completion of management discussion and analysis (MD&A) to support the disclosure of quarterly financial statement. This practice is aimed at providing information for investors to be better aware of information and ongoing changes as well as the Company's quarterly performance, in addition to just the figure data from the financial statement.
- 4) In the case that some information related to a particular director, such director shall arrange complete and adequate information disclosure, such as the information about shareholding of his/her group, disclosure of information related to his/her group's shareholders' agreement and etc.
- 5) Board of Directors arranges the management to monitor corporate financial position and report the result to the Board of Directors on a regular basis. Board of Directors and the management shall try to seek solutions promptly as soon as there is any sign pointing to some problems about financial liquidity and debt repayment ability.
- 6) In approving any transactions or proposing some suggestions for approval by the shareholders' meetings, Board of Directors shall be certain that such transactions do not impact the Company's business operation, financial liquidity or debt repayment ability.
- 7) In case the Company seems to be unable to repay debts or encounters some financial problems, Board of Directors shall closely monitor the situations and ensure that the Company's business operation is conducted with caution and in compliance with any regulations regarding information disclosure.
- 8) Board of Directors arranges for the Company to determine financial solution plans, taking into account the fairness to all stakeholders including creditors, and also monitor the progress on problem solving, with the management being asked to make reports regularly.
- 9) Board of Directors shall be certain that any decision regarding financial problem solutions, by any means, shall be reasonably made.
- 10) Board of Directors reviews the appropriateness of the information disclosure and ensures that all related procedure conforms to laws, code of conduct, anti-corruption policies, as well as guidelines about treating employees and stakeholders. In addition, all information disclosure operation must be carried out with fairness, taking into account the respect of human right as well as the responsibility for society and environment. The information disclosure shall also take into account the accepted reporting standards both internally and externally. Information shall be disclosed on One Report or published in a separate report.
- 11) Board of Directors ensures that the disclosed information is important and reflect the operation that will lead to creation of sustainable corporate value.
- 12) Board of Directors arranges that the Company has a communication policy and a disclosure policy to ensure communication with and disclosure of information to external bodies in appropriate, equal and prompt manners under appropriate channels. Board of Directors shall also ensure that important information and information that will impact the securities' prices is kept confidential and that all communication and disclosure policies are communicated and understood by all people in the organization.
- 13) Board of Directors arranges a person in charge of information disclosure to external bodies. A person qualified for this position is someone who understands the Company's business, objectives, and core value well and is able to communicate effectively to the capital market. This person can be the CEO, the CFO and the investor relation manager and etc.
- 14) Board of Directors arranges the management to determine directions and support investor relation functions, such as provision of operation guidelines for information disclosure, policies about management of information that may impact securities' prices, as well as define duties and responsibilities of the investor relation officers in order to make sure the communication and information disclosure is effectively conducted.

- 15) In addition to disclosing information based on the set regulations and through the channels available from the SET, Board of Directors may arrange information disclosure both in Thai and English through other channels, such as the Company's website. Information should be disclosed regularly and all information disclosed should be kept updated.

Principle 8 Ensure Engagement and Communication with Shareholders

- 8.1 Board of Directors ensures that shareholders take part in making decision on important matters.
- 8.2 Board of Directors arrange orderly, transparent and effective procedure in the AGM day.
- 8.3 Board of Directors arranges accurate and complete meeting resolution disclosure and AGM minutes.

Operation Guideline 8

- 1) Board of Directors arranges that all important matters, including key legal issues and some other issues that have an impact on the Company's operation or business operation, be passed the review and/ or approved by shareholders. Such important matters are included in the AGM agenda.
- 2) Board of Directors encourages participation of shareholders.
 - (1) Allow minority shareholders to suggest some matters to be added to the meeting agenda before the meeting date and the Board of Directors will consider adding such matters to the meeting agenda. If the Board of Directors refuses to add such matters in the agenda, the Board will explain reasons for such decision in the shareholders' meeting.
 - (2) Board of Directors ensures that criteria about allowing minority shareholders to nominate a person to be a director is revealed to minority shareholders in advance.
- 3) Board of directors ensures that the AGM invitation letters contain accurate, complete and adequate information about the right exercise of shareholders.
- 4) Board of Directors arranges the AGM invitation letter as well as related documents, according to laws and announcements, to be released on the Company's website.
- 5) Board of Directors opens the opportunity for shareholders to send questions ahead of the meeting date. The criteria of sending questions in advance are clearly identified and published on the Company's website.
- 6) The AGM invitation letter as well as related documents are all in English, which will be sent together with the Thai version.
- 7) Board of Directors determines meeting date, time and venue, taking into account the convenience for shareholders. Meeting duration should be appropriate and sufficient for directors to discuss issues. The meeting venue should be easily accessible.
- 8) Board of Directors ensures that there are no actions limiting opportunities for the shareholders to attend the meeting or create too many burdens for them. For example, there should be no requirement for shareholders or proxies to carry more identification documents than what stated in the regulation from related regulatory agencies.
- 9) Board of Directors promotes use of technologies in the AGMs, e.g., registration and vote counts, in order to speed up the meeting duration and ensure accurate vote counting.
- 10) he chairman to Board of Director the chairman in the meeting. The chairman ensures that the meeting is conducted in compliance with related laws and regulation and the Company's rules. The chairman in the meeting should allocate appropriate time for each agenda indicated in the meeting invitation and encourage the shareholders to express their opinions or ask questions about the matters related to the Company.
- 11) In order to ensure that the shareholders can take part in making decision in major issues, directors as meeting attendees and shareholders shall not support discussion on any additional agenda, which come without prior notice, unless really necessary; because shareholders need time to study the matters before making decision.
- 12) All directors and management are required to attend the meeting to answer shareholders' questions or clarify some related issues.

- 13) Prior to the meeting, the shareholders are aware of the number and the portion of present shareholders and proxies, meeting method, voting and voting count methods.
- 14) In an agenda with a number of matters, the meeting chairman shall arrange separate votes for each matter. For example, the shareholders use the right to appoint individual directors in direction appointment agenda.
- 15) Board of Directors supports the use of ballots in major agendas and support independent individuals to count votes in y meetings and disclose the vote results about the numbers of those who approve/ do not approve/ no vote/ in each agenda and all the results are recorded in the meeting minutes.
- 16) Board of Directors arranges the disclosure of meeting resolutions as well as voting results within the next working day through SET's information system and the Company's website.
- 17) Board of Directors arranges the submission of a copy of AGM minutes to the SET by 14 days from the AGM date.
- 18) Board of Directors arranges minutes, which should include at least the following details:
 - (1) Names of attending directors and management; the proportion between the present and absent directors.
 - (2) Voting and voting counts, meeting resolution and voting results (approve/ not approve/ no vote) of each agenda)
 - (3) Questions and answers in the meeting as well as names of question raisers and answerers.

Code of Conduct

Next Capital Public Company Limited ("the Company") is committed to business operation and development to offer good and quality services and determined to encourage directors, management, and employees to be intent upon business operation under corporate governance, ethics, and appropriate code of conduct. Hence, the Company determines written standards as guidance for business operation for directors, management, employees and all related parties to take into account and follow.

Definition

"the Company"	Next Capital Public Company Limited
"Directors"	Directors in the Board of Directors, sub-committees and advisors to Board of Directors and to sub-committees (if any)
"Management"	Management include the Company's executives as defined by the Notification of the SEC concerning the definition stated in the Notification about issuance and offer of securities.
"Employees"	Permanent employees, temporary employees, employees under special contracts, and contract partners hired by the Company
"Stakeholders"	Persons of groups of persons relating to the Company in various aspects, such as directors, management, employees, shareholders, contract partners, business-related individuals, creditors, debtors, society, surrounding communities and etc.
"Related persons"	Related persons as defined in the Notification of the Capital Market Supervisory Board Tor Jor 21/2551 on "Rules on connected transactions" dated August 31, 2008 (including the amendment) and the Notification of SET recording in information disclosure and operation guideline for SET-listed companies concerning connected transactions B.E. 2546, dated November 19, 2003 (including the amendments)
"Clients"	Receivers of the Company's financing services
"Business partners"	Persons or companies that supply goods and/or provide services for the Company
"Competitors"	Persons or companies in the same industry that offer services similar to the Company's services
"Inside Information"	Undisclosed information, which is significant and may have an impact on the price of the Company's securities

Part 2: Code of Ethics and Conduct

1. Best Practice for Business Operation

- 1) The Company shall operate business in compliance with laws.
- 2) The Company shall encourage directors, management, and executives to obey and follow laws.

2. Best Practices for Shareholders

The Company is committed to create maximum satisfaction among shareholders, taking into account the Company's sustainable growth and steady appropriate returns. The Company holds on to business operation with honestly, transparency, and inspectability. Furthermore, the Company treats all shareholders with equality. Guidelines for best practice are as follows:

- 1) Perform duties with honesty and fairness. All actions are taken with great caution to bring maximum benefits to overall shareholders.
- 2) Respects the shareholders' and treat all shareholders equally.
- 3) Manage the Company's business, driving growth, sustainability and bringing decent returns to shareholders.
- 4) Be committed to disclosure of accurate, complete, precise, and adequate information to shareholders in a timely manner, enabling shareholders to equally access this information.
- 5) Publish news and information on the Company's website, <http://www.nextcapital.co.th>.
- 6) Report current status and outlook of the Company to shareholders in an equal, regular, accurate and complete manner.
- 7) Not seek personal benefits or benefits for related person by using the Company's undisclosed information; not disclose any confidential information to external parties, which may lead to bad
- 8) Present accurate, complete and adequate financial reports, operating results and additional information.

3. Best Practices for Employees

The Company recognizes the significance of employees at all levels and is well aware that employees are the most critical resource for the Company. As such, the Company determines policies for employees and also focuses fair treatment and offers remuneration, promotion, fringe benefits, safety, and consistent potential development, as the following details:

- 1) Treats all employees equally and politely, respecting their basic human rights and dignity.
- 2) Recruit suitable personnel through a fair process, based on required qualification for each position, such as scholastic requirement, work experience and other requirements essential for such job, without discrimination on the grounds of gender, age, race, religion, disability or other disadvantaged groups.
- 3) Offer fair remuneration, based on knowledge, competency, responsibilities, and performance of each employee.
- 4) Appoint, transfer, reward and punish employees with fairness, quality and honesty, based on the grounds of knowledge, competency, appropriateness and the actions of practice of such employee.
- 5) Emphasize knowledge development and transfer and competency of employees, with trainings aimed at enhancing employees' competency being conducted broadly, continuously and regularly.
- 6) Strictly conform to laws and regulations related to the employees.
- 7) Maintain pleasant working environment, life safety, good sanitation and property security.
- 8) Allow employees make inquiries, convey their opinions and lodge complaints, provide suggestions and questions to problems, which should be seriously taken into consideration and solved by the best solutions, to bring maximum benefits to all parties and create good relation in workplace.

4. Best practice for clients

- 1) Provide quality services and always maintain good service quality
- 2) Disclose complete and accurate information about services, without any misleading information.
- 3) Offer guarantee services under appropriate terms and conduction; arrange service compensation during specified time as appropriate with each service.
- 4) Refrain from delivering any services with detached defects.
- 5) Provide channels for clients to make suggestions about services and ensure prompt response with accurate information.
- 6) Keep clients' personal data and secrets strictly confidential; not use clients' personal information and secrets improperly to seek benefits for the Company or related parties.
- 7) Strictly follows any terms and conditions agreed with clients; in case of inability to do so, clients shall be immediately informed in advance so that all parties can help seek solutions.

5. Best practice for business partners

- 1) Ensure fair and transparent purchasing process that maximize benefits to the Company.
- 2) The Company's employees must procure goods and services, taking into account demand, reasonable price and goods and service quality. Accurate information is disclosed to business partners equally, with bias or special favor given to particular partners.
- 3) In contacting business partners, the person in charge shall keep related documents, contract drafts, contract signing and documents about compliance with the contracts for certain duration as specified by laws.
- 4) Not request, receive or offer any benefits in an unfaithful manner with business partners.
- 5) Strictly follow content in the contracts. In case the Company cannot comply with conditions under the contracts or the business partners cannot follow the contracts or any matters that prevent some parties from following the contract, such matters shall be reported to the supervisor so as to seek solutions.

6. Best practice for business competitors

- 1) Directors, management and employees behave well within a good competition rule framework.
- 2) Do not seek to obtain confidential information of competitors by any unethical or improper method.
- 3) Do not perform any act that will tarnish competitors' reputations through any allegation without any reasonable grounds.

7. Best practice for business competitors

- 1) Treat creditors with fairness; do not request and receive any benefits or offer any benefits dishonestly to creditors.
- 2) Comply with all conditions under agreements made with creditors. In case the Company cannot comply with the contracts, the creditor shall be informed immediately so that the two parties can work together to seek solutions.

8. Best practices for society and environment

- 1) Operates business lawfully; do not involve or support, directly or indirectly, or operate business with organizations and/or persons that act against laws or act as threats to the society.
- 2) Provide cooperate regarding disclosure of information that can be revealed so as to prevent possible damages to the country's economic system.
- 3) Provide cooperation and support of government's policies.

- 4) Promote social activities and social events as appropriate; support and encourage employees to participate in social activities; disclose such information in the Company's One Report.
- 5) Complete corporate social responsibility reports and include them in the Company's One Report.
- 6) Stimulate the country's human resource development; promote creation of intellectual capital, jobs, knowledge for communities, and high-valued works in the community; help diversify income; help enhance the people's living quality for sustainable development of the society and the country.
- 7) Support useful activities, e.g., reduction of energy and natural resource use and etc.
- 8) Implant the awareness on social and environmental responsibilities in the Company and employees at all levels; do not do anything that will damage the natural resources and environment.
- 9) Neither support any activities, which could become threats to the society or against ethics; nor promote any vice.
- 10) Provide cooperation; ensure that related laws and regulations are strictly followed.

9. Best practice in relation to human rights and fair treat to labor

The Company takes into account human rights in all aspects as a principle for mutual practice, including dignity as a human, individual equality, compliance to laws as well as avoidance of infringement of human rights and participation of infringement of human rights involved by other parties. The Company defines human right policies as follows:

- 1) Respect and strictly follow universal human rights.
- 2) Promote universal human right principles; educate employees on universal human rights; and encourage them to strictly follow and practice as part of their work operating.
- 3) Do not support any businesses or activities that may infringe laws and universal human rights

10. Offer or receipt of gifts and entertainment

- 1) Directors, management and employees shall neither request nor accept money, things or any forms of benefits from any of the Company's business-related parties.
- 2) Directors, management and employees may receive or offer gifts, provided that such presents do not have any impact on the receivers' decision making related to business matters.
- 3) In case any directors, management or employees necessarily receive any presents or property worth higher than 3,000 baht, they are required to report it to their supervisors and have such gifts registered with the Company.
- 4) Offer or receipt of gifts is doable provided that directors, management and employees do it with transparency or in an open area or provided that the action of such give giving or receiving can be disclosed.
- 5) Directors, management and employees can receive business entertainment offered for the benefit of the Company's business, under the scope of authority given by the Company; avoid unreasonable entertainment from unusual relation with any persons related to the Company or potential business partners.

11. Best practices in relation to information and communication technology

Directors, management and employees are required to use the Company's information and communication technology (ICT) system to communicate with external parties with honesty and caution. The Company establishes the following guidelines:

- 1) Allow the use of only equipment and programs with copyrights; any computer programs with no copyrights or false copyrights are strictly prohibited.
- 2) Directors, management and employees are prohibited from any actions that interfere other people's computer or internet system in the office. They are not allowed to use the Company's computer system to release any illegal information or any content that is unethical or against Thai customs and traditions and laws, such as any actions to destroy reputation or property, possession of photography, sending of junk emails and etc.

- 3) Directors, management and employees are required to keep their passcodes confidential. They shall not disclose such personal information to other people. They are prohibited from accessing unfamiliar websites from the company's internet, which may endanger the Company's computer system.
- 4) In case directors, management and employees ask for a permission from supervisor to allow outsiders to use the Company's ICT system, those who request such permission are responsible for overseeing or controlling the operation of such outsiders and for any damages that may occur from the outsiders' use of the Company's ICT.
- 5) Directors, management and employees must comply with and not take any action that is against the Company's information security policy.
- 6) The Company has the right to examine, search, follow, investigate and control the use of the ICT system by directors, management and employees so as to protect and maintain the security of the Company's ICT system.

12. Policies against infringement of intellectual property

- 1) Any work outcome from directors, management and employees' operation is deemed as the Company's intellectual property.
- 2) The Company has a policy against any actions that may infringe intellectual property, e.g., in terms of copyrights, patent, trademarks, trade secret and other intellectual property as stated by laws.

13. Maintenance and use of the Company's assets and information

- 1) Directors, management and employees hold duties and responsibility to take care of the Company's assets, both tangible and intangible ones, preventing them from deterioration or losses. They are required to use property effectively. They should study and understand how to use the property and safety guidance and utilize the Company's property with the highest benefits. They are prohibited from using the Company's assets for their own benefits or other people's benefits.
- 2) Directors, management and employees have duties to keep the Company's secret confidential, not disclosing such secret to outsiders and they are strictly prohibited from taking benefits from such secret.
- 3) Directors, management and employees are required to appropriately use the Company's confidential information property.

14. Management and maintenance of ethics

- 1) Directors, management and employees are required to strictly follow this code of ethics and conduct. If they violate any point stated in this code of ethics and conduct, the Company will consider penalty based on the case as appropriate.
- 2) Management and supervisors are required to act as good models in following this code of ethics and conduct and they should monitor and support subordinates to follow the code of ethics and conduct.
- 3) In case directors, management and employees are exempt from any points in this code of ethics and conduct, they must gain written approval from Board of Directors in advance.
- 4) All employees are required to sign their names to acknowledge this code of ethics and conducts when they first join the Company and when they change the positions in the Company.³

15. Best practice in relation to anti-corruption

- 1) The Company has a written anti-corruption policy and convey the policy to directors, management and employees through the Company's internal communication channel.
- 2) Provide trainings for employees to educate them on anti-corruption policies and operation guideline.
- 3) Support and cooperate with state and private sectors and related regulatory bodies as well as all parts of the Thai society so as to reduce corruption and enhance the country's development.

- 4) Directors, management and employees are strictly prohibited to accept any forms of corruptions both directly and indirectly, e.g., thing receiving, thing or gift giving, entertainment, donation and other benefits for their personal uses from any people who involve in the business with the Company.

16. Stakeholding and conflicts of interest

- 1) Avoid any actions that may lead to conflicts of interest of the Company, whether they arise from those who involve with the Company's business, such as business partners, clients, and competitors, or from opportunities or information obtained from being directors, management or employees. They are strictly prohibited from seeking benefits for their own and doing business to compete with the Company or performing other works, not the Company's works, which may impact their responsibility and duties to the Company.
- 2) Directors, management, employees and all stakeholders are prohibited from approving any transactions under the name of the Company in order to prevent conflicts of interest. In case they engage in any transactions under personal names, family names of any juristic persons' names for which directors, management, and employees have power to proceed with such transactions, they are required to reveal details of such transactions to the Company prior to proceeding with the transactions.
- 3) Directors, management, employees are required to consider conflicts of interest arising from connected transactions between the Company and persons or juristic persons, which may lead to conflicts of interest. In addition, they should consider such matters carefully, honestly, reasonably and independently under the good ethical principles, taking into account maximum benefits of the Company.
- 4) Directors, management, employees are required to report connected transactions relating to operation and management of the Company and subsidiaries.

17. Securities trading and use of inside information

- 1) Directors, management and employees are prohibited from using the Company's undisclosed inside information for their own benefits or other parties' benefits. The inside information can be used only after it is disclosed to public after 24 hours.
- 2) Directors, management and employees are required to keep clients' information and trade information confidential. They are prohibited from disclosing clients' secrets either to other employees or external parties not related to the matter, except for the case that they are asked by laws for lawsuit prosecution purposes or Board of Directors gives approval for disclosure in a written form.
- 3) Directors, management, employees and related parties are prohibited from disclosing or transferring the Company's information or secrets to any persons not relating to the Company, including family members, relatives and friends.
- 4) Information must be disclosed by management or authorized persons. General employees are not in charge of information disclosure and when they are asked to disclose the information, they shall refer to those in charge in order to ensure accurate information disclosure in the same direction.
- 5) Suggestions or guidance in regard to trading of the Company's securities is prohibited, except for the matters assigned by the Company.
- 6) Directors, management and employees who are in the department where inside information is known, are prohibited from trading the Company's securities within 30 days before the disclosure of quarterly and annual financial statement or information impacting the price movement of the Company's securities and they are also required to wait at least 24 hours after the aforementioned information is disclosed to related agencies before resuming trading of the Company's securities.

- 7) Directors, management, those in top positions in the accounting department from the manager positions onward or equivalent are required make reports about their securities holding or about the persons related to the Securities and Securities Market laws within seven days from the date of transactions including purchases, transfers or receipt of transfer of securities or future contracts. Board of Directors reports the names of directors and management by the method specified by the SEC and the SET and submit report copies to the Company's secretary to compile and present them in the AGM.
- 8) Directors, management, those in top positions in the accounting department from the manager positions onward or equivalent are required make reports about changes in their securities holding or about the persons related to the Securities and Securities Market laws within three days from the date of transactions including purchases, transfers or receipt of transfer of securities or future contracts. Board of Directors reports the names of directors and management by the method specified by the SEC and the SET and submit report copies to the Company's secretary to compile and present them in the AGM.

Part 3: Management of Code of Ethics and Conduct

1. Management to inform executives and employees

In order to ensure that all the management and employees are aware of the code of ethics and conduct, they are required to sign their names in the code of ethics and conduct to acknowledge that they have been aware of the contents in the code of ethics and conduct.

All new employees are required to sign a form to confirm that they have read, understood and accepted the Company's code of ethics and conduct. They cannot claim that they have not read no signed the form as a reason for not following the Company's code of ethics and conduct.

This code of ethics and conduct has been regularly improved and will always be fined tune to accord to changing regulations. In case of additions or cancelation of any point in this code of ethics and conduct, Board of Directors must be informed.

2. Actions against the code of ethics and conduct

- 1) Not comply with the code of ethics and conduct
- 2) Promote or support other people to violate the code of ethics and conduct
- 3) Ignore when being aware of any actions code of ethics and conduct, in case such matters related to one's responsibility
- 4) Not provide cooperation or obstruct the investigation for facts relating any claims that no violation against code of ethics and conduct has been done

3. Procedure against those who violate the code of ethics and conduct

Directors, management and employees are require to emphasize the significance of the Company's code of ethics and conduct. When they see any actions against the code of ethics and conduct, they are required to report such actions as the following procedure.

- | | |
|---------------|---|
| <u>Step 1</u> | Make a written report about violation of the code of ethics and conduct or pressure/force to violate code of ethics and conduct in the attached form. |
| <u>Step 2</u> | Prepare supporting documents (if any). |
| <u>Step 3</u> | Send the email to complaint receivers, e.g., supervisors, the chairman of Audit Committee and the Company's secretary. |

4. Management procedure in response to reports on actions against the code of ethics and conduct

- 1) Comply facts: The complaint receiver takes action and make a preliminary conclusion within 45 days after receiving the reports.
- 2) Scrutinize information: The complaint receiver proposes the matters to the representatives of the management to take part in reviewing the matters. The representatives include:
 - A representative from a unit with the assisting manager position onwards in the department of the person who lodges the complaint; this person must not have any conflict of interest with the one who lodges the complaint.
 - A representative from the management department
 - Company's secretary or the head of internal audit unit
- 3) Measures to stop actions against the code of ethics and conduct: The representative from the management department will determine measures to stop actions against the code of ethics and conducts and provide relief for those impacted from such action, taking into account the extent of damages. Then, the matter is informed to the person in the top chain of command or the CEO.

5. Disciplinary actions

The Company will determine the penalties to suit the nature and situation of each type of act that violates the code of conduct, with the severity of the penalty varying according to the severity of the offence, as follows:

- 1) Verbal warning
- 2) Written warning
- 3) Suspension without salary
- 4) Termination of employment

However, if it is a serious violation of the code of conduct, the Company may consider initiating both civil and criminal proceedings against the offender.

6. Protection measures for complaint makers

- 1) The Company keeps the information and identity of reporters, complaint makers or persons participating in actions against the code of ethics and conduct confidential.
- 2) The Company discloses information as necessary, taking into account safety and possible damages of informants or related persons.
- 3) Those who have been damaged will be relieved under the appropriate and fair process.

Charter of Board of Directors

Board of Directors is responsible for the shareholders regarding the business operation and corporate governance, ensuring that the Company's business operation conforms to the laws and objectives and provides utmost benefits to shareholders under the code of ethics and conduct, taking into account benefits of all stakeholders.

Scope of duties and responsibility of Board of Director

1. Determine missions, visions, policies, objectives and business strategies, management structure, approval authority and budget of the Company and subsidiaries; oversee management of key resources; and approve operation policies and directions as proposed by the management.
2. Oversee the Company's operation to bring maximum benefits to the shareholders. Board of Directors shall take into account duty of care, duty of loyalty, duty of obedience and duty of disclosure.
3. Ensure that the management's operation is carried out toward the set policies, strategies and operation plans effectively and efficiently and regularly monitor the management's performance.
4. Define clear and appropriate operation guidelines and arrange transparent and effective internal control systems.
5. Ensure that the business is operated, with ethics as well as respects of and responsibility for shareholders and stakeholders; ensure that the business operation benefits the society and environment; ensure that the business can be adjusted under the changing factors and corporate governance.
6. Monitor the Company's performance consistently to ensure that the operation meets the Company's operation plan and budget.
7. Determine risk management policies that cover overall organization; arrange risk management systems or process under standards; determines ways to control risk so as to reduce impacts on the Company and subsidiary's businesses.
8. Determine management structure and be authorized to established sub-committees, the CEO and other committees as appropriate. Identify the scope of responsibility for such persons. The authority given must not include the authority that allows sub-committees, the CEO and other committees to review and approval any transactions that may lead to conflicts of interest with the Company or the subsidiaries (if any), except for the transactions approved by the Board of Directors in accordance with the policies and principles.
9. Approve budget under the ceiling stated in the Company's operation guideline, such as investment in big projects, top management power, connected transactions, acquisition of deposition of assets and any other transactions as specified by laws.
10. Arrange reliable accounting system, financial reports, and auditing; evaluate the appropriateness of internal control and internal audit systems, risk management, and financial reports; and monitor the Company's performance.
11. Arrange the completion of the Company's financial statement as of the end of the accounting period, and have it authorized by the auditor and subsequently presented to the AGM for approval.
12. Arrange reports of general information, One Report and financial reports to be presented to the shareholders, stakeholders and general investors on an accurate and timely manners as specified by laws.
13. Consider approving the selection and appointing of the auditors and appropriate audit fee, based on their qualifications, as proposed by the Audit Committee, before submitting the proposed appointment to the AGM for final approval.
14. Arrange written corporate governance guidelines and ensure effective applications of such guidelines so as to make sure that the Company's business is operated with ethics, respects of the rights and responsibility for shareholders and stakeholders. Also ensure that the Company's business operation is carried out to benefit the society and environment and can be well fined-tune amid any changing factors and under good corporate governance.
15. Prevent any conflicts of interest among directors, shareholders, and stakeholders.
16. Appraise performance of both Board of Directors as a whole and individual directors in order to review performance as well as problems and obstacles encountered during the year. The appraisal result shall be used as a reference for further development and operation improvement in various areas.

17. Oversees overall business operation and ensure that the operation of both the Company and subsidiaries conforms to the various policies of the Company, securities laws, related regulations, and notifications from the Capital Market Advisory Board, the SEC, and the SET. For example, connected transactions, acquisition of deposition of major property must be done under related laws and not violate other laws. In addition, sufficient internal control and audit systems shall be appropriately arranged.
18. Consider appointing persons to be directors or executives of the subsidiary based at least on the shareholding. Clearly define a scope of responsibility of directors and management of the subsidiary, which include the power relating to the voting in the Board of Directors' meetings of the subsidiary regarding key matters that require opinions from Board of Directors. Control the management of the subsidiary, ensuring that all operation is conducted in compliance with the Company's policies and that all transactions are done under laws. These include accurate and complete disclosure of financial data, earnings performance, connected transactions, acquisition and deposition of significant assets.
19. Report the responsibility of Board of Directors in completion of financial reports, accompanied by the reports of Audit Committee in the annual report, which cover key matters under code of best practice for director of the SET-listed firms.
20. Report about holding of securities in the Company of the director himself/herself, spouses and underage children to the SEC and the SET in the provided form and within the specified timeframe.
21. Board of Directors may authorize a director or directors or some other individuals to perform director functions instead of the key director but thus must be under control by Board of Directors. Board of Directors may authorize such persons to perform some work, as deemed appropriate within particular timeframe as deemed appropriate by Board of Directors and Board of Directors may null, withdraw or amend such authorization as deemed appropriate.
22. Responsible for formulating policies and supervision to ensure that there is an implementation of a system that supports effective anti-corruption measures and being a good role model to ensure that the Board of Directors is aware of and prioritizes anti-corruption as well as fostering it as an organizational culture.

Note that the authorization must not be in a manner that empowers such persons to consider and approve transactions that they may involve in conflicts of interests or link to any forms of conflicts of interests in the subsidiary (if any), as defined by the Capital Market Advisory Board and/or the SET and or other related agencies, except for the case that the transaction approval is conducted in accordance with policies and principles already reviewed and approved by Board of Directors.

Additional duties of Board of Directors

1. Supervise, monitor and ensure that the Company's business is operated effectively, achieving the core corporate objectives.
2. Ensure that all directors take part in promotion of ethical organization culture as well as good corporate governance.
3. Determine AGM agenda in collaboration with the CEO or the management department to ensure that all key matters are included in the agenda.
4. Allocate adequate time in the AGM for the management department to completely propose important matters and information and for directors to discuss such matters carefully and thoroughly.
5. Encourage directors to consider matters carefully and express opinions independently.
6. Strengthen good relations between management directors and non-management directors and between the directors and the management department.

Charter of the CEO

Scope of duties and responsibilities of the CEO

1. Oversee the Company's daily administration and ensure that the overall business operation comply with Company's policies, business strategies and budget, which have been approved by Board of Directors meetings and/or AGMs.
2. Establish policies, business strategies, scope of management authority as well as budget plans both for business operation and annual expenditure budget and propose them to Board of Directors for approval. In addition, the CEO is also in charge of reporting the progress of operation as business plan and the approved budget to Board of Director.
3. Monitor and oversee the Company's status as well as market conditions and propose alternatives and strategies relevant to the Company's status and the market conditions to Board of Directors.
4. Be authorized to review and approve expenditure for the Company's core business operation, under the budget limit approved by Board of Directors and this authority shall be in accordance with the authority, which has been approved by Board of Directors.
5. Be authorized to issue rules, notifications, orders, and regulations relating to the Company's business operation as well as amend, add and/or adjust rules, notifications, orders, and regulations relating to the Company's business operation
6. Be authorized to appoint, dismiss, transfer, terminate employment contracts, and determine salaries, wage rates, as well as other benefits for employees from the position of general managers downwards.
7. Consider, negotiate and approve some contracts and/or any transactions linked to the Company's core business and/or daily administration under the budget limits approved by Board of Directors.
8. Be empowered to authorize and/or assign other persons to be the CEO's substitutes for certain functions. However, the authority shall be under the scope of authorization based on the authorization letter and/or be in accordance with the principles established by Board of Directors.
9. Be responsible to promote and support the implementation of anti-corruption measures. Be a good role model and supervise employees to comply with the anti-corruption measures, including communicating to relevant agencies and reviewing the suitability of the systems and measures to ensure they are consistent with the changes in the business, rules, regulations and legal requirements.
10. Perform any other duties as assigned by Board of Directors and/or AMGs, under the Company's objectives and regulations and related laws.

Note that the CEO does not have authority to approve or authorize any persons to enter any connected transactions, which are not under normal trade terms and conditions and/or transactions related to the acquisition or disposition of the Company's major assets and/or any other transactions that the CEO or any persons with conflicts may involve in some benefits or conflicts of interest, except for the transactions under the policies or principles approved by Board of Directors and/or AGMs.

Charter of Audit Committee

Scope of duties and responsibilities of Audit Committee

1. Review and ensure that the Company's financial reports are accurate and reliable and they are adequately disclosed, in collaboration with the external auditor, the management and those responsible for the quarterly and annual financial reports. Ensure that the financial reports are completed under general accounting standards. Audit Committee may suggest the auditor to review or check some transactions, which are deemed necessary and important during the auditing process.
2. Consider, select and nominate an independent individual as the Company's auditor as well as propose the audit fee. Attend a meeting with the auditor, without the presence of the management, at least once a year.
3. Consider, review and ensure that the Company's business operation complies with the Civil and Commercial Code, Public Company Limited Act, Securities and Securities Market Act, guidelines from the SEC and the SET and other guidelines related to the Company and/or the Company's business. If necessary, an advisor and an external individual may be recruited to provide some opinions or advice.
4. Review to ensure that the Company's risk management system is appropriate and effective, including risks concerning with anti-corruption.
5. Review and provide opinions in regard to Company's appropriate and effective internal control and audit systems. Examine the independence of the internal control unit as well as approve the appointment, transfer or employment termination for the head of the internal control unit or any units in charge of the Company's internal control affairs.
6. Promote the development of the IC system related to financial reports and internal control systems.
7. Review and provide opinions concerning corporate governance.
8. Supervise the management to establish a process for receiving complaints, whistle blowing on fraud and corruption, as well as supervising the process of receiving complaints and whistle blowing, which covers the whistleblowing process from employees and third parties on fraud and corruption issues for the Board of Directors to jointly consider punishing or resolving such problems according to the Anti-Corruption Policy.
9. Consider and review connected transactions or some significant transactions, which may lead to conflicts of interest or transactions related to either acquisition or disposition of the Company's assets, as proposed by the management. The aim of this practice is to ensure that the all these transactions are in compliance with the guidelines of the SEC, the SET, Civil and Commercial Code, Securities and Securities Market Act and other related regulations in order to make sure that those transactions are justified and most beneficial to the Company.
10. Consider and review to ensure accurate and complete disclosure of the Company's information in case of some connected transactions and transactions that may lead to conflicts of interest or some transactions related to property acquisition or disposition.
11. Report performance outcome of Audit Committee to Board of Directors at least once a year, with the following details.
 - (1) Minutes of Audit Committee's meetings clearly indicating opinions of Audit Committee regarding various matters.
 - (2) Reports about opinions concerning financial reports, internal audit operation and internal audit process.
 - (3) Other reports, which Audit Committee view that they should be disclosed to Board of Directors
12. Prepare Audit Committee Report signed by the chairman of Audit Committee. The report is to be submitted to Board of Directors and disclosed in the Company's One Report. The report should at least contain the following details:
 - (1) Opinions concerning accuracy, adequacy and reliability of the Company's financial reports
 - (2) Opinions concerning adequacy of the Company's internal control systems
 - (3) Opinions concerning the compliance with the guidelines of the SECT and the SET, Civil and Commercial Code, Securities and Securities Mark Act and other guidelines related to the Company and/or Company's business

- (4) Opinions concerning qualifications of the Company's auditor
 - (5) Opinions concerning some transactions that may cause conflicts of interests
 - (6) Opinions in regard to the number of the Audit Committee meetings and the attendance of each member
 - (7) Opinions or overall observation that the Audit Committee received from the charter-based operation
 - (8) Other matters that should be disclosed to the shareholders and general investors under the scope of duties and responsibility assigned by the Board of Directors
13. Performance appraisal is conducted at least once a year, both the performance of overall committee and individual directors. The Audit Committee reports appraisal results and provide opinions and suggestions regarding the operation for Board of Directors and these opinions shall be used for performance enhancement.
14. Review and suggest Board of Directors considering amending scope of duties and responsibility of Audit Committee to match the changing circumstances.

Charter of Risk Management Committee

Scope of duties and responsibilities of Risk Management Committee

1. Propose risk management policies and acceptable risk levels to Board of Directors.
2. Determine risk management policies that cover key risk aspects, including financial risks, investment risks, risks impacting the Company's reputation, and etc., and propose such policies to Board of Directors for approval.
3. Identify plans, framework and process of risk management, making them in line with the Company's risk management policies. Monitor whether risk management operation is carried out in accordance with such plans, framework and process and evaluate risk factors. Review the effectiveness of the risk management framework.
4. Review risk management reports and ensure that; i) the risk management is adequate and appropriate; ii) risks are under acceptable levels; and iii) risk management guidelines are regularly put into practice.
5. Develop and review the Company's risk management systems, ensuring their consistent effectiveness and efficiency. Monitor risk management process on a regular basis to ensure that it is in compliance with the set policies.
6. Provide risk management working panel as necessary. Support risk management working panel, in terms of personnel, budget and other necessary resources within the scope of responsibility.
7. Regularly collaborate with Audit Committee, exchanging knowledge and information relating to risks and internal control, which have an impact or may have an impact on the Company.
8. Make decisions and provide suggestions relating to major problems arising in the risk management process.
9. Present operation performance reports to Board of Director for their acknowledgement and/or review quarterly.
10. Perform other duties as assigned by Board of Directors.

Charter of Nomination and Remuneration Committee

Scope of duties and responsibilities of Nomination and Remuneration Committee

Nomination and Remuneration Committee performs duties as assigned by Board of Directors. The committee's scope of duties and responsibility is as follows:

Nomination

1. Draft guidelines and policies to nominate Company's directors as well as directors for sub-committees as appropriate, based on the number, structure, and components of Board of Directors. Define qualifications of ideal directors and propose such qualifications to Board of Directors and/or AGM, whatever the case may be.
2. Recruit, select and nominate qualified persons as directors to fill in the vacancies or to appoint add more members.
3. Consider the shortlisted candidates and select ones who are the most qualified, based on the set criteria.
4. Approach the selected qualified persons to inquire if they are willing to take the Company's director position when they are actually appointed by the shareholders.
5. Recruit a person to take the CEO position as well as determine both monetary remuneration and non-monetary remuneration and put forward the proposal to recruit such person to Board of Directors' meeting for approval.
6. Perform other duties as assigned by the Board of Directors

Remuneration

1. Establish guidelines and policies regarding remuneration for the directors in the Board of Director and in sub-committees and propose them to Board of Directors and or/ seek approval from AGM, depending on each case.
2. Determine necessary remuneration, both monetary and non-monetary remuneration, for individual directors each year, based on their duties, responsibilities, and performance, taking into account comparison with remuneration scales from those with similar business in the industry and expected benefits from them. The determined remuneration packages will then be proposed to Board of Directors and AGM for approval.
3. Report policies, principles/ reasons of remuneration criteria for directors and management, based on the requirements of the SET, in the Company's 56-1 Form and One Report.
4. Determine annual remuneration of directors, based on the set criteria and propose it to Board of Directors before seeking approvals from AGM.
5. Review the appropriateness and provide regarding new securities offering for directors and employees, taking into: i) account fair treatment for shareholders; i) motivation for directors and employees to perform duties toward the goal to create value addition to shareholders in the long term and iii) the Company's ability to maintain quality personnel.
6. Review criteria for annual performance appraisal of the CEO.
7. Determine annual remuneration for the CEO, based on the reviewed criteria, and propose it to Board of Director for approval.
8. Consider bonus payment and raises in salary scales for employees and propose it for Board of Director's consideration.
9. Perform other duties as assigned by the Board of Directors.

Charter of Executive Committee

Scope of duties and responsibilities of Executive Committee

1. Consider policies, strategies and business plans as well as management structure and approval authority and propose them to Board of Directors.
2. Review annual budget and propose it to Board of Directors. Control budget disbursement under the budget ceiling approved by Board of Directors.
3. Control, oversee, and monitor the Company's operation performance to ensure they go well in line with the Company's policies, objectives, business strategies, set budget and scope of authority as approved by Board of Directors and also ensure that all these are carried out effectively and favorable to business conditions. Report operation performance to Board of Directors.
4. Consider approving transactions that support the Company's core business operation, such as investment under the budget approved by Board of Directors. The budget limit for each transaction is based on the budget scales under the scope of authority approved by Board of Directors.
5. Present appropriate organizational structure and propose it for Board of Directors to consider approval.
6. Be empowered to authorize a person or persons to perform any task under control by Board of Directors; or empower such person(s) to be authorized as deemed appropriate by Executive Committee and under the duration deemed appropriate by Executive Committee. The Executive Committee may null, withdraw or change such authorization or change the authorized person(s) as appropriate.
7. Establish a system and encourage and support the implementation of various measures set by the Company, including anti-corruption measures.
8. Perform other duties as assigned by the Board of Directors.

Note that the authorization and the responsibility of Executive Committee must not be in a manner that empowers the authorized person(s) to approve transactions that they or connected or persons with possible conflicts (as defined by the Capital Market Advisory Board and/or the SET and/or related agencies) may have some benefits or involve in conflicts of interests or link to any forms of conflicts of interests in the Company, the subsidiaries and/or associate companies. The Executive Committee does not hold authority to approve such transactions and they need to be proposed to Board of Directors' meeting and or AGM (whatever the case may be) for further approval; except for the case that the transaction approval is conducted under normal trade terms and conditions, as defined by the Capital Market Advisory Board and/or the SET and/or related agencies.



ATTACHMENT 6

Audit Committee Report

Attention: Shareholders of Next Capital Public Company Limited

The Company's Audit Committee was appointed by the Board of Directors, consisting of 3 directors whose qualifications match the criteria set out in the Notification of the Securities and Exchange Commission. The directors in the Audit Committee are independent to carry out their duties according to the scope assigned by the Board of Directors and the Charter of the Audit Committee, which is in line with the requirements of the Stock Exchange of Thailand. The names and number of their attendances in the Audit Committee's Meeting of 2023 are as follows:

No.	Name – Surname	Position	No. of Meetings	No. of Meeting Attendances
1	Mrs. Ladawan Charoen-rajapark	Chair of the Audit Committee	4	4
2	Mr. Amornyos Panit	Audit Committee	4	4
3	Prof. Dr. Patipan Sae-Lim	Audit Committee	4	4

In the fiscal year 2023, the Audit Committee held a total of four meetings, all members of the Audit Committee attended every meeting. The meetings were held with the executives, auditors, and internal auditors who have considered, discussed and exchanged opinions on related matters as appropriate and summarized the minutes of the meeting to the Board of Directors for acknowledgment. In summary, the key performance in the year is as follows:

1. The accuracy, completeness, and reliability of the Company's financial reports

The Audit Committee has reviewed the Company's quarterly and annual financial statements for the year 2023 for accuracy and adequate disclosure of information by meeting with the auditors. From the review, there were no grounds to believe that the essence of the financial reports has not been done in accordance with generally accepted accounting principles. In addition, the Audit Committee has met with the auditors without the presence of the management to inquire and listen to clarifications, as well as opinions and suggestions in various issues related to the Company's financial reports. This is to ensure that the Company's financial report has been prepared with accuracy and completeness as it should in all material aspects, and that it is reliable in accordance with generally accepted accounting standards. Furthermore, there is also a sufficient disclosure of information accompanying the financial statements, including suspicious behavior under Section 89/25 of the Securities and Exchange Act B.E. 2535 (1992), as amended by the Securities and Exchange Act (No.4) B.E. 2551 (2008). In 2023, the auditors had no remarks and did not find any suspicious behavior before presenting to the Board of Directors for consideration and approval for disclosure to the Stock Exchange of Thailand and the Securities and Exchange Commission.

2. The adequacy of the Company's internal control system.

The Audit Committee has considered hiring Dharmniti internal audit Co., Ltd., an internal audit service provider, together with the auditing by the auditors from the internal audit department with no interest in the Company, in order for the internal audit to be efficient and effective. The Audit Committee will review the annual internal audit plan and report the results of the internal audit from the auditors, as well as monitor the results and the progress of remediation to the management on an ongoing basis. From the Company's internal audit report, the Audit Committee is of the opinion that the Company's internal control system is appropriate and sufficient.

3. Compliance with the Civil and Commercial Code, the Public Limited Company Law, the Securities and Exchange Act, the regulations of the Stock Exchange or the law relating to the Company's business.

The Audit Committee has considered the results of reviewing the Company's performance in accordance with the Civil and Commercial Code, the Public Limited Company Law, the Securities and Exchange Law, the Stock Exchange's regulations, and the laws related to the Company's business. No material flaws were found in the non-compliance with applicable laws and regulations.

4. Appropriate and efficient risk management systems.

The Audit Committee has reviewed the overall risk management of the company (Enterprise Risk Management: ERM) by conducting corporate risk management in accordance with the COSO – ERM 2017 standard framework, where the company is a risk indicator. Risks were assessed from both external and internal factors by managing the risks and monitoring progress from the relevant departments to ensure that the target work can be achieved and if there is an event that may affect the achievement of the Company's objectives, the risk can be managed to an acceptable level promptly. The Audit Committee has made recommendations for risk improvement and is of the view that the Company has an adequate risk management system and should monitor and improve in order to continually effective risk management.

5. Transactions that may have conflicts of interest.

The Audit Committee has reviewed and commented on connected transactions or transactions that may lead to conflicts of interest annually and quarterly. No transactions were found to have conflicts of interest and the Company has disclosed the correct and complete information in such matter.

6. Selection and nomination of auditors

The Audit Committee reviewed the auditor's performance over the past year and the auditor's remuneration based on business knowledge, experience, the appropriateness of remuneration, and the independence of the auditor, the committee has proposed the appointment of Ms. Sakuna Yamsakul, Certified Public Accountant No. 4906, Mr. Boonlert Kamonchanokkul, Certified Public Accountant No. 5339 and Ms. Sinsiri Tangsombat, Certified Public Accountant No. 7352 of PricewaterhouseCoopers ABAS Company Limited as the Company's auditor. It was proposed to the Board of Directors for further approval at the Annual General Meeting of Shareholders for the year 2024.

In overall summary, the Audit Committee has performed all duties as specified in the Audit Committee Charter approved by the Board of Directors and is of the opinion that the Company has reported accurate and complete financial and operational information. There is an appropriate and effective internal control, internal audit, and risk management system, with compliance with the laws, regulations, and various obligations. There is a correct procedure to handle the connected transactions, and the operation is sufficiently and credibly consistent with the system of good corporate governance. There is also a consideration on the independency of the auditors in order to appoint and propose the remuneration of the auditors.

(Mrs. Ladawan Charoen-rajapark)

Chairman of the Audit Committee



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